

**BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION**

In the Matter of the Nebraska Public Service Commission, on its own Motion, to consider appropriate modifications to the high-cost distribution and reporting mechanisms in its Universal Service Fund program in light of federal and state infrastructure grants.

**Application No. NUSF-139  
Progression Order No. 8**

**TESTIMONY OF PETER GOSE**

**ON BEHALF OF**

**LUMEN TECHNOLOGIES, INC.'S  
NEBRASKA INCUMBENT LOCAL EXCHANGE CARRIERS**

**QWEST CORPORATION d/b/a/ CENTURYLINK QC, AND  
UNITED TELEPHONE COMPANY OF THE WEST d/b/a CENTURYLINK**

**SEPTEMBER 16, 2025**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Peter Gose. My business address is 14530 NW 63<sup>rd</sup> St, Parkville, Missouri,  
3 64182-8703. My business email address is peter.gose@lumen.com  
4

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am employed by Lumen Technologies, Inc., parent company of Qwest Corporation  
7 d/b/a CenturyLink QC and United Telephone Company of the West (collectively,  
8 “CenturyLink”). For Lumen Technologies I work as Senior Director of Regulatory  
9 Affairs, leading a team with responsibilities for incumbent local exchange (“ILEC”)  
10 operations in 18 states, including Nebraska, and competitive local exchange carrier  
11 (“CLEC”) and interexchange carrier regulatory matters in all 50 states, Guam, Puerto  
12 Rico, the United States Virgin Islands, and Canada.  
13

14 **Q. HOW LONG HAVE YOU BEEN EMPLOYED BY LUMEN?**

15 A. I have been employed by Lumen Technologies since March 2021.  
16

17 **Q. PLEASE STATE YOUR QUALIFICATIONS TO PROVIDE TESTIMONY IN**  
18 **THIS PROCEEDING.**

19 A. My employment history spans 36 years of direct and relevant experience in the  
20 communications industry. I began my career as a management and telecommunications  
21 analyst with the Missouri Public Service Commission (“MoPSC”) where I focused on  
22 state and federal telecommunications issues. During my tenure with the MoPSC I was  
23 loaned to the Federal Communications Commission for special projects. I continued my

1 career with the National Exchange Carrier Association (“NECA”) where I was  
2 responsible for interstate access tariff management, interpretation, and training for 14  
3 western states and United States territories. After enactment of the Telecommunications  
4 Act of 1996, I transitioned into a consulting role and co-founded QSI Consulting in 1999.  
5 Beginning in 2007 I took on the role of Government and Regulatory Affairs Director for  
6 Coral Wireless, LLC d/b/a Mobi PCS, which was a facilities-based regional wireless  
7 provider serving the entire state of Hawaii. While serving as the Government and  
8 Regulatory Affairs Director at Mobi PCS, I also concurrently held responsibilities as  
9 Director of Customer Care and as Director of Site Acquisition and Development at  
10 various times.

11  
12 **Q. MR. GOSE, DO YOU HAVE SPECIFIC EXPERIENCE RELATED TO**  
13 **UNIVERSAL SERVICE FUND POLICY DEVELOPMENT AND**  
14 **IMPLEMENTATION?**

15 A. Yes, I do. As a Staff member of the Missouri Public Service Commission, I directly  
16 supported the Accounting and Audit Bureau of the Federal Communications Commission  
17 and the Federal State Joint Board on Universal Service in conducting data collection,  
18 analysis, and scenario modeling for all incumbent carriers nationwide for purposes of  
19 analyzing reforms for fund collection and disbursement. Additionally, I have performed  
20 financial and operational audits of state universal service programs and served as the  
21 initial administrator for the Missouri Universal Service Fund. I implemented and  
22 managed high-cost and low-income USF programs for Coral Wireless LLC, including  
23 tribal components and implementation of the National Lifeline Accountability Database

1 into those programs. As a key consultant to Leap Wireless International Inc., I provided  
2 guidance on USF implementation, management, and reporting. I have engaged in  
3 advocacy at the federal level on numerous USF issues with congressional staff and the  
4 FCC on USF program reforms and I was instrumental in forming the Universal Service  
5 for America coalition. Over the last several years I have worked closely with the Oregon  
6 Public Utility Commission in an administrative rulemaking context to utilize a forward-  
7 looking cost model for purposes of updating disbursement mechanisms. Presently I am  
8 serving ongoing terms on the State Universal Service Fund Advisory Boards for the  
9 Nebraska Public Service Commission, the Oregon Public Utility Commission and the  
10 Washington Utilities and Transportation Commission.

11  
12 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.**

13 A. I received a Bachelor of Science degree from Northwest Missouri State University with  
14 dual majors in Finance and Management, and a minor in Economics. I went on to earn a  
15 Master of Business Administration degree from Northwest Missouri State University. I  
16 also hold a Bachelor of Science degree in Accounting earned from Lincoln University. In  
17 2023 I completed an A.A.Sc. degree in Cybersecurity at the Metropolitan Community  
18 College of Kansas City. Presently I am studying discrete mathematics at the University of  
19 North Dakota.

20 In addition to the aforementioned higher education, I have also participated in training  
21 germane to the subject matter of this series of progression orders. Specifically, I have  
22 completed the National Association of Regulatory Utility Commissioners Annual  
23 (“NARUC”) Fundamentals Course in Regulatory Studies, and the Practical Regulatory

1 Principles Training taught by the New Mexico State University Center for Public  
2 Utilities. I have received training in telecommunications cost separations from Ernst &  
3 Young and the United States Telephone Association. Additionally, I completed the  
4 Modern Finance Theory for Regulated Industries training sponsored by the University of  
5 Missouri. While not specific to utility industry oversight, I have also completed the  
6 Federal Bureau of Investigation Citizens' Academy sponsored by the United States  
7 Department of Justice.

8  
9 **Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE NEBRASKA PUBLIC**  
10 **SERVICE COMMISSION?**

11 A. Yes, I have. A copy of my curriculum vitae, which includes a listing of the  
12 telecommunications matters in which I have participated, is attached as Exhibit PJG-1.

13  
14 **Q. HAS LUMEN PREVIOUSLY PARTICIPATED IN THE NUSF-139 COMMENT**  
15 **CYCLE SINCE THE DOCKET WAS OPENED VIA COMMISSION ORDER**  
16 **ENTERED AUGUST 29, 2023?**

17 A. Yes, it has. It submitted comments on November 17, 2023 and December 22, 2023. Most  
18 recently, though not identified or summarized in the comments received section of  
19 Progression Order No. 8, Lumen filed comments with the Commission in response to  
20 Progression Order No. 6 on May 6, 2025, and served them via e-mail on all participating  
21 parties. Lumen did not revise its May 6, 2025 comments following the extension of the  
22 deadline to submit comments. For ease of reference to Lumen's May 6, 2025 comments,  
23 I have included them as Exhibit PJG-2.

1   **Q.     WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

2   A.     This testimony addresses the Commission’s proposed reforms to the Nebraska Universal  
3           Service Fund (“NUSF”) high-cost program, including the framework for transitioning  
4           support to competitive carriers and the associated carrier-of-last-resort (“COLR”)  
5           obligations, the use of cost models to calculate support, implementation of a transitional  
6           support floor, and measures for oversight and future flexibility. My testimony reflects  
7           Lumen’s positions on these issues and will be offered at the hearing in this matter.

8  
9   **Q.     THE NEBRASKA COMMISSION PROPOSES ALLOWING COMPETITIVE**  
10          **CARRIERS TO RECEIVE NUSF SUPPORT. WHAT IS LUMEN’S VIEW ON**  
11          **THIS APPROACH?**

12   A.     While Lumen is not opposed to competitive carriers receiving NUSF support, the  
13           Company strongly supports the principle that only one carrier per service area should  
14           receive high-cost NUSF support, and immediately upon receipt of such support (which  
15           Lumen believes is best transitioned at the beginning of a calendar year as discussed later  
16           in this testimony), that carrier must take on the full COLR obligation for that geographic  
17           area as described later in this testimony. In practice, if a competitive carrier is granted  
18           NUSF support in an incumbent’s territory, that competitive carrier should automatically  
19           assume the duty to serve all customers in the area. At the same time, the incumbent’s  
20           COLR obligations in that territory should be removed. This one-to-one transfer of  
21           support and obligation avoids duplicate funding and ensures there is always a provider of  
22           last resort responsible for every location. (Notably, Nebraska’s rules already envision this  
23           – Commission Rule 291, Ch. 10, §004.02(G) says if a competitor replaces the incumbent

1 as the supported carrier, the COLR duties shift to that competitor and the incumbent is  
2 relieved.) Lumen agrees and emphasizes that accepting NUSF support must not be  
3 optional with respect to COLR status – it must be a mandatory condition. In other words,  
4 a competitive ETC must accept COLR responsibilities by rule when it accepts the  
5 funding, rather than merely “electing” to do so. This mandatory obligation will also  
6 ensure service continuity and reliability for Nebraska consumers. This approach is widely  
7 supported; for example, rural carrier groups in Nebraska have filed comments in this  
8 docket echoing that any competitive ETC receiving support should inherit the same  
9 obligations as the incumbent. Overall, a “one carrier, one support, one obligation”  
10 requirement is the foundation of a sustainable high-cost program.

