

NUSF-131  
Comments  
Due: 7-30-2021

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**BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION**

In the Matter of the Nebraska Public  
Service Commission, to Establish  
Reverse Auction Procedures and  
Requirements

Application No. NUSF-131

ORDER OPENING DOCKET, SEEKING  
COMMENT AND SETTING HEARING

Entered: June 29, 2021

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

Pursuant to Commission Order dated June 29, 2021 (“Opening Order”) in the above-referenced docket, Qwest Corporation d/b/a CenturyLink QC and United Telephone Company of the West d/b/a CenturyLink (collectively, “CenturyLink”) hereby respectfully provide the following comments on the Commission’s proposal to establish reverse auction procedures and requirements.

1. As noted in the Commission’s Opening Order, the Governor approved the Commission’s Reverse Auction Rules and Regulations on May 7, 2021. These Reverse Auction rules are intertwined with the Commission’s updated framework for awarding NUSF broadband grant funding for price cap carriers developed late last year (NUSF-99, Progression Order No. 2, Order Adopting Findings and Conclusions, Entered November 4, 2020). When taken together, the Reverse Auction rules and updated NUSF-99 framework will advance the robust deployment of critical broadband services to rural areas of Nebraska that face significant economic challenges due to population density and other factors. CenturyLink commends the Commission and its Staff for proposing a framework that is consistent with the legislative intent behind the reverse auctions program. CenturyLink does not offer comment on every proposal or every question posed by the Commission and hereby offers the following comments on a narrow list of issues.

### ***Term of Support***

2. The Commission proposes the following: (1) a two-year buildout requirement, (2) support provided in equal increments over the two-year period, (3) actual invoices showing costs incurred, (4) and all cost information submitted by the end of year three. CenturyLink suggests these obligations are generally consistent with existing support initiatives, including NUSF-99 and Nebraska Broadband Bridge Act grants, and supports the terms outlined by the Commission in its proposal.

### ***Budget***

3. The Commission seeks comment on its proposed budget which will be determined for each auction area once the Commission knows how much support allocated to price cap carriers goes unused. CenturyLink supports the Commission's plan to release the amounts and reserve prices for each census block that are wholly unserved. Again, this is consistent with the rules for price cap carriers and represents the best way in ensuring all areas receive broadband services.

### ***Service Offerings and Reasonable Comparability***

4. The Commission proposes that auction support recipients would have the flexibility to offer a variety of broadband service offerings as long as they offer at least one standalone voice plan and one service plan that provides broadband at the relevant performance tier and latency requirements at rates that are reasonably comparable to rates offered in urban areas. CenturyLink agrees not only with the Commission's flexibility objective but also the requirement to at least offer standalone voice service to every household within the auction census blocks. Any carrier receiving NUSF support must be an eligible telecommunications carrier (ETC). ETCs have a duty "to offer adequate voice service throughout their exchange and

to fulfill all reasonable requests for service.”<sup>1</sup> Further, voice service offered by ETCs “must be capable of meeting all ETC requirements, including but not limited to, access to emergency services and battery backup.”<sup>2</sup>

5. The Commission also sought comment on whether auction support recipients should be required to provide annually the Commission with copies of advertisements and marketing materials to ensure that they are promoting the availability of its services throughout its service area and the prices at which the services are offered. Again, this is an obligation of all ETCs and any auction winner should comply with all ETC certification requirements including advertising in general media. CenturyLink is not proposing any separate or unique obligations but strongly suggests that the Commission hold all ETCs to the same standards.

#### ***Areas Eligible for Auction Support***

6. In its Opening Order, the Commission reiterated that “As part of the NUSF-99 buildout requirements, carriers were required to serve every eligible census block in an exchange.”<sup>3</sup> The Commission then noted that in many cases, “the eligible blocks are not contiguous, and as such might be less attractive to bid on as a unit.” Accordingly, the Commission seeks comment on whether auction areas in bidding units should be smaller than the exchange level.

7. CenturyLink notes that these arguments were made in the NUSF-99 proceeding and the Commission has already established its policy. Specifically, CenturyLink argued that the Commission should modify its NUSF-99 rules by “allowing partial exchange buildout by the

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<sup>1</sup> NUSF-99, Progressive Order No. 2, Order Adopting Findings and Conclusions, Entered November 4, 2020, at p. 37.

<sup>2</sup> *Id.* at p. 39.

<sup>3</sup> Opening Order at p.7

price cap carrier or auction winner to accommodate for ultra-high cost areas.”<sup>4</sup> However, the PSC rejected this approach:

Some commenters expressed concern with the requirement to build to all eligible locations within an exchange. Instead, some commenters supported using a standard with a buildout requirement of 90 of 95 percent of the locations in a support area. We decline to modify our proposal for a few reasons. First, Neb. Rev. Stat. §§ 86-317 and 86-323 clearly establish the legislative policy position that our funding mechanism, as a supplement to the federal mechanism, should ensure all Nebraskans, without regard to their location have comparable accessibility to telecommunications and information services to those offered in urban areas. We do not think it would be appropriate for the Commission to rewrite this declaration of policy by adopting a different standard for broadband buildout. Second, reaching all high-cost locations within a support area is a realistic requirement given that support made available is based upon a cost model which includes all locations. Invoiced costs of broadband deployment are reimbursed by the Commission as long as they are based upon the costs allocated to the carrier and consistent with the model. We recognize that some locations might be extremely costly to serve and that in some circumstances a carrier may not want to expend the resources to maintain and upgrade service to a consumer in a remote location. However, those areas have most likely been neglected and these locations may be where consumers rely most heavily on their wireline voice and broadband connection for public safety reasons. Accordingly, we adopt the proposal to require price cap carriers to reach every household within an approved project area regardless of topography, vegetation, or distance.<sup>5</sup>

8. The Commission now suggests the very proposal it previously rejected when advanced by CenturyLink in the NUSF-99 docket. If Price Cap carriers could commit to areas smaller than the entire exchange, sub-exchange areas very well could have been accepted by the carrier. And because Price Cap carriers are prohibited from participating in the reverse auction proceedings for their respective exchanges, the Commission’s proposal would allow auction bidders to target lower cost areas while leaving the higher cost areas to the Price Cap carrier. Such disparate treatment places Price Cap carriers at a competitive disadvantage. Further, it will

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<sup>4</sup> NUSF-99, Progression Order 2, Lumen comments at ¶ 4 (July 30, 2020).

