

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public)	Application No. NUSF-92
Service Commission, on its Own Motion,)	Progression Order No. 14
To Administer the Nebraska Universal)	
Service Fund Broadband Program.)	

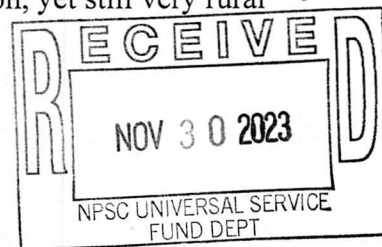
COMMENTS OF UNITED STATES CELLULAR CORPORATION

United States Cellular Corporation (“UScellular”) hereby files these comments for the Nebraska Public Service Commission’s (“Commission”) consideration in the above-captioned docket, NUSF-92, Progression Order 14. These comments are being filed pursuant to the Commission Order entered in this docket November 7, 2023.

UScellular thanks the Commission for offering a program that allows wireless companies the opportunity to receive Nebraska Universal Service Fund (“NUSF”) support. For over a decade, the NUSF Dedicated Wireless Program has brought improved wireless service to the most rural areas across the state, to customers that would otherwise not be receiving quality wireless service. UScellular has participated in the dedicated wireless program since 2010 and appreciates the opportunity to file comments as the Commission reviews the fund to ensure the program is meeting current and future needs.

UScellular Supports Increasing the Rural Density Threshold

UScellular supports increasing the current household density threshold, as it will expand the number of rural consumers who can receive improved wireless service from the NUSF. Increasing the density threshold will bring wireless service to areas that are uneconomic to serve, and presently ineligible for consideration, yet still very rural



For many years, the NUSF Dedicated Wireless Fund has focused on bringing wireless service to the most rural areas of the state. However, the current household density rules are still leaving very rural areas of the state without the ability to participate because they are not rural enough or have pockets within coverage areas that put the density metric over the current program. The current threshold prevents rural areas needing improved service from being considered due to the architectural design of wireless facilities. For a wireless network to function, towers are purposely engineered to link to nearby existing tower(s) so there is an overlap of coverage to prevent calls from dropping and to prevent dead zones. This daisy-chain design has led to unserved, rural locations being ineligible for funding as the overlap inflates the density from the served community into the area. Additionally, the present threshold is restricting the ability to construct towers in rural villages and towns that lack quality wireless service.

An example of this is Alda, Nebraska, a town of 643 people per the 2020 Census. Alda is the home of the large agricultural show, Husker Harvest Days. This event, held over three days each fall showcases agricultural advances, including the latest in precision agriculture technology. Due to the growth of Grand Island eight miles west of Alda and the engineering design of wireless towers, it is challenging to situate a new tower to ideally connect Alda, while remaining under the current 10 households per square mile density limit. If the density threshold was increased to 20 households per square mile, or more, Alda would likely be eligible for the NUSF wireless program, bringing improved wireless service to Alda residents and Husker Harvest Days vendors and attendees. This situation is not unique to just Alda. Rather, many Nebraskans live, farm, and are employed near a community, but the rural area is uneconomic for tower construction without NUSF support.

The United States Census Bureau defines urban areas as 50,000 or more people, and urban clusters as at least 2,500 people and less than 50,000 people. Anything less than these definitions is considered rural. The U.S. Department of Agriculture states: “According to this system, rural areas consist of open countryside with population densities less than 500 people per square mile and places with fewer than 2,500 people”. (<https://www.ers.usda.gov/topics/rural-economy-population/rural-classifications>) Using an estimate of 2.5 people per household would equate to a rural threshold of less than 200 households/square mile for open countryside areas. Thus, the Commission’s recommendation of a 20 household density or less requirement is well under the urban threshold used by the Census Bureau and still targets very rural areas in the state for the NUSF wireless program.

Additionally, twenty households per square mile is nearly identical to the threshold established in Missouri for its tower fund, which set eligibility at 50 persons per square mile.¹ (Twenty households equates closely to 50 persons.) The proposed increase also comports with the density of the NUSF high-cost fund. Accordingly, it is reasonable and prudent for the Commission to increase the threshold to 20 households per square mile.

Changing the Payment Process Would Be Valuable

UScellular has successfully worked with the Commission Staff for many years regarding submissions for reimbursement post-construction. However, there is a misconception that the NUSF has a sizable unused balance, when in fact a considerable amount has been earmarked and is being used by recipients for tower construction.

¹ Missouri Cell Tower Grant Program; Program Guidelines; Section 5.1.5, May 26, 2023.

UScellular supports the Commission's proposal of changing the current post-construction reimbursement practice to a structured payment system. The wireless program offers full accountability and transparency and is an exemplary model of a collaborative effort between the Commission and the industry to bring improved wireless service to rural areas. Modifying support to be paid out incrementally will not change that, and UScellular supports the Commission making this modification. UScellular supports making this new payment process retroactive to awards currently under construction. It makes sense to treat all projects consistently.

In closing, UScellular thanks the Commission for providing wireless providers with the opportunity to receive NUSF support, and its dedicated effort to bring the benefits of wireless services to all rural Nebraskans.

Respectfully submitted this 30th day of November 2023.

UNITED STATES CELLULAR CORPORATION

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