11  
12 **Q. IF A COMPETITIVE CARRIER SEEKS NUSF HIGH-COST SUPPORT, WHAT**  
13 **REQUIREMENTS AND COMMITMENTS SHOULD IT HAVE TO MEET?**

14 A. In Lumen’s view, a competitive carrier’s application for support must demonstrate and  
15 pledge several things. First, the carrier should already be designated (or commit to  
16 become) a Nebraska Eligible Telecommunications Carrier (“NETC”) for the area in  
17 question and they need to meet the basic eligibility criteria under federal and state law.  
18 Next, the application must include a clear description of the support area (for example, a  
19 map or list of all the locations to be served). Importantly, the applicant must commit to  
20 serving every existing and future request location in that area upon reasonable request.  
21 This means providing voice telephony by any technologically feasible modality and  
22 protocol and providing broadband internet service at or above the Commission’s required  
23 speeds (currently 100/20 Mbps) to all households and businesses in the designated

territory. They should confirm that they either already offer such 100/20 Mbps service in the area or have the network capability to do so as soon as they receive support.

**Q. WHAT SPECIFIC OBLIGATIONS MUST THE SUPPORTED COMPETITIVE CARRIER ACCEPT?**

A. The competitive carrier must agree to take on all the COLR obligations for the support area. Practically, this includes offering reliable voice service (with access to 911 emergency calling and relay services for the hearing-impaired) and quality broadband to any customer in the area who requests service, at any location, even those that are high-cost. The carrier must also follow the same service quality standards and consumer protection rules that incumbents are subject to. This COLR commitment should be effective from day one of receiving support. The carrier's petition should affirm this by an officer affidavit – making clear they understand they are stepping into the incumbent's shoes as the default provider in that area. Lumen also suggests updating the Commission's rules (Title 291, Chapter 10) to replace the current notion that a carrier *may elect* COLR status with a requirement that COLR status *automatically attaches* when any new carrier is granted NUSF support for an area. In short, the carrier gets the funding, and by rule, they are now the COLR with no further election required.

**Q. HOW SHOULD THE SERVICE AREA BE DEFINED WHEN SUPPORT IS TRANSFERRED TO A NEW CARRIER?**

A. Lumen recommends that the "designated service area" or support area be clearly delineated and should encompass the incumbent's entire exchange or wire-center territory



1 in that region. The overarching concern in this instance is to prevent a “cream-skimming”  
2 situation where a competitor might seek support only for the low-cost, more populated  
3 portions of an exchange while leaving out more expensive and more difficult-to-serve  
4 pockets of a wire center or exchange. To avoid this, the Commission should require that  
5 the competitive ETC’s support area covers a broad, contiguous area that doesn’t exclude  
6 higher-cost customers. For example, if the incumbent’s exchange includes a town and the  
7 rural outskirts, the competitor should be prepared to serve both the town and the farms on  
8 the outskirts, not just one or the other. During this proceeding, other stakeholders  
9 (including Nebraska rural telco groups) agreed that any carrier getting support should  
10 serve the entire area and not just cherry-pick easier territories. Defining the support area  
11 via detailed mapping (shapefiles of all funded locations) will help enforce this. If a  
12 competitive provider isn’t willing to serve certain remote locations, then they should not  
13 receive support for only the more profitable portions. Lumen’s stance is: one carrier gets  
14 the support for one whole area, and in return must be ready to serve everyone in that area.  
15 Consequently, the unfunded incumbent should then be relieved of its COLR obligations.

16  
17 **Q. WOULD LUMEN SUPPORT THE USE OF CENSUS BLOCKS, CENSUS BLOCK**  
18 **GROUPS, OR CENSUS TRACTS AS A GEOGRAPHIC UNIT OF MEASURE**  
19 **FOR COMPETITORS TO DETAIL A NUSF SUPPORTED AREA?**

20 A. No, it would not. Census blocks, block groups, and tracts do not always precisely align  
21 with existing incumbent local exchange carrier wire center boundaries. For that reason,  
22 Lumen strongly advocates that the Commission expressly set forth that the minimum  
23 geographic unit of measure for competitive carrier receipt of NUSF high-cost support be

1 at the wire center level. Failure to do so all but ensures the possibility of cream-skimming  
2 as I have described earlier in my testimony.

3  
4 **Q. WHAT IS LUMEN’S POSITION ON THE COMMISSION’S PROPOSED**  
5 **APPLICATION REQUIREMENTS FOR COMPETITIVE CARRIERS?**

6 **A.** The proposed application checklist in Progression Order No. 6 is comprehensive, and  
7 Lumen largely supports it (with the COLR election being made mandatory as earlier  
8 discussed). In summary, the applicant should: (a) show it is a valid entity in good  
9 standing; (b) already be an ETC or commit to become one before funding starts; (c)  
10 commit to mandatory COLR obligations in the area (that being at the wire center level as  
11 earlier discussed); (d) commit to offer service to every location in the area; (e) prove it  
12 offers 100/20 Mbps broadband and voice (e.g., by showing it reports those locations as  
13 served in FCC broadband filings); (f) commit to providing 911 access and participating in  
14 Telecommunications Relay Service programs; (g) offer services at rates at or below the  
15 Commission’s affordable benchmark rates so that prices are reasonably comparable to  
16 urban areas; (h) agree to file the annual NUSF EARN financial report (or its successor)  
17 each year; (i) file annual Nebraska ETC certification reports; (j) agree to interconnect  
18 with other carriers on reasonable, non-discriminatory terms; (k) perform and submit  
19 network speed tests as required (consistent with the NUSF-133 speed testing program);  
20 (l) use any NUSF support in compliance with Neb. Rev. Stat. § 86-316 *et seq.* (the  
21 “NUSF Act”) and all Commission rules for supported uses; and (m) certify it isn’t using  
22 any banned network equipment (the national security “covered list”).  
23

1   **Q.     IN LUMEN’S PROGRESSION ORDER NO. 6 COMMENTS THE COMPANY**  
2           **DID NOT SUPPORT THE INCLUSION OF INTERCONNECTION**  
3           **REQUIREMENTS IN THE TRANSITION FRAMEWORK. HAS LUMEN SINCE**  
4           **RECONSIDERED THAT POSITION?**

5   **A.**    Yes, it has. Upon further review of Nebraska Administrative Code, Chapter 10, Section  
6           004.02G1f, Lumen now supports reasonable interconnection requirements for broadband  
7           providers receiving state or federal support. Section 004.02G1f specifically requires that  
8           eligible telecommunications carriers provide interconnection, on reasonable rates and  
9           terms, to other carriers. After closer consideration we recognize that this provision is  
10          designed to promote competition, efficient use of infrastructure, and consumer benefit.  
11          Accordingly, Lumen supports interconnection obligations that are consistent with  
12          004.02G1f, ensuring that such requirements are applied in a manner that is  
13          technologically neutral, does not impose undue burdens, and advances the public interest  
14          by maximizing the impact of broadband investments for Nebraska’s unserved and  
15          underserved communities.

16  
17   **Q.     PLEASE COMMENT ON THE ELEMENTS OF THE PROPOSED**  
18           **FRAMEWORK AS A WHOLE.**

19   **A.**    The proposed list set forth in Progression Order No. 8 (as well as No. 6) is detailed and  
20          each element is important. In essence, the competitive carrier must show it is technically  
21          capable and financially sound, will adhere to all the same obligations as an incumbent,  
22          and will actually use the funds to provide the intended services. Lumen believes meeting  
23          these criteria up-front will ensure that customers in the area continue to receive high-

1 quality, affordable service in instances where support for an incumbent carrier switches  
2 to a competitive provider. Several of these requirements mirror what Lumen or other  
3 incumbents already comply with (like filing speed test data and EARN Forms for certain  
4 carriers), hence holding a new entrant to the same standards creates a level playing field.  
5

6 **Q. WHEN SHOULD SUPPORT BEGIN FOR ANY COMPETITIVE CARRIER**  
7 **THAT MIGHT RECEIVE NUSF SUPPORT?**

8 **A.** If the Commission approves a competitive carrier's application, the transfer of COLR  
9 obligations and support should formally take effect at the start of the next support year  
10 (for example, January 1 of the following year). This timing aligns with Lumen's  
11 suggestion that the obligations coincide with when the funding begins. It also gives the  
12 new carrier time to prepare for full-service coverage in a wire center. In summary, Lumen  
13 finds the Commission's proposed framework for applications reasonable and supports its  
14 adoption, with the caveat that COLR commitments be firm/mandatory requirements.  
15

16 **Q. HOW SHOULD NUSF HIGH-COST SUPPORT AMOUNTS BE DETERMINED**  
17 **GOING FORWARD?**

18 **A.** Lumen recommends using an objective cost model to calculate support, and to  
19 synchronize that support with other funding the carrier receives, revenues derived from  
20 services provided, and the carrier's actual costs. The Commission has been working with  
21 the State Broadband Cost Model ("SBCM") developed by CostQuest and submitted the  
22 requested Data Request to the Commission on September 2, 2025. We support continuing  
23 to use the SBCM (or a similar forward-looking model) as the basis for distributing NUSF

1 support. Such a model estimates the cost to serve each location with modern broadband-  
2 capable networks. However, it is crucial to update the model's inputs to reflect current  
3 conditions. Lumen suggests updating factors like plant mix (e.g., ratio of buried vs. aerial  
4 fiber), labor rates, equipment costs (like the price of optical network terminals), and time  
5 period appropriate weighted average capital costs. The goal is to have the model produce  
6 a realistic picture of the "gap" that needs support.  
7