<sup>5</sup> NUSF-99, Progression Order 2, Opinion and Findings at pp. 36-37.

allow auction bidders to cherry-pick desirable areas and will serve to further isolate those areas that have been left behind.

### ***Reserve Prices***

9. CenturyLink suggests that the maximum support, or reserve price, set for an auction area be the same dollar amount offered to the respective price cap carrier for the same exchange. Setting the reserve price higher for the reverse auction process than what was offered the Price Cap carrier does, in fact, create an unfair support advantage, the very result the Commission is trying to avoid. On the other hand, setting the reserve price lower than what was offered to the price cap carrier may limit bidder participation which is also what the Commission is attempting to avoid.

### ***Conclusion***

CenturyLink again commends the Commission and its Staff for their comprehensive proposal and thanks the Commission for the opportunity to provide comments in this docket.

Respectfully submitted,

/s/ Elizabeth A. Culhane

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ATTORNEYS FOR QWEST CORPORATION  
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## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public	)	Application NUSF-131
Service Commission, on its own motion,	)	
to establish reverse auction procedures	)	
requirements.	)	

### COMMENTS OF COX NEBRASKA TELCOM, LLC

Cox Nebraska Telcom, LLC (“Cox”) respectfully submits these comments in response to the Nebraska Public Service Commission’s (“Commission”) Order entered in the above-captioned matter on June 29, 2021. Cox supports the Commission’s continued efforts to implement a reverse auction program in Nebraska and applauds the Commission for quickly moving forward opening this docket following the passage of Legislative Bill 338 (2021).

Cox files these comments asking the reverse auction program be structured in a technologically neutral manner so that an equal opportunity exists for all providers to participate. In addition, Cox files these comments to provide feedback to certain questions that were posed in the Commission’s Order. Cox was a participant in the FCC’s Rural Digital Opportunity Fund (“RDOF”) and was awarded funding in several states, including Nebraska. As such, Cox files these comments based on its experience as a bidder in the RDOF program and as a long-time service provider.

#### **I. Simplify the Process**

The Commission should take steps to encourage bidders to participate in the reverse auction by streamlining the application and the overall process as much as possible. The Commission should take advantage of the fact that many existing providers are already offering broadband service in Nebraska and have been doing so for quite some time. Cox encourages the

Commission to rely on information it may have received in the last 3 years through ETC applications or other formal Commission filings, such as annual reports to validate a bidder's fitness to participate in the reverse auction.

## **II. Decline to Adopt Additional, Unnecessary Requirements**

To maximize the number of potential bidders, the Commission should refrain from imposing burdensome requirement on auction participants. For example, the Commission should avoid instituting take-rate or subscribership quotas. Providers can control the broadband facilities they deploy, but they cannot control consumers' purchases of those services. The Commission should not make it difficult for providers to participate in the reverse auction by holding them responsible for situations outside their control, particularly when subscribership requirements are not imposed on current NUSF recipients.

Similarly, the Commission should not require service quality metrics, annual advertisements, subscribership data or set engineering standards unless such obligations are in statute, rule or have been imposed on the historical NUSF recipients via previous orders. It would be inherently unfair and perhaps beyond the Commission's jurisdiction regarding broadband delivery to impose requirements on the reverse auction winners beyond what is required of the current NUSF recipients. Winning bidders should be required to follow the Commission's rules, regulations, orders and statutes. However, they should not face a more stringent, complicated system than what is asked of the NUSF recipient companies when the reverse auction originates from that program.

Finally, it is reasonable to provide bidders a short window of time to modify applications that contain a minor flaw or defect. Cox urges this approach so the Commission has as many bidders participating in the auction as possible. Rejecting an applicant prevents broadband from

being deployed by a potentially lower-priced, superior service provider. Further, as this is the inaugural launch of the reverse auction, it is foreseeable that errors will be made.

### **III. Size of the bidding area.**

An issue of critical importance is the size of the bidding area. In both the Connect America Fund and the RDOF, the FCC adopted census block groups as the minimum-sized geographic area for bidding, and Cox encourages the Commission to utilize census block groups as well. Using census block groups, or even a smaller geographic unit of a partial census block provides greater flexibility than large geographic areas, particularly for bidders like Cox that could potentially expand its network or construct smaller networks near its existing footprint.

If the Commission adopts an overly large bidding unit, such as an entire exchange, many providers, including Cox, may be unable to participate. An exchange is the historical geographic boundary of the incumbent telephone company. It is not necessarily used by other providers, and thus is not competitively neutral. Allowing census block groups, or partial census blocks as the smallest bidding unit, rather than full exchanges will enable robust technology-neutral participation from all possible providers.

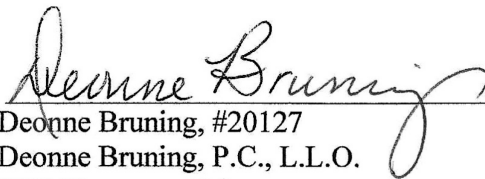
### **IV. Conclusion**

In closing, Cox hopes the Commission continues to review and follow the FCC's RDOF auction procedures. To that end, Cox suggests the Commission take a periodic review of its reverse auction rules found in Title 291, Chapter 16 and the conclusions reached in this docket and if necessary, open a docket should there be lessons learned at the federal level that would be useful for Nebraska's reverse auction. Also, Cox notes while the present docket is understandably focused on timely implementing the reverse auction, LB 338 also allows the

Commission to redirect funds via 'rural-based plans.' Cox looks forward to providing comments and engaging in the formulation of that program in the future. Cox thanks the Commission for the opportunity to provide comments in this docket and appreciates the chance to offer reply comments if necessary.

DATED: July 29, 2021

ATTORNEY FOR COX NEBRASKA TELCOM, LLC



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#### **Certificate of Service**

The undersigned hereby certifies on this 29<sup>th</sup> day of July 2021, one original and one electronic copy of the Comments of Cox Nebraska Telcom, LLC in Application NUSF-131 were sent via USPS Priority Mail to the Nebraska Public Service Commission, 300 The Atrium, 1200 N Street, Lincoln NE 68502 and a copy was e-mailed to Cullen Robbins at [cullen.robbins@nebraska.gov](mailto:cullen.robbins@nebraska.gov) and Brandy Zierott at [brandy.zierott@nebraska.gov](mailto:brandy.zierott@nebraska.gov).



