

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-139
Public Service Commission, on its) Progression Order No. 3
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.)

PRE-FILED DIRECT TESTIMONY OF CULLEN ROBBINS

Q: Please state your name and spell it for the record.

A: C-U-L-L-E-N R-O-B-B-I-N-S

Q: Where are you employed and in what capacity?

A: I am the Director of the NUSF and Telecommunications Department here with the Commission. I have served in this capacity since 2016.

Q: What is the purpose of your testimony?

A: I would like to provide a brief summary of the Commission Staff's proposal, including a correction and clarification of a couple of points in the Staff Proposal released on July 9, 2024.

Q: Can you generally describe the Staff Proposal?

A: Yes. The staff proposed a revised mechanism for the distribution of NUSF High Cost support for the 2025 program year. The proposal sought to transition High Cost support away from capital construction support, or as we called it, Broadband Deployment Support, to supporting the maintenance of broadband-capable voice networks. With the expected activity through the Broadband Office to direct funding for the BEAD program, we believe it makes sense to pause BDS support to allow the BEAD program to address the unserved and underserved areas of the state. The Staff Proposal was released publicly as "Attachment A" to the Commission's Order in NUSF-139 entered on July 9, 2024.

The proposal, in summary, seeks to provide support to Nebraska eligible carriers for the locations that they have reached with broadband-capable networks, and in the process, move towards more

up-to-date data to inform our processes. We also seek to move towards a mechanism that is more carrier agnostic and to a one-mechanism-fits-all approach, where determinations of support are data-driven and more easily understood and predictable.

We have engaged CostQuest to update cost model data, where data will be more granular and incorporate updated cost inputs. We plan to utilize the Federal Communication Commission's Broadband Data Collection data, updated twice annually, to determine which locations are broadband capable at 100/20 Mbps down and up, and will utilize 2020 Census data to define the areas that are considered High Cost, and therefore eligible for NUSF support.

We have also provided a description of how federal support will be imputed, and have proposed continuing the NUSF EARN form process for rate-of-return carriers, while also utilizing a rate comparability process for Price Cap carriers.

We have also proposed what we called a "glide path" option, where carriers can expect to receive either the modeled support amount per the process we have outlined, or 75% of the prior year's support, whichever is higher.

Q: Do you have any clarifications or corrections you would like to make to the Staff Proposal at this time?

A: Yes. I would like to make one correction and clarify one point. In the proposal attached to the July 9th order, we stated that we would provide 75% of the 2023 ongoing support amount - we intended this to be 75% of the 2024 ongoing support amount. Also, we want to clarify that we don't intend that this would require any affirmative opt-in by a carrier - we would automatically allocate whichever support amount is greater.

Q: Can you explain why you support adoption of the Staff's Proposal as corrected in this testimony for the 2025 program year?

A: We believe this proposal advances universal service goals by directing NUSF High Cost support using a more modern approach, moving proactively towards the statutory requirements put in place through LB 1031, passed during the 2024 legislative session, while making sure that changes aren't so drastic as to induce hardship for carriers. We appreciate the robust participation in this docket, and we look forward to continued discussion as we look towards further modifications to the High Cost distribution mechanism.

Q: Do you have anything further to add?

A: No I do not. I'm happy to answer any questions.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 6th day of August, 2024, the foregoing pleading was filed with the Nebraska Public Service Commission and delivered electronically to the following:

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