8 **Q. WHAT ELSE SHOULD THE COMMISSION CONSIDER IN DETERMINING**  
9 **HIGH-COST SUPPORT?**

10 **A.** The Commission should factor in all other revenue and support sources when  
11 determining support levels. This means if a carrier has federal high-cost support (like  
12 Connect America Fund, A-CAM, or RDOF) or one-time grants (like federal BEAD or  
13 state grants) that offset its network costs in the area, those should be imputed or  
14 subtracted from what the state model would otherwise provide. NUSF should fill only the  
15 unmet portion of cost. For example, if the model says an area's cost justifies \$100 of  
16 support per line, but the carrier already gets \$30 from federal USF for that line, the NUSF  
17 would provide the remaining \$70 (assuming customer revenue is accounted for as well).  
18 By doing this, the NUSF will avoid double-paying carriers and stretching the fund  
19 unnecessarily.  
20

21 **Q. DO YOU HAVE OTHER OBSERVATIONS WITH RESPECT TO THE**  
22 **SUPPORT MECHANISM?**

1     **A.**     Yes. Support should be “right-sized” based on a neutral/carrier-agnostic cost model but  
2             then adjusted for realities on the ground. Lumen’s position is to use the carrier-agnostic  
3             cost model results for support, updated regularly, and to subtract out federal support and a  
4             reasonable customer revenue contribution. This ensures state dollars complement, not  
5             duplicate, federal efforts. Other commenters (e.g. cable broadband providers) also urged  
6             the Commission to avoid overlapping subsidies. Seemingly the Commission is on the  
7             same track as Progression Order No. 6 explicitly sought input on using the cost model  
8             and on whether to impute federal support. Lumen’s answer is yes, use the model and yes,  
9             include imputation of federal aid. This coordinated approach will make every NUSF  
10            dollar count toward truly high-cost needs.

11  
12    **Q.     HOW FREQUENTLY SHOULD THE COMMISSION UPDATE THE COST**  
13    **MODEL OR ADJUST SUPPORT CALCULATIONS?**

14    **A.**     Lumen suggests a routine multi-year update cycle for recalculating support, with  
15             flexibility for extraordinary events. Specifically, running a comprehensive cost model  
16             update every three years is a good balance. For example, if the Commission updates the  
17             model inputs in 2025, it can set support levels for, say, 2026 through 2028. Then it would  
18             refresh data and run it again in 2028 to set support for 2029 onward. A three-year cycle  
19             means the support amounts will avoid volatility every single year (giving carriers  
20             predictability and budget stability), but the figures will still be refreshed often enough to  
21             track changes in technology, deployment, and economics.

1   **Q.     UNDER WHAT CONDITIONS SHOULD A SHORTER MODEL UPDATE**  
2       **CYCLE BE CONSIDERED?**

3   **A.**    Lumen recognizes that circumstances can change unexpectedly as experienced during  
4       pandemic circumstances this decade. Spikes in inflation, material costs, labor inputs, or  
5       interest rates might significantly affect carriers' costs. In such cases, the Commission  
6       could allow an off-cycle adjustment or targeted input update if a carrier makes a  
7       compelling case (for example, if costs rose more than a certain percentage). But these  
8       should be exceptions. As a norm, updating the model on a three-year cadence, and  
9       synchronizing it with both federal support changes and the NUSF budget, will keep the  
10      fund predictable and sufficient.

11  
12   **Q.     EARLIER YOU EXPRESSED SUPPORT FOR USE OF THE SBCM. DO YOU**  
13       **HAVE ADDITIONAL OBSERVATIONS REGARDING THE SBCM?**

14   **A.**    Progression Order No. 8 indicates the Commission is indeed planning a 2025 cost model  
15       rerun and has contracted with CostQuest for updates. Lumen fully supports this work.  
16       The Company also support the Commission's intent to gather granular data from carriers  
17       to refine the model. Having accurate location-specific cost data will assist the  
18       Commission in fine-tuning support areas and amounts. I have prior SBCM experience as  
19       I participated in an administrative rulemaking with the Oregon Public Utility  
20       Commission wherein the CostQuest model was used, and the resulting output applied to  
21       target high-cost support. I would urge the Nebraska Commission to make public both the  
22       results of the SBCM runs for Nebraska, as well as its methodology for application of the  
23       SBCM results for future high-cost support apportionment.

1  
2 **Q. THE COMMISSION’S PROGRESSION ORDER NO. 6 DISCUSSED**  
3 **REPLACING THE 2025 “GLIDE PATH” WITH A MINIMUM BASE SUPPORT**  
4 **AMOUNT (MBSA) DURING A TRANSITION PERIOD. DOES LUMEN**  
5 **SUPPORT ESTABLISHING A TRANSITIONAL SUPPORT FLOOR?**

6 A. Yes, Lumen supports implementing a transitional support floor to prevent sudden drops  
7 in funding as any new any new methodology is put in place. Lumen understands the  
8 construct to be a phase-down or glide-path for carriers that might otherwise see a large  
9 cut in support when moving from the legacy system to the new cost-model-based system.  
10 We believe this to be especially relevant for smaller rural carriers whose business models  
11 in part depend on prior support levels.  
12 Lumen proposes that for an initial period (perhaps the first two or three years of the new  
13 framework), each carrier be guaranteed a minimum percentage of its current support. For  
14 example, in the first year of the new system, a carrier would receive at least 70% of the  
15 support it got under the old mechanism. The next year, that floor might drop to 50% of  
16 the old support level. After a defined period (we suggest by the end of 2027), the  
17 transitional floor would sunset, meaning by 2028 all carriers are purely on the cost-model  
18 support amounts. By implementing a step-down approach (70%, then 50%, then 0%), we  
19 avoid a funding “cliff” where a provider could lose a substantial portion of support  
20 revenue overnight, which could jeopardize service to customers. Instead, a transition  
21 period gives receiving carriers time to adjust operations, seek efficiencies, or gain  
22 customers to make up for lower subsidy.



1 **Q. EARLIER IN YOUR TESTIMONY YOU ADVOCATE FOR NUSF SUPPORT**  
2 **FACTORING OUT OTHER EXPLICIT SUPPORT RECEIVED. IS THAT ALSO**  
3 **LUMEN’S POSITION FOR A TRANSITIONAL SUPPORT FLOOR?**

4 **A.** Yes, it is. A minimum support amount should be calculated net of federal support. In  
5 other words, the floor should apply to the carrier’s net state need after accounting for any  
6 new federal money the carrier receives. The MBSA is meant to cushion against true loss  
7 of needed support, not to guarantee revenue irrespective of other funding. Again, this  
8 graduated floor approach ensures predictability and stability. The Nebraska Rural  
9 Independent Companies (RIC) commented in support of a minimum support mechanism,  
10 and the Rural Broadband Alliance favored it to prevent “funding cliffs.” Lumen agrees. A  
11 temporary, decreasing support floor (MBSA) from 2025 through 2027, adjusted for any  
12 federal support, would be a prudent policy to ease into a new disbursement system  
13 without harming rural carriers.

14  
15 **Q. WHAT MEASURES DOES LUMEN RECOMMEND FOR OVERSIGHT AND**  
16 **ACCOUNTABILITY OF NUSF SUPPORT RECIPIENTS?**

17 **A.** Lumen believes all carriers receiving high-cost support, whether incumbent or  
18 competitive, should adhere to uniform reporting and performance standards to ensure the  
19 Fund’s goals are met. Key measures include:  
20 Annual financial reporting: Every supported carrier should file an NUSF EARN report  
21 (or its successor form) each year showing its revenues, expenses, and rate of return for  
22 regulated operations. This permits the Commission to determine if the carrier might be  
23 over-earning when support receipt of factored into the analysis. If the Commission

1 continues an earnings-based redistribution, these reports will feed into that. Should  
2 competitive carriers receive support, they too should file the same data. The incumbent  
3 carriers have done this for years; making it uniform is only fair.

4 Service performance reporting: We support the Commission's requirement (from NUSF-  
5 133) that carriers periodically test and report their broadband speeds and latency to  
6 ensure they are delivering at least the promised 100/20 Mbps service to customers. Each  
7 NUSF recipient should do annual network performance tests (using a Commission-  
8 approved methodology) and submit the results. This holds providers accountable that the  
9 money is resulting in real service improvements. If a carrier fails to meet the 100/20  
10 Mbps benchmark, they should take corrective action or risk losing funding. However,  
11 after some predetermined period of time when speed tests consistently return the required  
12 results, the Commission should consider eliminating that requirement in areas where  
13 consistent required speeds are demonstrated.

14 Public interest obligations: All NUSF recipients must continue to comply with  
15 obligations like offering Lifeline discounts to low-income consumers, providing access  
16 to 911 emergency service, and participating in the statewide Telecommunications Relay  
17 Service for disabled individuals. These are baseline obligations under federal ETC rules  
18 and Nebraska law. A competitive ETC taking on support should explicitly commit to  
19 honor these as well. (For example, they should file the same annual Lifeline compliance  
20 certifications.)

21 Pricing and service conditions: Supported carriers should offer service at reasonably  
22 comparable rates. The Commission sets a benchmark rate for local voice service and for  
23 broadband. Providers getting NUSF must certify that their prices in the supported area are

1 at or below those benchmark levels, ensuring rural customers are not paying more than  
2 urban ones for basic service.

3 Interconnection and carrier relations: The supported carrier should be required to  
4 interconnect with other carriers on reasonable terms (as the application framework  
5 already states). This ensures voice calls and other traffic can flow freely. Any new ETC  
6 should have reciprocal obligations to cooperate in network interconnection so consumers  
7 are not isolated.