Deonne Bruning

## 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

The Nebraska Rural Broadband Alliance (“NRBA”),<sup>1</sup> by and through its attorneys of record, submits these *Comments* (“Comments”), as allowed by the *Order Opening Docket, Seeking Comments and Setting Hearing* (“Order”) entered by the Public Service Commission (“Commission”) on June 29, 2021.

#### Introduction

The proposals made in the Commission’s Order are generally sensible, especially in that they preserve both the Commission’s authority to demand accountability and regulatory flexibility necessary to allow rural consumers a say in the process of withholding and redirecting support.

As the Commission suggests, reverse auctions of federal support have not served rural Nebraskans well. The signs of real progress are few. To date, support has been used merely to acquire existing, privately funded infrastructure. Reverse auctions also resulted into a race to the bottom, favoring inferior technologies. The Nebraska Commission rightly expressed concerns about this on a national stage.<sup>2</sup> For the same reason, the Commission attempted to

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<sup>1</sup> For purposes of this proceeding, the NRBA is made up of the following carriers: Glenwood Telecommunications, Inc.; Hemingford Cooperative Telephone Co.; Mainstay Communications; Midstates Data Transport, LLC; and Stanton Telecom, Inc.

<sup>2</sup> *Rural Digital Opportunity Fund, Report and Order*, 35 FCC Rcd 686, 695 ¶ 19 (2020): “The Nebraska Public Service Commission, on the other hand, raised concerns that a reverse auction focuses on ‘the cheapest way to get to the minimum speed of a given speed tier to a coverage area’ rather than ‘focusing on robust and scalable technology.’”

establish a more consumer-based option to reverse auctions in promulgated rules pursuant to LB994 (2018).<sup>3</sup> Unfortunately, the Rural Independent Companies (“RIC”) opposed the program established by the Commission, and in October 2020, the Attorney General rejected the program as exceeding the Commission’s statutory authority. Without dissent, however, the Legislature in 2021 essentially restored the consumer-based program of redirecting support.<sup>4</sup>

The NRBA commends the Commission for narrowing the focus of its inquiry in this proceeding to the more specific requirements of reverse auctions, especially those shoring up the showing necessary to prove technical capability. The Commission exercised good judgment in refraining from recommending a fixed protocol for rural-based plans under LB338. Retaining regulatory flexibility will foster innovation and accelerate broadband infrastructure deployment in rural areas. That said, the Commission’s proposals set forth in the Order, give all a clear sense of the Commission’s expectations with regard to such rural-based projects.

### **Pre-Auction Vetting Process**

The Commission seeks comment on whether it should use lessons learned from the RDOF auction to validate that each auction participant has the technical capability to deliver the promised speeds prior to the auction. Unquestionably, the Commission should learn from past federal auctions. There has been *de minimis* deployment of new infrastructure using either RDOF or CAFII auctioned support. There has been woefully inadequate deployment

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<sup>3</sup> In the Matter of the Commission, on its own motion, seeking to amend Title 291, Chapter 16, to adopt Reverse Auction and Wireless Registry rules and regulations in accordance with Nebraska Legislative Bill 994 (2018), Rule & Reg. No. 202, *Order Issuing Certificate of Adoption*, p. 6 (July 14, 2020). After the Attorney General’s partial rejection of rules proposed July 14, 2020, the Commission remove the rural-based plan regulations and re-certified the rules and regulation. Those rules and regulations were approved by the Attorney General and the Governor and became effective May 12, 2021. They were codified at NEB. ADMIN. CODE, tit. 29, ch. 16 (“202 Rules”).

<sup>4</sup> LB338, § 6 (2021).

of new infrastructure using CAF II auctioned support and the RDOF reverse auction program has been mired in controversy. The RDOF's over-hyped benefits are increasingly being called into question including by the Federal Communications Commission itself, which has thus far only approved funding for a small percentage of the actual winning RDOF bids. The 202 Rules require information related to an auction participant's technical capability. The Commission should require specific proof to demonstrate the participant's past record of service in rural Nebraska and that the technologies it will deploy are capable of serving all locations in the support area.

The Commission would be prudent to allow pre-auction vetting of potential participants. Doing so will allow the Commission and the recipients to expedite deployment. Such vetting should not only include thorough review of an applicant's technical ability, but also its financial strength. Carriers subject to current or recent bankruptcy actions ought to be disqualified automatically.

The NRBA supports imposition of penalties on recipients of redirected support that fail to provide services in compliance with state laws, rules and regulations, and orders of the Commission. The Commission possesses significant authority to levy civil penalties for lack of compliance. The 202 Rules make it clear that the Commission can claw back support not used to deploy compliant infrastructure.<sup>5</sup>

### **Term of Support**

The NRBA supports a two-year project completion period, as well as allowance of extension for good cause. Consistent with the positions of most parties submitted in the Commission's proceeding on the implementation of LB388 (2021), simplifying the payment

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<sup>5</sup> 202 Rules, § 001.04(E).

process would be wise.<sup>6</sup> Further, redirected Broadband Deployment Support (“BDS”) for a two-year project, could be paid over a longer period of time consistent with current practices under both NUSF-99 and NUSF-108.

The Commission must also continue to recognize that after deployment is complete, ongoing support will be critical to maintain and operate the infrastructure.

## **Budget**

In its Order, the Commission stated that it planned to establish a budget for each auction once the Commission knows how much support allocated to price cap carriers will go unused. The NRBA supports this proposal to the extent that it applies to reverse auctions. An action to redirect support pursuant to a rural-based plan, however, should trump an incumbent local exchange carrier’s election of BDS support for the same area.<sup>7</sup> Under current law and regulation, this would be true not only for price cap territories, but also for rate-of-return territories.

As the Commission correctly notes, “At this point, only the census blocks which are considered wholly unserved because no provider is offering both voice service and 25/3 Mbps terrestrial fixed broadband service will be eligible for the auction.”<sup>8</sup> Effective January 2, 2022, however, this speed standard will increase to 100/20 Mbps.<sup>9</sup>

The Commission also recognizes that universal service objectives evolve, together with service standards. For this reason, the Commission must remain mindful of the need for ongoing support to assist with the costs of operating and maintaining infrastructure in rural areas.

