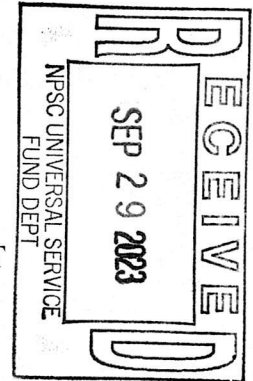


BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

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
ORDER OPENING DOCKET
SEEKING COMMENT AND
SETTING HEARING
Entered: August 29, 2023



COMMENTS OF WINDSTREAM

Windstream Nebraska, Inc. (“Windstream”) hereby respectfully submit these comments as permitted by the Order Seeking Comment (“Order”) issued by the Nebraska Public Service Commission (“Commission”) on August 29, 2023, and state as follows:

I. Introduction

Windstream’s recommendations stem from its long-time participation in the Nebraska Universal Service Fund (“NUSF”) as incumbent local exchange carrier providing telecommunications and broadband service to Nebraskans. Windstream appreciates the Commission opening this proceeding as universal service is essential to servicing customers in rural areas and Windstream looks forward to collaborating with the Commission and the industry to modernize the current rules. Windstream submits the following comments related to Subpart A of the Order.

II. Response to the Commission’s Questions

1. FCC’s Broadband Data Collection (“BDC”) Map & Challenge Process

Windstream supports the Commission’s proposal to utilize the FCC’s most current published version of the BDC Map to determine high-cost support distributions. The FCC’s BDC Map is a reasonable standard and is a familiar dataset for all NUSF providers. In addition, utilizing the current published version allows the Commission and providers to focus on the service needs

and does not require any party to recreate data that already exists and that has been provided to a regulatory authority.

In line with this, Windstream also supports the Commission's proposal to rely on provider challenges to the BDC data in lieu of any independent Commission developed challenge process. Again, the information already exists, and this method is the most efficient process for all parties involved. The FCC's BDC Map already incorporates industry challenges and responses. Windstream recommends and supports the Commission sticking as closely as possible to the FCC BDC process, which incorporates a location being considered served if a provider could initiate service through a routine installation within 10 business days of request with no extraordinary monetary charge or delays attributable to the extension of the provider's network.

Windstream also supports the Commission applying a 100/100 Mbps benchmark to determine if a location is "served" as long as the Commission would allow the existing service provider to receive support in the area to upgrade the service. Universal service fund programs exist to ensure that everyone has access to reliable service and modernize speeds. Thus, if the Commission were to increase the benchmark to 100/100 Mbps it should allow current eligible providers already servicing these areas an opportunity to receive funds that are necessary to upgrade existing networks to deliver the faster speeds and comply with the service obligations associated with the NUSF program.

2. NUSF Support Payments

Broadband construction projects require large amounts of capital to deliver service to households, and this capital is often required upfront well before construction begins. This is largely due to longer procurement lead times to secure the necessary equipment for the builds, which is being driven by increased demands for broadband equipment and electronics required to

operate the network. Also, in the current financial environment, providers are seeing a rise in the cost to secure capital needed for its operations and construction and these factors may create barriers for participation in the NUSF program. To break down this barrier and increase program participation, Windstream recommends the Commission follow a monthly reimbursement payment framework. This will ensure participating providers are able to timely and successfully complete these capital-intensive projects.

To ensure efficient use of funds and timely construction, monthly reimbursements are the most ideal, an alternative payment structure would follow the current structure for Bridge and Capital Project Funds (“CPF”) programs. The Bridge and CPF programs use a milestone model of 25% of awarded amount is remitted 30 days after the date of award, a second payment of 25% is paid 9 months later, and the final 50% is remitted at the end of the closeout review. Either of these options would be an enhancement to the current process which requires providers to carrying the full cost through the end of the project.

III. Conclusion

Windstream appreciates the Commission considering these comments. The Commission’s receptiveness to providers comments will only ensure that the NUSF program will continue to be a successful program helping to close the digital divide gap in Nebraska.

Respectfully submitted this 29th day of September, 2023.

WINDSTREAM NEBRASKA, INC.,

s/ Nicole Winters

Nicole Winters

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Certificate of Service

The undersigned hereby certifies that on this 29th day of September, 2023, one (1) electronic copy of the foregoing Comments of Windstream was delivered to the Nebraska Public Service Commission at psc.nusf@nebraska.gov.

s/ Nicole Winters

Nicole Winters