8 Transparency: Lumen supports the idea of a public NUSF mapping portal or report  
9 available on the Commission's website, showing where support is distributed and what  
10 progress is being made. If the Commission publishes maps of supported areas, speeds,  
11 and which carrier is responsible, it increases transparency and allows the public to see the  
12 benefit of the funds. Doing so could also assist in identifying areas that may inadvertently  
13 be receiving duplicate support.

14  
15 **Q. PLEASE SUMMARIZE THE ACCOUNTABILITY RECOMMENDATIONS**  
16 **MADE ABOVE.**

17 **A.** Once a competitive carrier accepts high-cost funding, it should be held to the same  
18 standards as others. Lumen and other incumbents have long complied with these  
19 requirements (e.g. filings and Lifeline and 911 obligations). Extending them to new  
20 entrants equalizes responsibilities. It also gives the Commission tools to ensure the carrier  
21 is using support effectively (through audits or data reviews). Such oversight is critical for  
22 maintaining confidence in the NUSF program.

1   **Q.    HOW CAN THE COMMISSION MAINTAIN STRATEGIC FLEXIBILITY IN**  
2       **THE NUSF PROGRAM TO ADAPT TO FUTURE CHANGES?**

3   A.    Lumen encourages the Commission to build in measures to keep the NUSF adaptable as  
4       technology and funding landscapes evolve. One key step is to continuously monitor  
5       federal policy and funding changes. The next few years will see substantial federal  
6       broadband subsidy activity directed toward Nebraska. The BEAD program alone will  
7       direct over \$400 million to Nebraska for broadband deployment. The Commission should  
8       adjust state support accordingly as those projects materialize – for instance, reducing or  
9       redirecting NUSF support in areas where costs have declined given the existence of  
10      federally funded networks, and potentially concentrating state support on gaps or ongoing  
11      operational needs after federal funds (which are mostly capital-focused) are spent.  
12      Essentially, Nebraska’s NUSF should complement and not duplicate federal efforts, and  
13      be ready to fill gaps those efforts might leave.

15   **Q.    IN CONCLUSION, DOES LUMEN BELIEVE THESE REFORMS TO THE**  
16       **HIGH-COST SUPPORT MECHANISM ARE POSITIVE FOR NEBRASKA?**

17   A.    Yes, it does. Lumen fully supports the Commission’s direction in modernizing the NUSF  
18       high-cost program consistent with the proposals in Progression Orders 6–8. The reforms  
19       establish a clear, efficient framework: one provider per area gets support and is fully  
20       responsible to serve everyone within the supported area. This aligns funding with  
21       accountability. It will minimize waste two or more carriers will not be supported to serve  
22       the same location, and the framework ensures that every supported carrier has skin in the  
23       game to maintain and expand service. By using an updated cost model and imputing

1 federal support, the Commission will stretch state dollars further and target them to truly  
2 high-cost areas, thus keeping the NUSF sustainable while at the same time keeping the  
3 surcharge burden on Nebraskans as low as possible. Transitional measures (like the  
4 support floor) will protect consumers from any service disruptions during the  
5 methodology shift, and the strengthened reporting and testing requirements will hold all  
6 carriers to high standards.

7  
8 **Q. HOW DO THE PROPOSED RULE CHANGES SUPPORT NEBRASKA'S**  
9 **UNIVERSAL SERVICE OBJECTIVES WHILE ENSURING FISCAL**  
10 **RESPONSIBILITY AND ALIGNMENT WITH RECENT LEGISLATIVE**  
11 **MANDATES??**

12 A. Overall, these changes will advance Nebraska's universal service goals in a fiscally  
13 responsible way. They provide a path for new technology providers to contribute in rural  
14 areas, but with the same public interest obligations that incumbents have upheld. The  
15 proposed changes also implement recent Nebraska legislation (such as the Rural  
16 Telecommunications Sustainability Act) by creating a process to transfer COLR duties  
17 alongside support, effectively operationalizing the Legislature's intent that public funds  
18 and service obligations go hand in hand. Lumen is confident that, with these rules, the  
19 NUSF will continue to ensure Nebraskans in even the remotest areas have access to  
20 reliable voice and broadband at reasonable rates. It does so while respecting the  
21 contributions of those who pay into the fund and avoiding duplication with federal  
22 programs.

1   **Q.     DOES THIS CONCLUDE YOUR TESTIMONY?**

2   A.     Yes, it does, with one last observation. I believe these reforms represent a balanced,  
3           forward-looking approach. They were developed with input from many stakeholders, and  
4           there appears to be broad consensus on key principles like “one carrier, one obligation,  
5           one support” and the need to account for federal dollars. By adopting this framework, the  
6           Commission will set the stage for a modernized NUSF that preserves what works  
7           (universal availability of service) and fixes what doesn’t (inefficiencies and outdated  
8           rules). This new framework will ultimately benefit consumers and carriers alike. Lumen  
9           appreciates the Commission’s thoughtful work and is committed to helping implement  
10          these changes to achieve successful outcomes for Nebraska. And with that, my testimony  
11          is concluded. I am happy to answer any questions from the Commission staff or the  
12          Commissioners.

Peter J. Gose

Curriculum Vitae

**Contact Information**

Parkville, Missouri  
[linkedin.com/in/petergose](https://www.linkedin.com/in/petergose)

mobile : 303.324.5678  
[peter.gose@lumen.com](mailto:peter.gose@lumen.com)

**Current Position****CenturyLink / Lumen – 2021 - Present**

Senior Director – Regulatory Affairs

**Education and Telecommunications Regulation Training****B.S. Double Major Finance / Business Administration, Economics Minor - 1987**

Northwest Missouri State University Maryville, Missouri

**M.B.A. - 1988**

Northwest Missouri State University Maryville, Missouri

**B.S. Accounting - 1993**

Lincoln University Jefferson City, Missouri

**A.A.Sc. Secure Systems Administration and Engineering (Cybersecurity) - 2023**

Metropolitan Community College of Kansas City

Federal Bureau of Investigation Citizens' Academy

United States Department of Justice

Annual Fundamentals Course in Regulatory Studies

National Association of Regulatory Utility Commissioners / Michigan State University

Practical Regulatory Principles Training

New Mexico State University Center for Public Utilities

Modern Finance Theory for Regulated Industries

University of Missouri

Telecommunications Training for Policy Makers and Public Advocates

Pennsylvania Public Utility Commission

Telecommunications Regulatory Seminar

Kansas Corporation Commission / Missouri Public Service Commission

Telecommunications Separations and Settlements Training

United States Telephone Association

Comprehensive Cost Separations Training for National Exchange Carrier Association

Ernst & Young

Utility Management Analysis Seminar

NARUC Management Analysis Subcommittee

### Past Professional Experience

#### **Coral Wireless LLC, d/b/a Mobi PCS – 2007 – 2015 and contractor through 2017**

Director – Regulatory Affairs,  
Concurrent Directorships - Customer Care and Site Acquisition and Development

#### **Pinyon Insights LLC – 2018 - 2021**

Telecommunications Consulting Firm - *Founder*

#### **Manchester Services – 2004 - 2018**

Telecommunications Service Bureau – *Co-Founder and Senior Vice President*

#### **QSI Consulting – 1999 - 2007**

Telecommunications Consulting Firm – *Co-Founder and Senior Vice President*

#### **Competitive Strategies Group, Ltd. – 1997 - 1999**

Telecommunications Consulting Group - *Partner and Senior Consultant*

#### **National Exchange Carrier Association – 1995 - 1997**

Industry Relations Division - *Manager of Tariffs and Training*

#### **Missouri Public Service Commission – 1989 - 1995**

Policy and Planning Division - *Federal Telecommunications Analyst*  
Policy and Planning Division - *Management Auditing Specialist*

### Key Professional Activities

Current board member of the Nebraska, Oregon and Washington state universal service fund advisory boards.

Member of the Kansas, Missouri, Oklahoma, Texas, and Arkansas five-state Southwestern Bell Open Network Architecture (ONA) Oversight Conference

Assistant to Federal – State Joint Board on Universal Service. Managed data collection and developed models to quantify proposed changes' effects on universal service programs.

Auditing ILEC holding company affiliate transactions and state universal service fund programs.

Chairman of the National Exchange Carrier Association Training Council. Created, maintained and updated new and existing training materials and programs, and pioneered the NECA Expo concept.

Team leader in the redesign and update of the local area network and wide area network of the National Exchange Carrier Association.

Team leader in the research, design, procurement, and installation of the local area network and wide area network of the Missouri Public Service Commission.