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<sup>6</sup> In the Matter of the Nebraska Public Service Commission, on its own motion, to implement the Nebraska Broadband Bridge Act, App. No. NUSF-5272, evidence presented at hearing July 13, 2021.

<sup>7</sup> See NEB. REV. STAT. § 86-330(3).

<sup>8</sup> Order, p. 2.

<sup>9</sup> NEB. REV. STAT. § 86-330(4).



## **Deployment Obligations**

The Commission questions whether it should establish an eligibility baseline of 25/3 Mbps speeds for projects receiving redirected support. As a practical matter, any support redirected pursuant to either a reverse auction or a rural-based plan will be for projects completed after January 1, 2022. For that reason, approval of any project receiving redirected support should require infrastructure capable of delivering minimum 100/100 speeds.<sup>10</sup>

## **Proposed Performance Tiers, Latency, and Weights**

The NRBA has no comment on the proposals or issues raised under this category of inquiry at this time.

## **Service Offerings and Reasonable Comparability**

No comment at this time.

## **Areas Eligible for Auction Support**

The Commission is right to prioritize areas that are presently unserved even under current standards that require speeds of only 25/3 Mbps to qualify for support.<sup>11</sup> Carriers that have so badly neglected rural ratepayers should be relieved of their responsibilities for such areas as soon as possible. The Commission, however, should not protect infrastructure incapable of providing speeds of at least 100/20 Mbps speed against supported overbuild for reasons set forth above.<sup>12</sup>

The NRBA agrees that the Commission should allow withholding and redirection of high-cost support at a smaller than exchange level. That said, economies of scale may drive larger projects. The Commission smartly maintains the flexibility to consider the impact of a

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<sup>10</sup> LB338, § 4 (2021).

<sup>11</sup> Under LB338, these standards expire for BDS on January 1, 2022. Accordingly, the current standard should be extinguished or sun-setted by Commission for ongoing support in the near future.

<sup>12</sup> See text related to fn. 7 above.

withholding/redirection action at the most granular area feasible. The Commission's policy of requiring compliant services to every location in a supported area should continue to guide its regulatory oversight of such actions. While the Commission is wise to be cautious about projects involving non-contiguous areas to avoid cherry-picking, it is also right not to tie its own hands. Flexibility and caution are advisable, but the Commission nevertheless should remain true to its objective of withholding and redirecting support at an exchange level.

The Commission is correct to acknowledge that consumer complaints may drive withholding actions under the 202 Rules.<sup>13</sup>

The Commission asked whether it should “restrict the carrier from whom support has been withheld from bidding on the area.”<sup>14</sup> For reasons elaborated on in testimony presented at the July 13, 2021, hearing in the proceeding on the implementation of LB388, the NRBA agrees that the Commission should not allow the ILEC ETC from which support has been withheld to participate in either a reverse auction under the 202 Rules or a rural-based plan under LB338.<sup>15</sup> Carriers with a track record of non-service should not be rewarded with what is well more than a second chance.

### **Reserve Prices**

The Commission should continue to establish what are essentially reserve prices for BDS support for exchanges for which price cap carriers are currently responsible. The Commission should do so for rate-of-return carriers, as well.

### **Application Process**

The NRBA has no comment at this time.

### **Authorization and Release of Auction Support**

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<sup>13</sup> 202 Rules, § 001.03.

<sup>14</sup> Order, p. 7.

<sup>15</sup> See fn. 6 above.

See comments above related to the category *Terms of Support*.

**Non-Compliance Measures**

No comment at this time.

**Non-Compliance Framework**

No comment at this time

**DATED: June 29, 2021.**

**NEBRASKA RURAL BROADBAND  
ASSOCIATION**

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Mainstay Communications; Midstates  
Data Transport, LLC; and Stanton  
Telecom, Inc.

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By: /s/ Andrew S. Pollock  
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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 July 30, 2021, and a copy was served via electronic mail, on the following:

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/s/ Andrew S. Pollock  
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RECEIVED

JUL 30 2021

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION, Nebraska  
Public Service Commission

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

**COMMENTS OF THE NEBRASKA RURAL INDEPENDENT COMPANIES**

The Nebraska Rural Independent Companies (“RIC”)<sup>1</sup> submit these Comments in response to the Order Opening Docket, Seeking Comment and Setting Hearing entered by the Nebraska Public Service Commission (the “Commission”) in this docket on June 29, 2021 (the “*NUSF-131 Order*”). RIC appreciates the opportunity to provide these Comments and looks forward to continuing its participation in this docket regarding the establishment of reverse auction procedures and requirements.

**I. INTRODUCTION**

The opening of this docket represents the second phase of the Commission’s response to the Legislature’s delegation of authority to the Commission regarding “the design, implementation, and operation of a reverse auction program”<sup>2</sup> pertaining to the distribution of Nebraska Universal Service Fund (“NUSF”) in certain circumstances. While the first phase resulted in the

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<sup>1</sup> Arlington Telephone Company, Blair Telephone Company, Consolidated Telephone Company, Consolidated Telco, Inc., Consolidated Telecom, Inc., The Curtis Telephone Company, Eastern Nebraska Telephone Company, Great Plains Communications, LLC, Hamilton Telephone Company, Hartington Telecommunications Co., Inc., Hershey Cooperative Telephone Company, Inc., K & M Telephone Company, Inc., The Nebraska Central Telephone Company, Northeast Nebraska Telephone Company, Rock County Telephone Company, Sodtown Communications, Inc. and Three River Telco.

<sup>2</sup> *Neb. Rev. Stat.* § 86-330.

Commission's adoption of rules now codified at 291 *Neb. Admin. Code* Ch. 16, the Commission states that this second phase is aimed at "providing more detail to the reverse auction framework."<sup>3</sup>

In these Comments, RIC will provide input regarding selected sections of the *NUSF-131 Order*. These comments are premised on the presumption that the factual findings required to trigger a reverse auction in any area of Nebraska have occurred and that the Commission has thus determined to proceed with a reverse auction of NUSF support for specific geographic locations.<sup>4</sup>

RIC suggests that the Commission specifically confirm the following, previously announced standards for reverse auctions of NUSF support:

- (1) the NUSF support will be auctioned for use in the area where the original allocation was not utilized by the carrier to which it was allocated.
- (2) eligible locations in which such support may be used
  - (a) would be those that are defined as rural;
  - (b) are not eligible for federal Rural Digital Opportunity Fund ("RDOF") support;<sup>5</sup>
  - (c) are not already built to 25/3 Mbps or greater; and

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<sup>3</sup> See *NUSF-131 Order* at 1.

