



BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public) Application No. NUSF-131
Service Commission, on its own)
Motion, to establish reverse auction)
procedures and requirements.)
)
)

COMMENTS OF THE NEBRASKA RURAL BROADBAND ALLIANCE

INTRODUCTION

The Nebraska Rural Broadband Association ("NRBA"),¹ through its attorneys of record, submits these Comments ("Comments") in response to the Order Opening Docket and Seeking Comments ("Order") entered by the Public Service Commission ("Commission") on March 14, 2023, in the above proceeding.

COMMENTS

In this investigation, the Commission seeks comment on a broad swath of topics relating to redirection programs under the Nebraska Telecommunications Universal Service Fund ("NUSF") Act.² The NRBA will limit its initial Comments to fundamental issues raised by the Commission in its Order. The Commission's questions, generally, address how to best allocate limited NUSF funds to accomplish the purpose of the NUSF Act – to provide affordable and reliable telephone and broadband services to all Nebraskans, including those in rural areas.

1 For purposes of this proceeding, the NRBA consists of the following carriers: Cambridge Telephone Company; Glenwood Telephone Membership Corporation; Glenwood Network Services; Glenwood Telecommunications, Inc.; Hemingford Cooperative Telephone Co.; Mainstay Communications; Midstates Data Transport, LLC; Mobius Communications; and Pinpoint Communications.

2 NEB. REV. STAT. § 86-330; NEB. ADMIN. Code, tit. 291, ch. 16.

The Commission asks a number of questions about what it characterizes as a Reserve Price for Minimum Bidding Units (MBUs). This first set of Commission questions generally relates to how much NUSF should be allocated to broadband infrastructure deployment in rural areas that remain unserved and underserved. The present system has not been successful in incentivizing deployment. It very well need to be redeveloped from its core. Allocation must be carefully done and will require serious examination.

The Commission also entertains comments on issues related to the long-term sustainability of the broadband infrastructure being deployed through the NUSF and other grant-type programs. What ongoing support will be needed to help defray the costs of operating and maintaining broadband infrastructure, including electronics, in rural areas? How should carrier-of-last-resort obligations transition with NUSF support? These longer-term issues led the NRBA to support LB722 and facilitate negotiations on legislation that is now part of LB683. The more granular questions raised by the Commission in this regard will demand earnest consideration.

The issues astutely raised by the Commission are reflections of more basic questions, such as how much NUSF support should be allocated to deployment and how much should be allocated to ongoing costs and how should those allocations look in the future. These allocations likely will need to be modified over time. As Nebraska's broadband network is deployed, more funding will need to shift from deployment costs to the costs of sustaining the network.

Other issues raised in the Commission’s Order warrant thoughtful comment. Unfortunately, time did not permit the NRBA to consider these issues and develop full comments prior to the comment deadline. The fundamental questions relating to allocation of NUSF support – for deployment and ongoing costs – demand more than a superficial study and may require expert economic analysis. The Commission is wise to seek outside input.

The NRBA intends to provide more depth and detail to these comments and other recommendations as this investigation continues, and respectfully reserves the right to do so.

DATED: April 14, 2023

NEBRASKA RURAL BROADBAND
ASSOCIATION

Cambridge Telephone Company;
Glenwood Telephone Membership
Corporation; Glenwood Network
Services; Glenwood
Telecommunications, Inc.; Hemingford
Cooperative Telephone Co.; Mainstay
Communications; Midstates Data
Transport, LLC; Mobius
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CERTIFICATE OF SERVICE

The undersigned certifies that an original of the above *Comments* of the Nebraska Rural Broadband Association were filed with the Public Service Commission on April 14, 2023, and a copy was served via electronic mail, on the following:

Public Service Commission
psc.nusf@nebraska.gov

/s/ Andrew S. Pollock _____
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