Co-Founder of the Universal Service for America Coalition

Telecom coordinator for 2010 senatorial campaign for U.S. Senator Daniel K. Inouye



**Peter J. Gose****Regulatory / Testimony Profile****Before the Washington Utilities and Transportation Commission**

Docket No. UT-250544

*In the Matter of the Application of Qwest Corporation, d/b/a CenturyLink QC, For an Order Authorizing the Transfer of Assets, or a Determination that an Order Authorizing the Transfer is Not Required*

On behalf of Qwest Corporation d/b/a CenturyLink QC

Direct Testimony: August 2025

**Before the Washington Utilities and Transportation Commission**

Docket No. UT-240029

*In the Matter of the Petition of The CenturyLink Companies Qwest Corporation; CenturyTel of Washington, Inc.; CenturyTel of Inter Island, Inc.; CenturyTel of Cowiche, Inc.; United Telephone Company of the Northwest, To be Competitively Classified Pursuant to RCW 80.36.320*

On behalf of The CenturyLink Companies

Direct Testimony: February 2024

Settlement Testimony: July 2024

Settlement Testimony: February 2025

**Before the Public Utility Commission of Oregon**

Docket No. UM 1908, UM 2206

*In the Matter of Proposed Commission Action Pursuant to ORS 756.515 to Suspend and Investigate Price Plan (UM 1908) and Investigation Regarding the Provision of Service in Jacksonville, Oregon, and Surrounding Areas (UM 226). Hearing Relating to Order Nos. 22-340 and 22.422.*

On behalf of Lumen Technologies, Inc. / Jointly Sponsored with Oregon PUC Staff

Direct Testimony: October 2023

Reply Testimony: November 2023

**Before the Washington Utilities and Transportation Commission**

Docket No. UT-210902

*In the Matter of the Washington Utilities and Transportation Commission (Complainant) v. CenturyLink Communications LLC d/b/a Lumen Technologies Group; Qwest Corporation; CenturyTel of Washington, Inc.; CenturyTel of Inter Island, Inc.; CenturyTel of Cowiche, Inc.; United Telephone Company of the Northwest, Respondents.*

On behalf of Lumen Technologies, Inc. and all named affiliates

Cross Answer Testimony: February 2023

**Before the Public Utility Commission of Oregon**

Docket No. UM 1908, UM 2206

*In the Matter of Proposed Commission Action Pursuant to ORS 756.515 to Suspend and Investigate Price Plan (UM 1908) and Investigation Regarding the Provision of Service in Jacksonville, Oregon, and Surrounding Areas (UM 226). Hearing Relating to Order Nos. 22-340 and 22.422.*

On behalf of Lumen Technologies, Inc

Direct Testimony: November 2022

**Before the Washington Utilities and Transportation Commission**

Docket No. UT-210902

*In the Matter of the Washington Utilities and Transportation Commission (Complainant) v. CenturyLink Communications LLC d/b/a Lumen Technologies Group; Qwest Corporation; CenturyTel of Washington, Inc.; CenturyTel of Inter Island, Inc.; CenturyTel of Cowiche, Inc.; United Telephone Company of the Northwest, Respondents.*

On behalf of Lumen Technologies, Inc. and all named affiliates

Response Testimony: November 2022

## Peter J. Gose

## Regulatory / Testimony Profile

### Before the Arizona Corporation Commission

Docket No. T-01051-18-0258

*In the Matter of the Application of Qwest Corporation d/b/a CenturyLink QC to Amend the Maximum Tariffed Rates for Certain Competitive Services*

Docket No. AU-00000A-17-0379

*In the Matter of the Commission Inquiry Into Possible Modification of the Federal Income Tax Reform Rate Adjustment*

On behalf of Qwest Corporation d/b/a CenturyLink QC

Rebuttal: April 2021

Rejoinder: October 2021

### Before the Hawaii Public Utility Commission

Docket No. 2016-0417

*In the Matter of the Public Utilities Commission Instituting a Proceeding to Approve the Application of CORAL WIRELESS dba MOBI PCS For Approval to Voluntarily Surrender its Certificate to Provide Wireless Services in Hawaii*

On behalf of Coral Wireless, LLC d/b/a Mobi PCS upon sale of spectrum resources to Verizon Wireless

Docketed Matter: October 2017

### Before the Federal Communications Commission

Docket: 10-90

*In the Matter of the annual collection of information pertaining to section 254 of the Communications Act of 1934, as amended, 47 U.S.C. § 254, sections 54.313 and 54.422 of the Commission's rules, 47 C.F.R. §§ 54.313 and 54.422*

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: June 2017

### Before the Hawaii Public Utility Commission

Docket No. 2016-0093

*In the Matter of the Public Utilities Commission Instituting a Proceeding to Investigate Whether Designated Eligible Telecommunications Carriers Participating in the High-Cost Program of the Universal Service Fund Should be Certified By the Commission Pursuant to 47 C.F.R. § 54.314(a).*

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: June 2017

### Before the American Arbitration Association

Case No: 01-14-0000-9896

*In the Matter of AT&T Corp v 3L Communications Missouri, LLC*

Deposition and discovery in Arbitrated Matter: June 2015

### Before the Federal Communications Commission

Docket: 10-90

*In the Matter of the annual collection of information pertaining to section 254 of the Communications Act of 1934, as amended, 47 U.S.C. § 254, sections 54.313 and 54.422 of the Commission's rules, 47 C.F.R. §§ 54.313 and 54.422*

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: June 2015

### Before the Hawaii Public Utility Commission

Docket No. 2015-0083

*In the Matter of the Public Utilities Commission Instituting a Proceeding to Investigate Whether Designated Eligible Telecommunications Carriers Participating in the High-Cost Program of the Universal Service Fund Should be Certified By the Commission Pursuant to 47 C.F.R. § 54.314(a).*

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: April 2015

**Peter J. Gose****Regulatory / Testimony Profile****Before the Hawaii Public Utility Commission**

Docket No. 2015-0010

*In the Matter of the application of Coral Wireless LLC for an amended certificate of registration.**On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: April 2015

**Before the Federal Communications Commission**

Docket: 10-90

*In the Matter of the annual collection of information pertaining to section 254 of the Communications Act of 1934, as amended, 47 U.S.C. § 254, sections 54.313 and 54.422 of the Commission's rules, 47 C.F.R. §§ 54.313 and 54.422**On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: June 2014

**Before the Hawaii Public Utility Commission**

Docket No. 2014-0126

*In the Matter of the Public Utilities Commission Instituting a Proceeding to Investigate Whether Designated Eligible Telecommunications Carriers Participating in the High-Cost Program of the Universal Service Fund Should be Certified By the Commission Pursuant to 47 C.F.R. § 54.314(a).**On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: July 2014

**Before the Federal Communications Commission**

Docket: 10-90

*In the Matter of the annual collection of information pertaining to section 254 of the Communications Act of 1934, as amended, 47 U.S.C. § 254, sections 54.313 and 54.422 of the Commission's rules, 47 C.F.R. §§ 54.313 and 54.422**On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: October 2013

**Before the Hawaii Public Utility Commission**

Docket No. 2013-0066

*In the Matter of the Public Utilities Commission Instituting a Proceeding to Investigate Whether Designated Eligible Telecommunications Carriers Participating in the High-Cost Program of the Universal Service Fund Should be Certified By the Commission Pursuant to 47 C.F.R. § 54.314(a).**On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: April 2013

**Before the Federal Communications Commission**

Docket: WC 09-197 and 10-90

*In the Matter of the 2012 Eligible Telecommunications Carrier Report to the FCC and USAC*

For Designation as an Eligible Telecommunications Carrier

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: June 2012

**Before the Hawaii Public Utility Commission**

Docket No. 2012-0084

*In the Matter of the Application of Coral Wireless, LLC d/b/a Mobi PCS to be Designated by the Commission as an Eligible Telecommunications Carrier**On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: April 2012

**Peter J. Gose****Regulatory / Testimony Profile****Before the Federal Communications Commission**

WC Docket No. 10-90, *Report & Order & FNPRM*, FCC 11-161 (rel. Nov. 18, 2011).

In the Matter of the Connect America Fund and Petition for Reconsideration filed by T-Mobile USA, Inc.

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Comments filed in Reconsideration Petition Docket: June 2011

**Before the Hawaii Public Utility Commission**

Docket No. 2011-0147

In the Matter of the Application of Coral Wireless, LLC d/b/a Mobi PCS to be Designated by the Commission as an Eligible Telecommunications Carrier

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: June 2011

**Before the Hawaii Public Utility Commission**

Docket No. 2010-0305

In the Matter of the Application of Coral Wireless, LLC d/b/a Mobi PCS to be Designated by the Commission as an Eligible Telecommunications Carrier

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Annual Report in Docketed Matter: November 2010

**Before the Hawaii Public Utility Commission**

Docket No. 05-0300

In the Matter of the Application of Coral Wireless, LLC d/b/a Mobi PCS to be Designated by the Commission as an Eligible Telecommunications Carrier

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Informational Presentation: August 2010

**Before the Hawaii Public Utility Commission**

Docket No. 05-0300

In the Matter of the Application of Coral Wireless, LLC d/b/a Mobi PCS to be Designated by the Commission as an Eligible Telecommunications Carrier

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Informational Presentation: September 2009

**Before the Circuit Court of Cook County, Illinois**

Docket No. 06CR-12793

In the Matter of Authentication of Call Detail Records in Civil and Criminal Proceedings

*On behalf of The People of the State of Illinois and Coral Wireless, LLC*

Direct Testimony: September 2008 and February 2009

**Before the Hawaii Public Utility Commission**

Docket No. 05-0300

In the Matter of the Application of Coral Wireless, LLC d/b/a Mobi PCS to be Designated by the Commission as an Eligible Telecommunications Carrier

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Informational Presentation: August 2008

**Before the Hawaii Public Utility Commission**

Docket No. 05-0300

In the Matter of the Application of Coral Wireless, LLC d/b/a Mobi PCS to be Designated by the Commission as an Eligible Telecommunications Carrier

*On behalf of Coral Wireless, LLC d/b/a Mobi PCS*

Informational Presentation: September 2007

**Peter J. Gose****Regulatory / Testimony Profile****Before the South Dakota Public Service Commission**

Docket No. TC01-098

In the Matter of Determining Prices for Unbundled Network Elements in Qwest Corporation's Statement of Generally Available Terms

*On behalf of The Staff of the Public Utilities Commission of the State of South Dakota*

Direct: June 2003

**Before the North Dakota Public Service Commission**

Case No. PU-2342-01-296

*In the Matter of Qwest Corporation Interconnection / Wholesale Price Investigation*

On behalf of The North Dakota CLEC Coalition; US Link, Inc.; VAL-ED Joint Venture LLP d/b/a/702 Communications; McLeodUSA Telecommunications, Inc.; and IdeaOne Telecom Group, LLC

Direct: May 2003

**Before the New Mexico Public Regulation Commission**

Utility Case No. 3495, Phase B

*In the Matter of the Consideration of Costing and Pricing Rules for OSS, Collocation, Shared Transport, Non-recurring Charges, Spot Frames, Combination of Network Elements and Switching*

On behalf of the New Mexico Public Regulation Commission Staff

Direct: September 2002

**Before the Indiana Utility Regulatory Commission**

Cause No. 41100

*In the Matter of the Complaint of the Indiana Payphone Association for a Refund of Intrastate End User Common Line Charges*

On behalf of the Indiana Payphone Association

Direct: January 2002

**Before the Washington Utilities and Transportation Commission**

Docket No. UT-003013

*In the Matter of the Continued Costing and Pricing of Unbundled Network Elements, Transport, and Termination*

On behalf of WorldCom Inc.