<sup>4</sup> See Chapter 16, Section 001.03. For example, on July 15, 2021, Frontier Communications submitted a notification letter to the Commission that it would accept only \$6,368,563 of its allocated NUSF High Cost support totaling \$9,553,092.10 attributable to the period of 2017 through 2021. Since this acceptance is less than the required 95% utilization of allocated support, RIC understands that the remaining support will be forfeited, and used to fund a reverse auction to bring broadband to exchanges within Frontier's territory that do not have broadband projects planned. See *In the Matter of the Nebraska Public Service Commission, on its own motion, to administer the Universal Service Fund High-Cost Program*, Application No. NUSF-99, Progression Order No. 2, Order Authorizing Payments and Setting Project Selection Deadline at 2 (Jan. 12, 2021).

<sup>5</sup> See generally *In the Matter of the Rural Digital Opportunity Fund, et al., Report and Order*, WC Docket Nos. 19-126, 10-90, FCC 20-5, released February 7, 2020 ("FCC RDOF Order").

- (d) do not already have competitive service, defined as broadband at 25/3 Mbps and voice service offered.<sup>6</sup>

RIC believes these parameters are appropriate and provide guideposts as to the proper use of a reverse auction after the preliminary findings are made.<sup>7</sup> Of particular importance is the finding by the Commission noted above as (2)(b) which required Price Cap carriers in their recent July 2021 applications to eliminate RDOF Phase I areas.<sup>8</sup> RIC notes this finding specifically because it is important that scarce NUSF support resources are not used to fund locations that will receive federal RDOF awards.

RIC notes that, since the entry of the Order referenced in footnote 5, additional sources of Federal and State funding for broadband buildout have become available or are expected to become available such as Nebraska Broadband Bridge Act (“Bridge Act”) grants and American Rescue Plan Act of 2021 (“ARPA”) grants. To the extent possible, the Commission should endeavor to avoid use of NUSF support distributed through the reverse auction process to locations that will receive or are likely to be eligible to receive Bridge Act and ARPA grants or other sources of funding for broadband build out, thus avoiding commitment of scarce NUSF resources that should be used to build out broadband in eligible locations that would thereafter be unserved or underserved. Further, in its administration of any reverse auction, RIC respectfully submits that the Commission should consider the fact that the FCC will, at some point in the future, proceed with the RDOF Phase II

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<sup>6</sup> See *In the Matter of the Nebraska Public Service Commission, on its own motion, to administer the Universal Service Fund High-Cost Program*, Application No. NUSF-99, Progression Order No. 2, Order Adopting Findings and Conclusions and Initiating Challenge Process at 36 (Nov. 4, 2020) (“November 4<sup>th</sup> NUSF 99 Order”).

<sup>7</sup> See Chapter 16, Section 001.03.

<sup>8</sup> See *November 4<sup>th</sup> NUSF 99 Order* at 36.

auction. While the RDOF I status is unknown as of now, the RDOF II process announced by the FCC (which would include unassigned RDOF I resources)<sup>9</sup> can reasonably be expected to result in additional federal funding becoming available for then-existing unserved or underserved locations in Nebraska price cap carrier areas.

***Pre-Auction Vetting Process/Application Process/Budgets***

RIC respectfully submits that the Commission should continue to monitor and remain flexible to address any actual or perceived problems that may arise from the FCC's implementation of the first round of the RDOF.<sup>10</sup> Specifically, and consistent with the Commission's prior ruling in the *November 4<sup>th</sup> NUSF 99 Order*, the Commission should reaffirm that locations that may otherwise be subject to a later reverse auction may be modified based on the FCC's administration of an RDOF Phase II auction).<sup>11</sup>

RIC recommends that the Commission should not require the filing of both short-form and long-form applications in order to participate in the NUSF reverse auction process.<sup>12</sup> Rather, requirements for a single application should be sufficiently detailed so as to ensure that any qualified bidder can meet the Commission's requirements concerning the projects proposed to be deployed. This approach will provide administrative efficiencies for the Commission, the NUSF reverse auction participants and interested parties. RIC believes this approach is appropriate based

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<sup>9</sup> See *FCC RDOF Order* at ¶ 5.

<sup>10</sup> *NUSF-131 Order* at 1.

<sup>11</sup> See *November 4<sup>th</sup> NUSF 99 Order* at 38 (In the context of providing NUSF in RDOF awarded areas, the Commission stated: "Excluding support in what will be RDOF Phase II areas would unreasonably disadvantage consumers that we know do not have access to broadband. However, at the point in which the RDOF Phase II auction appears imminent, an adjustment will be made to the remaining list of eligible blocks or exchanges.")

<sup>12</sup> *Id.* at 8-9.



on the Commission's anticipation, as stated on page 2 of the *NUSF-131 Order*, that reverse auction projects will be "smaller and more discrete."<sup>13</sup> In an effort to ensure the anticipated administrative efficiencies associated with a single round of applications, it may be useful for the Commission to hold one or more workshops to develop the application requirements in order that all interested parties have an opportunity to weigh in with regard to application requirements.

Regarding the Commission's pre-auction vetting process,<sup>14</sup> at a minimum such process should provide opportunities for interested parties to question the bona fides of the NUSF reverse auction participant and the representations made in a reverse auction application. NUSF is a limited resource and should be made available only to qualified entities. RIC's proposal provides the opportunity for a full factual record to be developed regarding the NUSF reverse auction participant's qualifications. Further, the Commission should explicitly determine whether the vetting process may be the basis for rejection of an application or the basis for imposition of participant-specific conditions. If the latter, and if the application is accepted, the Commission should also explicitly state that the participant's continuation in the reverse auction is subject to the participant's acceptance of any such Commission-established condition.

In addition to the foregoing, since voice service must be offered in connection with a reverse auction application award, an NUSF reverse auction participant must hold a certificate of public convenience and necessity ("CPN") or must apply for and be granted such CPN before a reverse auction award to the participant is made. Likewise, since NUSF is only available to Nebraska ETCs, that designation must be granted by the Commission or must be applied for and granted

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<sup>13</sup> *Id. at 2.*

<sup>14</sup> *Id. at 1.*

before the reverse auction award is made. Further, as part of any reverse auction application, the participant must unequivocally acknowledge and accept the Commission's jurisdiction over the participant's operations in the State of Nebraska at least in the area addressed in its reverse auction application. In this way, no question should exist as to the Commission's jurisdiction over a reverse auction winner, and thus the Commission's on-going ability to monitor and take any required remedial actions regarding a reverse auction award.

RIC also suggests that the following requirements should be applied to reverse auction applications:

1. Only minor amendments identified in Chapter 16, Section 001.04(D)(iii) of the Commission's Rules should be permitted. As indicated in Section 001.04(D)(iv) of the Commission's Rules, major modifications should be prohibited after the deadline for submission of applications.
2. All applicants must provide voice service and broadband service with speeds of at least 100/100 Mbps beginning January 1, 2022 via networks provided to all locations subject to the application.<sup>15</sup>
3. Future reverse auction standards for broadband service speeds should be based on changes in the applicable Nebraska statutes.

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<sup>15</sup> On May 5, 2021, the Governor approved LB 338 (which contained the emergency clause) in which Section 4 requires that "[b]eginning on January 1, 2022, the commission shall ensure that funds distributed from the Nebraska Telecommunications Universal Service Fund for construction of new broadband infrastructure shall go to projects that provide broadband service scalable to one hundred megabits per second or greater for downloading and one hundred megabits per second or greater for uploading." For the purposes of this docket and in the implementation of the Reverse Auction Rules that became effective on May 12, 2021, the Commission should utilize the Legislature's updated scalable network speed standard rather than the former 25/3 Mbps speed standard.

4. The Commission should ensure that, when moving forward with a reverse auction, the Commission is identifying specific geographic areas and requesting applications for such areas in order to allow meaningful explanation of any differences associated with non-geographic elements between applicants such as speeds and proposed technology platforms. As a general matter, therefore, the minimum area for reverse auction should be a Census Block Group.

### ***Term of Support***

RIC respectfully submits that the Commission should establish progress reporting requirements for projects awarded through the reverse auction process. RIC suggests that once every six (6) months, a winning bidder should be required to submit, under oath, the extent to which that winning bidder is in compliance with the deployment and service availability representations (listing service speeds and locations) contained in its application. Such compliance filing should also include the winning bidder's compliance efforts related to applicable NETC-related advertising requirements including broadband speeds (including samples of such advertisements).

No extension of the 24-month build out requirement should be permitted absent a force majeure event that results in such deployment and service availability being impossible to achieve within the 24-month award period. Any such extension, in turn, would then be provided only for the time period within which the force majeure event was in existence.

The Commission should retain the flexibility to apply any and all remedial measures it has available to it should the winning bidder fail to meet any service speeds, service locations, advertising, or deployment and service availability representations within its application. By placing all applicants on notice of this fact, issues regarding the bona fides of and representations made by an applicant should be reduced.

### ***Deployment Obligations/Service Offerings and Reasonable Comparability***

On page 4 of the *NUSF-131 Order* the Commission seeks comment “on whether we should set baseline performance at 25/3 Mbps speeds . . .” As noted by RIC in footnote 15 above, the plain language of LB 338, Section 4 requires that after January 1, 2022, any disbursements from the NUSF to support broadband build out shall be used to construct networks that support “broadband service scalable to one hundred megabits per second or greater for downloading and one hundred megabits per second or greater for uploading.” Based upon this statutory directive, RIC submits that the Commission must set its baseline performance standard to require networks deployed by auction winners to meet the above-quoted standard rather than a 25/3 Mbps baseline standard.

### ***Areas Eligible for Auction Support***

With regard to areas eligible for auction support as discussed on page 7 of the *NUSF-131 Order*, consistent with its comments in the preceding paragraph, RIC again submits that the Commission’s references to 25/3 Mbps speeds must be updated to conform to the Legislature’s new speed standard of networks capable of supporting 100/100 Mbps scalable broadband service.

### ***Budget/Reserve Pricing***

RIC respectfully submits that the Commission’s discussion of “reserve” pricing for a reverse auction requires additional input based on the need to balance various competing objectives such as: (1) the fact that NUSF is a scarce resource and any allocated budget may not meet the State Broadband Cost Model investment levels for remaining unserved or underserved areas that are anticipated to be more costly to serve;<sup>16</sup> (2) the objective of ensuring the availability of broadband

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<sup>16</sup> See *NUSF-131 Order* at 8.

to all rural end users; and (3) whether any mandated governmental discount of the investment levels based on NUSF budget available should supplant an applicant's judgment as to how it can best deploy a scalable network in the given reverse auction area. In RIC's view, the balancing of these concepts can best be achieved through a workshop or series of workshops on focused topics, where robust discussion and alternatives can be identified and debated among all interested parties, the Commission and its Staff.

## **II. CONCLUSION**

As stated above, the Rural Independent Companies appreciate the opportunity to provide these Comments in response to the *NUSF-131 Order*. RIC reserves its rights to address other parties' comments during the reply comment cycle that has been established by the Commission in the *NUSF-131 Order*.

Dated: July 30, 2021

Arlington Telephone Company, Blair Telephone Company, Consolidated Telephone Company, Consolidated Telco, Inc., Consolidated Telecom, Inc., The Curtis Telephone Company, Eastern Nebraska Telephone Company, Great Plains Communications, LLC., Hamilton Telephone Company, Hartington Telecommunications Co., Inc., Hershey Cooperative Telephone Company, Inc., K & M Telephone Company, Inc., The Nebraska Central Telephone Company, Northeast Nebraska Telephone Company, Rock County Telephone Company, Sodtown Communications, Inc. and Three River Telco (the "Rural Independent Companies")

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### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on this 30th day of July 2021, an electronic copy and one paper copy of the foregoing pleading were delivered to:

**Nebraska Public Service Commission**

Cullen.Robbins@nebraska.gov

Brandy.Zierott@nebraska.gov



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Paul M. Schudel

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

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

**COMMENTS OF SKYWAVE WIRELESS, INC**

Skywave Wireless, Inc submits these Comments in the above-captioned docket pursuant to the Orders entered by the Commission on June 29, 2021.