Direct and Supplemental Direct: December 2001

**Before the Federal Communications Commission**

*In the Matter of the Formal Complaints of AT&T Corp. and Sprint Communications Company, L.P. vs. Business Telecom, Inc.*

On behalf of Business Telecom, Inc.

Affidavit: February 2001

**Before the North Carolina Utilities Commission**

Docket No. P-100, Sub 133d, Phase I

*In the Matter of Proceeding to Determine Permanent Pricing for Unbundled Network Elements*

On behalf of Adelphia Business Solutions, BlueStar Networks, Inc., Broadslate Networks, Inc., Business Telecom, Inc., Covad Communications, CSTI, DSLnet, Inc., ICG Telecom Group, Inc., Intermedia Communications, Inc., KMC Telecom, Inc., Mpower Communications, Network Telephone, New Edge Networks, TriVergent Communications, and US LEC Inc. of North Carolina

Direct: August 2000

## Peter J. Gose

## Regulatory / Testimony Profile

### Before the Public Utility Commission of Colorado

Docket No. 99F-248T

*In the Matter on a Complaint to Compel Respondents to Comply with Section 276 of the Federal Telecommunications Act*

On behalf of MCI Worldcom

Direct: December 1999

### Before the Michigan Public Service Commission

Docket No. U-11831

*In the Matter on the Commission's Own Motion to Consider the Total Service Long Run Incremental Costs for All Access, Toll, and Local Exchange Services Provided by Ameritech, Michigan*

On behalf of CoreComm Newco, Inc.

Affidavits: March 1999; June 1999; May 2000

### Before the Public Utility Commission of Ohio

Case No. 96-899-TP-ALT

*In the Matter of The Application of Cincinnati Bell Telephone Company for Approval of a Retail Pricing Plan Which May Result in Future Rate Increases and for a New Alternative Regulation Plan*

On behalf of CoreComm Newco, Inc.

Direct and Supplemental Direct: December 1998

### Before the Michigan Public Service Commission

Docket No. U-11756

*In the Matter of a Complaint Pursuant to Sections 203 and 318 of the Michigan Telecommunications Act to Compel Respondents to Comply with Section 276 of the Federal Telecommunications Act.*

On behalf of the Michigan Pay Telephone Association

Direct and Rebuttal: September 1998

### Before the North Carolina Utilities Commission

Docket No. P-100, Sub 133d, Initial Generic Proceeding

*In the Matter of Proceeding to Determine Permanent Pricing for Unbundled Network Elements*

On behalf of Business Telecom, Inc., CaroNet, LLC, ICG Telecom Group, Inc., and KMC Telecom Group, Inc.

Direct and Rebuttal: March 1998

### Before the Washington Utilities and Transportation Commission

Docket No. UT-970658

*In the Matter of Formal Complaint and Petition for Declaratory Order to Remove Payphone Investment from Access Charges*

On behalf of MCI Telecommunications Corporation and AT&T Communications

Direct and Rebuttal: November 1998

### Before the Public Service Commission of the State of Nebraska

Docket No. C-1519

*In the Matter of the Emergency Petition of MCI Telecommunications Corporation and AT&T Communications of the Midwest, Inc., to Investigate Compliance of Nebraska LECs with FCC Payphone Orders*

On behalf of MCI Telecommunications Corporation

Direct: January 1998

### Before the Public Service Commission of Utah

Docket No. 97-049-08

*In the Matter of the Request of U S West Communications, Inc., for Approval of an Increase in its Rates and Charges*

On behalf of MCI Telecommunications Corporation

Direct: September 1997

**Peter J. Gose**

**Regulatory / Testimony Profile**

**Before the Wyoming Public Service Commission**

Case No. 72000-TC-97-99

*In the Matter of Compliance with Federal Regulations of Payphones*

On behalf of MCI Telecommunications Corporation

Direct: May 1997

**Peter J. Gose****Professional Engagements / Advocacy****Legislative Advocacy****Testimony before the Nebraska State Legislature**

Senate Transportation and Telecommunications Committee

In support of Legislative Bill 4 – Telecommunications Exchange Deregulation Act

On behalf of Lumen Technologies

February 2025

**Testimony before the Utah State Legislature**

Rules Review and General Oversight Committee

Informational session for review and potential amendment of Utah Code § 54-8b-2.3 et seq. relating to telecommunications corporations and carrier of last resort obligations.

On behalf of Lumen Technologies

October 2024

**Testimony before the Colorado State Legislature**

Senate Committee on Business Affairs and Labor

Information gathering session for review and potential amendment of C.R.S. § 6-6.5-101 et seq. relating to soil disclosure laws and damages occurring to structures impacted by expansive soils.

At the invitation of Senator Ken Chlouber

January 1999

**Presentations and Panels****Protecting Telecommunications Infrastructure from Theft and Vandalism**

Presented to the NARUC Committee on Telecommunications

On behalf of the National Association of Regulatory Utility Commissioners

July 2024, West Palm Beach, Florida

**Cybersecurity and Government Reporting**

Presented to the NTA 2023 Fall Meeting

On behalf of the Nevada Telecommunications Association

October 2023, Las Vegas, Nevada

**Regional CMRS Implementation of the Commercial Mobile Alert System**

Presented to the Association of Public Safety Communications Officials

On behalf of the APCO/NENA Pacific Chapter

September 2011, Honolulu, Hawaii

**Access Charge Reform Issues**

*Presented to the Telecommunications Law Continuing Legal Education Forum*

On behalf of CLE International

December 2002, Denver, Colorado

**Inter-carrier Compensation and Clearing Mechanisms**

*Presented to the Washington University Olin School of Business: MBA Program*

On behalf of Olin School of Business: MBA Program

In affiliation with the National Exchange Carrier Association

October 1996, St. Louis, Missouri

**Role of State Regulatory Response to Federal Preemption**

*Presented to the Washington University Olin School of Business: MBA Program*

On behalf of Olin School of Business: MBA Program

In affiliation with the Missouri Public Service Commission

September 1995, St. Louis, Missouri



**Peter J. Gose**

**Professional Engagements / Advocacy**

**Teaching / Training Experience**

Instructor and Cohort Director – Executive MBA Program – University of Hawaii – Manoa

Guest lecturer at Washington University – St. Louis, Missouri, speaking on telecommunications regulation, access charge development, and public policy

Adjunct faculty member – Northwest Missouri State University

## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public Service	)	Application No. NUSF-139
Commission, on its own Motion, to consider	)	Progression Order No. 6
appropriate modifications to the high-cost	)	
distribution and reporting mechanisms in its	)	
Universal Service Fund program in light of	)	
federal and state infrastructure grants.		

**COMMENTS BY LUMEN TECHNOLOGIES, INC.'S NEBRASKA INCUMBENT  
LOCAL EXCHANGE CARRIERS, QWEST CORPORATION d/b/a/ CENTURYLINK QC  
AND UNITED TELEPHONE COMPANY OF THE WEST d/b/a CENTURYLINK**

COMES NOW Lumen Technologies, Inc., by and through undersigned counsel, on behalf of its incumbent local exchange (“ILEC”) carriers Qwest Corporation, d/b/a CenturyLink QC, and United Telephone Company of the West, d/b/a CenturyLink (collectively herein, “Lumen”), and hereby respectfully submits these comments in response to the Nebraska Public Service Commission’s (the “Commission”) Progression Order No. 6 (“P.O. No. 6”), issued April 8, 2025, in the above-captioned docket.

**I. Introduction**

Lumen, through its operation of Qwest Corporation and United Telephone Company of the West, has a long and established history as an ILEC and an Eligible Telecommunications Carrier (“ETC”) in the State of Nebraska. As set forth herein, Lumen remains committed to the principles of universal service and ensuring that all Nebraskans have access to essential communications services.