*Pre-Auction Vetting Process*

A pre-auction vetting process similar to the FCC RDOF short-form application should be used. Criteria should include time in business selling broadband services and voice services. Audited financial statements should not be required from providers demonstrating sufficient evidence of a certain term of operations in the industry in the short form application.

*Term of Support*

If the term of support is limited to two-years, there should be some regulation on the size of the project. This could be done by number of locations. This will prevent providers from submitting projects that cover large areas the will be difficult to regulate and monitor for compliance with program guidelines.

Requiring invoice copies will impose an unnecessary burden on companies. Instead a provision allowing for invoice copies only upon request would be more appropriate. This could also be included in non-compliance measures.



### *Budget*

The Commission should review standards and criteria between every auction, especially after the first auction.

Bidding areas should be grouped in units that would be an entire project. This would allow for the two-year support term to be applied to appropriate size projects and reduce the administrative time needed to combine many small units to create a project. This would not have been feasible for the FCC to do in CAF II/RDOF but would potentially be possible at a state level.

### *Deployment Obligations*

RDOF/CAFII has expended an enormous amount of money supporting lower performance tier projects that will only provide sufficient services for a comparatively limited time. Gigabit, fiber-delivered services should be preferred over any other tier and delivery technology. Companies may submit proposals to provide gigabit services with wireless technologies, these technologies have less longevity and do not cover geography completely. Winners in RDOF have been allowed to consider a location served even if trees prevent that location from getting service.

Speed sampling locations should be chosen by regulators. RDOF participants may be providing satisfactory test results but cherry-pick locations to be tested.

The above changes need to be considered to prevent participants from taking advantage of the funds and using loopholes in the program to not actually provide services to all locations in bid areas.

### *Application Process*

Audited financial statements should not be required. The requirement substantially disadvantages small companies from participating in the program. Requiring non-audited financial statements and tax returns would provide enough financial insight needed to vet the company's ability to complete the project. The amount of support is going to be much less than RDOF/CAF II and does not justify the need for audited financial statements. Audited financials would potentially be beneficial to request only from companies with less than two years of operational experience.

Utilizing funds to purchase existing facilities should not be allowed. Allowing this would only benefit a company's ability to use government funds for inorganic growth.

Regulation should be considered to give Nebraska native companies a competitive bidding edge over out-of-state companies. RDOF/CAF II has shown how unexpected bidders from across the nation may apply for funds from a program such as this and use loopholes to get paid and not deliver. Companies native to Nebraska have a higher likelihood of adhering to regulations as intended and planning and executing projects desired by the Commission and residents of Nebraska. In addition to the above benefit, Nebraska's economy would be more likely to benefit from awarding program funds to native companies.

### *Authorization and Release of Auction Support*

If a long form applicant does not meet criteria, the support should be awarded to the next bidder at the previous bidder's support amount. Timelines would need to be adjusted to account for time passing during application reviews.

### *Non-Compliance Measures*

Non-compliance measures should be adopted that allow the Commission to issue waivers on a case-by-case basis. RDOF/CAF II had problems that led to many companies being awarded very small support amounts. These companies were to be considered non-compliant if they did not still file a long form application and complete the process. Non-compliance needs to be treated seriously, but on a case-by-case basis with rationale and rules that allow for that.

Sanctions for non-compliance should be monetary and significant. Revocation of designations or licenses is overkill and too permanent of a penalty.

Dated July 30, 2021

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ryan Kuester", with a stylized, flowing script.

Ryan Kuester  
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**BEFORE THE  
NEBRASKA PUBLIC SERVICE COMMISSION**

In the Matter of	)	
	)	
Establishing reverse auction procedures	)	Application No. NUSF-131
and requirements.	)	

**COMMENTS OF USTELECOM – THE BROADBAND ASSOCIATION**

USTelecom — The Broadband Association (USTelecom)<sup>1</sup> submits these comments in response to the Nebraska Public Service Commission’s Order Opening Docket and Seeking Comment on establishing reverse auction procedures and requirements. USTelecom members have a long track record of delivering resilient, reliable, and secure 21st century broadband internet service in communities across rural America and share the Commission’s goal of expanding rural connectivity in Nebraska. Based on their experiences, USTelecom recommends the Commission should: 1) apply lessons learned from the Federal Communication Commission (FCC)’s Rural Deployment Opportunity Fund (RDOF) to the pre-auction vetting process, 2) provide flexibility to extend the timeframe for support if permitting and supply chain issues arise, 3) regularly update reverse auction standards and eligibility to reflect evolving universal service objectives, 4) follow the FCC’s lead on baseline performance and latency requirements, and 5) adopt FCC benchmark rates when comparing proposed offerings against other market-based plans and rates.

USTelecom appreciates the opportunity to offer its perspective on how to best ensure funding from the reverse auction is used efficiently and effectively to connect as many Nebraska consumers as possible to high quality broadband service.

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<sup>1</sup> USTelecom is the premier trade association representing service providers and suppliers for the communications industry. USTelecom members provide a full array of services, including broadband, voice, data, and video over wireline and wireless networks. Its diverse membership ranges from international publicly traded corporations to local and regional companies and cooperatives, serving consumers and businesses in every corner of the country.

**I. THE COMMISSION SHOULD APPLY LESSONS LEARNED FROM THE FCC'S RDOF AUCTION TO THE PRE-AUCTION VETTING PROCESS**

The Commission should consider lessons learned from the FCC's RDOF auction when determining criteria for vetting potential bidders to ensure all auction participants are able to meet minimum requirements for deployment areas and speeds. Establishing a thorough pre-auction vetting process is more important and effective than enforcing post-auction penalties as a means of preventing the state from investing in providers that will not be able to deliver the services and speeds promised during the bidding process. The FCC recently revealed that approximately 50 auction winners defaulted without even attempting to meet their obligations. This left more than 85,000 locations that were set to receive broadband but instead will not be served through the program, destined to wait until the next broadband funding opportunity comes along.

While holding bidders to more stringent pre-qualification processes would not have prevented all defaults in the RDOF example, it seems likely that some basic criteria to demonstrate experience and wherewithal in the broadband industry would have prevented some defaults. To ensure the providers chosen can deliver on their promises, the Commission should require all bidders to have a minimum of two years demonstrated history of service at the speeds for which they are bidding and with the technology they plan to use to complete their deployment. Bidders also should provide subscribership information to demonstrate their ability to run a successful broadband operation and serve their customers. Also, a bidder should not be able to bid for more than its current revenues. The Nebraska USF represents a commitment of public funding for infrastructure; this valuable resource should not be used as a venture capital fund for broadband providers seeking to grow exponentially.