Lumen appreciates the Commission’s efforts to modernize the Nebraska Universal Service Fund (“NUSF”) and establish a framework for competitive carriers to potentially receive high-cost support. However, Lumen submits that any such framework must be carefully constructed to uphold the fundamental purpose of Neb. Rev. Stat. § 86-316 *et seq.* (the “NUSF Act”) and protect Nebraska consumers. Central to this is the core principle that the receipt of universal service funds

carries with it a corresponding public service obligation (i.e., Carrier of Last Resort). Lumen proposes that any framework authorizing competitive carriers to apply for NUSF high-cost support should require these carriers to assume state-defined Carrier of Last Resort (“COLR”) obligations within the geographic service area for which the NUSF support is allocated, while simultaneously relieving the Incumbent carrier of the COLR obligation. Nebraska Admin. Code, Chapter 10, Section 004.02(G) (the Nebraska Universal Fund Rules and Regulations) already provides a mechanism for a company to petition the Commission to replace the eligible telecommunications company receiving NUSF high-cost program support. Section 004.02(G)(ii) explicitly states:

“If a competitive telecommunications carrier replaces the incumbent local exchange carrier (ILEC) as provided in section 004.02(G) any carrier of last resort obligations shall be transferred to the competitive telecommunications carrier [...] the incumbent carrier not receiving high-cost support shall no longer have carrier of last resort obligations.”

This provision ensures that the responsibilities of providing essential telecommunications services are appropriately transferred to the new competitive carrier, thereby maintaining service continuity and reliability for consumers. Therefore, Lumen proposes that these conditions should be made mandatory for a competitive applicant seeking NUSF. The mandatory requirement would ensure not only the proper transfer of carrier of last resort obligations but also promote a fair and competitive environment among telecommunications providers. Allowing carriers to receive NUSF support—funds derived from Nebraska ratepayers specifically intended to guarantee service availability—without requiring them to provide service to all requesting customers in the funded area (which is the essence of COLR) would fundamentally undermine the integrity and purpose of the NUSF program. The Commission’s P.O. No. 6 (Section A.4.c) contemplates COLR obligation as an “election” by the applicant; these comments will demonstrate why such an approach is insufficient and why Lumen suggests COLR must be a **mandatory** condition of receiving NUSF high-cost support.

## II. Comments to Specific Questions & Issues Posed in P.O. No. 6

### A. Framework for Transitioning Support and Obligations to Competitive Carriers:

- i. **Application Process:** Lumen states that applications by competitive carriers seeking NUSF support must explicitly include the carrier's binding commitment to assume full state COLR obligations for the designated service territory upon approval of NUSF funding. The application process itself should formalize this commitment, ensuring clarity and enforceability.
- ii. **Rolling Basis Applications:** Filing applications on a rolling basis may offer administrative flexibility. Lumen does not object to this approach, provided that the COLR obligations attach immediately and automatically upon the commencement of NUSF funding for the approved service territory, regardless of when the application was filed or approved during the year.
- iii. **Procedural Consistency:** Lumen agrees that the application process must be consistent with the Commission's established Rules of Procedure to ensure fairness, transparency, and due process for all parties.
- iv. **Required Application Elements (A.4(a)-(m)):** Lumen generally supports the comprehensive list of required application elements proposed by the Commission, as they help ensure that applicants are qualified, well situated to remain going concerns well into the future and are committed to providing robust service. However, modifications and clarifications are necessary, particularly regarding the COLR obligation. The detailed capabilities required under A.4 demonstrate a high level of operational and technical competence. Any carrier meeting these standards (or committing to meet them) is capable of fulfilling COLR responsibilities. It is unreasonable to require a carrier to simply "elect" COLR status; the proven capability, along with the acceptance of public funds, should mandate the COLR obligation. Moreover, permitting competitive carriers to cherry-pick areas for support undermines the fundamental principles of universal service and equitable access. Competitive support must be tied to assumption of COLR obligations at an ILEC wire center level.

Lumen supports the proposed elements set forth in Section A.4.a, b, and e-n of the application requirements. Lumen suggests modifying the following requirements:

- A.4.c – COLR Obligation Election: Change "Election" to "Mandatory Commitment/Acceptance." The approval for NUSF funding must trigger the obligation. Lumen expands upon this in Section III of these comments below.

- A.4.d – Universal Service Commitment: Change “designated service area” to “within the ILEC wire center boundary.” This commitment is a core tenet of COLR and essential for universal service. It aligns with federal ETC requirements to serve the entire area.
- A.4.j – Interconnection on a reasonable and nondiscriminatory basis: Lumen proposes the Commission eliminate this requirement. Mandating private companies receiving federal dollars for broadband deployment to provide their competitors with access to their networks is unworkable and reduces rather than increases broadband access. Such requirements can impose significant financial and operational burdens on these companies, potentially discouraging them from investing in the development and expansion of broadband infrastructure. Moreover, this mandate may conflict with federal regulations, leading to legal and administrative complexities that further hinder broadband accessibility. Specifically, it may interfere with Section 706 of the Telecommunications Act of 1996 (47 U.S.C. § 1302), which encourages the deployment of advanced telecommunications capabilities without imposing undue barriers to investment. Furthermore, such mandates might contradict the principles outlined in the FCC's Open Internet Rules, which aim to promote innovation and investment in broadband services without unnecessary regulatory constraints. Although Lumen engages in interconnection with other Internet Service Providers (ISPs) through Peering arrangements, it is important to distinguish these from the interconnection commitments required under Section 251 of the Federal Telecommunications Act of 1996 and Neb. Rev. Stat. § 86-122. Peering arrangements are negotiated directly between Lumen and other ISPs and are specifically utilized for the exchange of Internet traffic. These arrangements are tailored to meet the needs of both parties involved and are not governed by the same principles as the mandatory interconnection agreements. Lumen publishes its Network Management Practices on its Internet Service Disclosure document. The Internet Service Disclosure document provides information about the network practices, performance characteristics, and commercial terms applicable to CenturyLink's mass market broadband internet access services, consistent with the Federal Communications Commission's Open Internet Rules. The available funds for broadband deployment have the potential to connect every truly unserved and underserved community. However, to maximize the impact of these limited funds, it is crucial to allocate them in a technology- and vendor-neutral manner. This approach ensures that the most efficient and innovative solutions can be utilized without being hampered by restrictive requirements

such as open interconnection access. To prevent the waste of limited broadband deployment funds, it is essential to implement measures that promote the efficient use of resources. By avoiding open interconnection requirements, funds can be directed towards initiatives that truly benefit unserved and underserved communities. This approach will encourage innovation and investment, ultimately improving broadband access for those Americans who need it most and helping to close the digital divide.

- v. **Annual Eligibility Determination:** Lumen supports an annual process for determining eligible locations and NUSF applications, with a date certain such as the October 1st example provided in P.O. No. 6 seeking comments. This provides predictability for carriers and the Commission and allows support levels to reflect current deployment status and cost factors.
- vi. **2026 Support Calculation Timeline:** Given the potential implementation timeline, including all competitive carriers approved for NUSF support by December 31st in the 2026 calculations appears reasonable as a transitional measure. However, this expedited inclusion must be contingent on the carrier having accepted the mandatory COLR obligation as part of its approval.
- vii. **Support Eligibility in Approved Areas:** Lumen agrees that NUSF support eligibility within an approved service territory should remain subject to other criteria, such as specific location eligibility based on cost models, existing service, or earnings test limitations (if retained). This prevents overcompensation and ensures NUSF fiscal prudence. Critically, however, the COLR obligation assumed by the competitive carrier must apply to the entire designated ILEC wire center footprint for which the carrier sought and received approval, regardless of whether every single location within that territory ultimately generates NUSF support in a given year. The obligation is tied to the commitment to serve the geography, not just the locations receiving subsidies at a point in time.

## B. Cost Model Updates

Lumen supports the principle of using a carrier-agnostic cost model to determine relative costs for high-cost support distribution, as this aligns with the goal of competitive neutrality. However, the model must be robust and accurately reflect the true, forward-looking economic costs of providing the required services, including the costs inherent in fulfilling COLR obligations (e.g., extending service to remote locations, ensuring network reliability and resiliency, meeting service quality standards). A model focused on theoretically lower-cost technologies may not

accurately reflect the actual expenses required to meet COLR standards across an entire territory, potentially leading to insufficient support. Similarly, a model based on operating and maintenance expenses in the initial years of a projected new network may inaccurately estimate the actual costs of network operation over an extended period of time. Annual model reruns can result in excessive operational expenses and may be financially unfeasible. Lumen believes that a three-year cadence for cost modeling for support purposes is adequate and prudent. The Commission must ensure the chosen model realistically accounts for the full scope of obligations undertaken by NUSF recipients.

As mentioned, Lumen finds updating the cost model every three (3) years to be appropriate. This duration between updates strikes a reasonable balance between ensuring the model reflects significant changes in technology, input costs, inflation, and network boundaries, while avoiding administrative and financial burden and potential instability of annual updates. The Commission should retain the flexibility to conduct interim updates if necessitated by extraordinary events (e.g., major technological shifts, significant changes in deployment patterns, natural disasters impacting infrastructure costs).

### C. Use of a Minimum Support Amount

Lumen urges caution regarding the proposal to replace the 2025 glide path with a Minimum Support Base Amount (“MBSA”). While intended to provide predictability, the specific MBSA proposal raises the following concerns:

- **Benchmark Accuracy:** The basis for the \$63.69 benchmark (annualized up to \$100) needs clear justification. Does this figure accurately represent a reasonable minimum cost to serve an eligible location across diverse Nebraska geographies and challenging customer location demographics?