**II. THE COMMISSION SHOULD PROVIDE FLEXIBILITY TO EXTEND THE TIMEFRAME FOR SUPPORT IF PERMITTING AND SUPPLY CHAIN ISSUES ARISE**

The pandemic's impact has cemented the need to ensure all in America have access to broadband service at their location. To this end, there is a substantial amount of federal funding for broadband available today via the American Rescue Plan and potentially more to come with a federal infrastructure package—in addition to the recently completed RDOF auction and other existing federal programs. This is great news for broadband deployment, but it may strain deployment completion timeframes in the near term, requiring flexibility. In any case, a two-year timeframe for support is likely insufficient for any project at scale. Most projects require at least a year for planning and obtaining the necessary permits to begin construction. Then, deployment seasons may be limited by winter weather, so the actual timeframe for physically building infrastructure may be truncated. Also, depending upon timing, those seeking to deploy broadband may experience difficulties up and down the supply chain, including sourcing qualified labor, physical materials like fiber, and semiconductors, which are currently in short supply nationwide across all industries. Given the uncertainty in the market, if the Commission chooses to adopt an abbreviated two-year cycle, it must also build in appropriate mechanisms for flexibility given the predictable difficulties that may arise completing the project.

**III. THE COMMISSION SHOULD REGULARLY UPDATE REVERSE AUCTION STANDARDS AND ELIGIBILITY TO REFLECT EVOLVING UNIVERSAL SERVICE OBJECTIVES**

The Commission should ensure that as it evolves its universal service standards, it also updates the associated obligations and assigns carrier of last resort responsibility to the winning bidder. So long as Nebraska wishes to ensure stand-alone voice service is available to its residents, it should require the broadband support winner to provide stand-alone voice service across their

territory and assume carrier of last resort obligations. If a carrier can provide 25/3 Mbps service but not voice service, it would require a separate supported carrier to provide the required voice service, which is completely inefficient given the evolution of modern communications needs. Practically, it would be financially infeasible to continue to require an ILEC to assume COLR responsibilities when the government is directly subsidizing a superior broadband network in its service territory. Accordingly, eligible census blocks should include areas where no provider is offering both voice service and 25/3 Mbps terrestrial fixed broadband service and the winning bidder should be responsible for voice and broadband.

When seeking to prioritize broadband funding, it is essential to focus first on the unserved. Prioritizing census blocks that are wholly unserved with broadband at speeds of 25/3 Mbps will ensure that consumers that lack all broadband today are not left behind while money flows to more economically desirable areas that already have some level of service above 25/3 Mbps. As coordination will be key to determine which areas are truly unserved, the state should consult with relevant federal agencies that have up to date information on where existing service is being provided and which areas are in the process of receiving funding for the deployment of high-speed networks in presently unserved areas. On June 25, the FCC, the Department of Agriculture and the National Telecommunications and Information Administration (NTIA) entered into an interagency agreement specifically to ensure that these agencies coordinate in order to avoid duplication of efforts.<sup>2</sup> The state should coordinate with these agencies to determine which areas to prioritize for the auction. While it is important that providers can deliver results for their customers, the Commission should not use speed tests as evidence that a carrier can provide service. These tests

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<sup>2</sup>See Interagency Agreement Between the Federal Communications Commission, U.S. Department Of Agriculture, and the National Telecommunications And Information Administration Of The U.S. Department Of Commerce, (June 25, 2021), <https://docs.fcc.gov/public/attachments/DOC-373591A1.pdf>

have many known issues, including issues outside the providers' control that can skew results including outdated consumer devices, proximity to the router, and congestion on networks external to the service provider, yielding inaccurate results.

To the extent that the Commission plans to conduct additional reverse auctions, it is important that the Commission review and update its standards before every reverse auction in order to incorporate lessons learned and avoid problems that may have hampered previous federal or state auctions.

#### **IV. THE COMMISSION SHOULD ESTABLISH BASELINE PERFORMANCE AT 100/20 MBPS AND FOLLOW THE FCC'S LEAD ON LATENCY REQUIREMENTS**

Recognizing the forward-looking nature of broadband use, the Commission should eliminate the 25/3 Mbps performance tier in favor of a 100/20 Mbps speed with 2 TB of monthly usage. While it is advisable to provide a preference for faster speeds, broadband is not a one-size-fits all technology and there may be economic and technical limitations on a providers' ability to deploy gigabit technologies everywhere. A minimum tier of one Gigabit is too stringent, though, expressing a preference for gigabit service should not present any problems in risking a loss of future federal auctioned support. The state should make sure to combine use of American Rescue Plan Act funding, capital improvement funds, state USF and determine if additional infrastructure funds are available before committing to the auction in order to maximize its utility. This would avoid losing future federal funding; however, the state's focus should address the need to deliver broadband as quickly as possible to Nebraska residents. Regarding minimum latency requirements, the Commission should follow the FCC's lead and adopt the latency requirements and weights used in its RDOF auction.



**V. THE COMMISSION SHOULD ADOPT FCC BENCHMARK RATES WHEN COMPARING PROPOSED OFFERINGS AGAINST OTHER MARKET-BASED PLANS AND RATES**

The Commission should give auction participants the flexibility to offer a variety of service offerings as long they offer at least one standalone voice plan and one broadband service plan at the required performance tier and latency requirements at rates that are reasonably comparable to those offered in urban areas. The Commission also should adopt the FCC's benchmark rates for simplicity and efficiency when comparing proposed offerings against other market-based plans and rates. Providers have every incentive to maximize their customer base, so it is not necessary to mandate adoption rates or marketing materials. To the extent the state wants to encourage adoption, it should consider launching a broadband affordability benefit and engaging in comprehensive digital literacy training.

**VI. CONCLUSION**

USTelecom appreciates the opportunity to submit these comments. Our members look forward to working with the Commission to continue their commitment of expanding high-speed broadband connectivity throughout Nebraska.

Respectfully submitted,

*/s/ Michael Saperstein*

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July 30, 2021