- **Federal Support Imputation:** The proposal suggests *no* imputation of federal support. This is problematic. Federal USF support (e.g., legacy high-cost, CAF, RDOF, and BEAD) is explicitly intended to defray certain operational and start-up costs for serving high-cost areas. Ignoring federal support when calculating state NUSF support risks overcompensating carriers, is inconsistent with efficient use of limited NUSF funds, and deviates from principles of cost causation. State support should generally cover costs *net* of other subsidies.
- **MBSA vs. Modeled Support:** Using the greater of the MBSA or the regular support base could distort investment signals and lead to inefficient allocation of NUSF resources. It might overcompensate carriers where modeled costs are low but still above the MBSA threshold, or potentially undercompensate where the MBSA is set too low relative to actual costs. Support should ideally be tied as closely as possible to modeled, forward-looking costs exceeding reasonable revenue expectations (including federal support).
- **Earnings Test Interaction:** Running the MBSA through an earnings test (if retained) adds another layer of complexity. The Commission should carefully evaluate whether an MBSA mechanism, particularly one that ignores federal support, aligns with the overall goals of efficient, targeted support based on actual cost differences.

Lumen recommends that any support mechanism, must be carefully calibrated to provide support that is specific, predictable, and *sufficient* to cover the net costs of providing the required services, including fulfilling COLR obligations, while preventing windfall profits and promoting efficiency..

### **III. Nebraska Law & Legislative Policy Supports Conditioning NUSF Support on COLR Obligations.**

Nebraska's own statutory and regulatory framework governing telecommunications and universal service provides ample authority and justification for the Commission to require competitive carriers receiving NUSF high-cost support to assume corresponding COLR obligations. The state's commitment to universal service, coupled with recent legislative actions, including pending legislation in the current legislative session, addressing the interplay between



competitive funding and COLR duties, (e.g., the Rural Communications Sustainability Act) compels such consideration in NUSF-139.

The NUSF Act (Neb. Rev. Stats. §§ 86-316 through 86-329) establishes the NUSF with the explicit purpose of ensuring that all Nebraskans have access to quality telecommunications and information services at affordable and comparable rates. The NUSF Act grants the Commission broad authority to administer the fund, establish necessary rules and regulations, and create programs to achieve these universal service goals. The State's policy reflects this mandate, aiming to provide citizens with access regardless of income or location. (Neb. Rev. Stat. § 86-323). This foundational purpose – ensuring access for *all* Nebraskans, particularly those in high-cost rural areas where service might otherwise be unavailable or unaffordable– directly aligns with the function of COLR obligations.

The Commission's NUSF rules (Title 291, Chapter 10) define a Nebraska ETC as a carrier designated by the Commission pursuant to federal law, specifically 47 U.S.C. § 214(e). This incorporation by reference brings the federal ETC service obligations – including the requirement to offer supported services throughout the designated service area – into the Nebraska framework. While these federal obligations form a baseline, Nebraska retains the authority, particularly when distributing state NUSF funds, to impose additional or more specific requirements, such as explicit COLR duties, to ensure state universal service goals are met.

Most significantly, recent Nebraska legislation directly addresses the relationship between public funding for competitive providers and COLR obligations. The Rural Communications Sustainability Act, enacted via LB683 in 2023, contains two critical provisions, being Sections 86-1505 and 1506, as discussed below:

**Neb. Rev. Stat. § 86-1505:** This statute provides a mechanism for the Commission, upon request by an incumbent carrier, to relieve that incumbent of its ETC and COLR obligations

within a specific "deployment project area." This relief is conditioned upon a finding that a *competitive provider* has received *final payment of public funds* under a broadband deployment program for that area and is compliant with the program's requirements.

This Section 86-1505 of the Rural Communications Sustainability Act establishes a clear legislative precedent in Nebraska: the receipt of public funds by a competitor to serve an area is directly linked to a potential transfer or relief of the incumbent's COLR duties for that same area. It acknowledges that the funded competitor is now positioned to serve the area, making the incumbent's obligation potentially redundant. Such redundancy would result in an inefficient use of limited NUSF funds.

**Neb. Rev. Stat. § 86-1506(2):** This section prohibits the Commission from imposing ETC or COLR obligations related to the NUSF Act on a competitive provider in any deployment project area *unless* the incumbent carrier or the competitive provider is *actually receiving support from the NUSF* for that area.

The statute clearly implies that the Commission can impose obligations on a provider receiving NUSF support for a specific area. It prevents unfunded mandates while affirming the Commission's authority to tie NUSF funding to COLR responsibilities.

Taken together, Sections 86-1505 and 86-1506 of the Rural Communications Sustainability Act create a statutory framework that explicitly recognizes the connection between a competitor receiving public funds (whether federal broadband grants under § 86-1505 or state NUSF under § 86-1506) and the assignment or relief of COLR obligations within the funded area. The Legislature has acknowledged that funding a competitor to serve an area logically impacts COLR responsibilities. Therefore, the Commission's framework in NUSF-139 should align with this legislative direction by making the assumption of COLR obligations a mandatory condition for competitive carriers who are approved to receive NUSF high-cost support and necessitating the removal of COLR obligations from the incumbent carrier.

Furthermore, the ongoing legislative discussions surrounding COLR reform, such as the consideration of LB4, underscore the importance of COLR policy in non-competitive areas, but do not negate the existing framework established by the Rural Communications Sustainability Act. Until the Legislature enacts different directives, Sections 86-1505 and 86-1506 provide the relevant statutory guidance supporting the linkage of NUSF support and COLR obligations.

Competitors seeking NUSF funding must be obligated to assume COLR obligations and serve the entirety of an ILEC's service footprint as delineated by individual wire centers. Permitting a competitor to selectively serve high-density areas, such as a county seat within a rural wire center, while leaving the remaining, more geographically dispersed, and higher cost portions of that same wire center as a COLR obligation for the incumbent would be a practice that undermines the fundamental principles of universal service and equitable access and results in a cost advantage to the competitive carrier over time. Such selective deployment, often referred to as "cherry-picking," concentrates public subsidies in the most economically attractive areas, thereby failing to address the critical need for robust broadband deployment and continued operation and maintenance of those facilities in the entirety of the ILEC's established service territory. Cherry-picking exacerbates the digital divide and places an undue and disproportionate burden on the incumbent to serve the less economically viable, yet equally essential, rural communities within their designated wire centers. Therefore, a comprehensive service obligation aligned with the entirety of the wire center footprint is essential to ensure that NUSF funding effectively promotes widespread and equitable broadband access.

In summary, Nebraska law and policy empower and, indeed, compel the Commission to condition NUSF support on the assumption of COLR obligations by competitive carriers. This approach is necessary to fulfill the NUSF Act's purpose, aligns with the federal ETC framework

incorporated into the Commission's rules and regulations, and is consistent with the specific direction provided by the Nebraska Legislature in Sections 86-1505 and 86-1506 of the Rural Communications Sustainability Act. Ensuring that every dollar of NUSF support distributed to a competitive carrier comes with a firm commitment to serve as the provider of last resort is the most effective way to guarantee universal service for all Nebraskans, particularly in the high-cost and rural areas where the NUSF is most needed.

#### **IV. Lumen's Key Recommendations**

Incorporating Lumen's comments above, Lumen offers the Commission the following recommendations:

- A. **Mandatory COLR Commitment:** Modify the proposed framework in PO No. 6, Section A, particularly requirement A.4.c, to replace the concept of a COLR "election" with a mandatory "commitment" or "acceptance" that is automatically triggered upon the approval of NUSF high-cost support for use by a competitive recipient. For assurance that cherry-picking does not occur, and to ensure that every Nebraskan benefits from the funding, regardless of how remote or economically unattractive their location is for the competitive carriers, competitive recipients must agree to provide service within the entirety of a designated ILEC wire center territory in which they receive NSUF support.
  
- B. **Accurate and Efficient Support Calculation:** Ensure any cost model used (PO No. 6, Section B) accurately reflects the full costs of providing service, including those associated with COLR obligations. Furthermore, any support calculation methodology, including the proposed MBSA (PO No. 6, Section C), must impute

federal universal service support received by the carrier to ensure efficient use of NUSF funds and avoid overcompensation.

- C. Integrated Incumbent Relief Mechanism: Upon assumption of the COLR obligation by the funded carrier, explicitly relieving the incumbent carrier of its COLR obligations within a specific service territory concurrently with a competitive carrier receiving NUSF support and assuming COLR duties for that same territory, consistent with the precedent established in Neb. Rev. Stat. § 86-1505.

By adopting these recommendations, the Commission can establish a forward-looking NUSF framework that effectively leverages competition to advance broadband deployment while upholding the promise of universal service and ensuring that a provider of last resort stands ready to serve every Nebraskan.

## **V. Conclusion**

Lumen is grateful for the opportunity to provide comments on the Commission's proposed framework for NUSF support for competitive carriers under NUSF-139, P.O. No. 6. Lumen strongly urges the Commission to adopt a final framework where the approval of NUSF high-cost support by any competitive carrier is explicitly and mandatorily conditioned upon that carrier's assumption of full COLR obligations for the entire designated ILEC wire center territory in which support is received by the competitor. This approach is essential for ensuring funds derived from Nebraska ratepayers are used to guarantee service availability for everyone, especially in high-cost areas; preventing situations where Nebraskans are left without a guaranteed service provider; ensuring subsidized competitors face obligations symmetrical to those historically borne by incumbents; and conforming to the principles of the federal Telecommunications Act, FCC

precedent, the Nebraska NUSF Act, and Nebraska law, including but not limited to Sections 86-1505 and 86-1506 of the Rural Communications Sustainability Act.

Dated this 6th day of May 2025.

Respectfully Submitted,


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### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on this 6th day of May 2025, a true and correct copy of the foregoing was served via electronic mail to:

Nebraska Public Service Commission  
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By:   
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