

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. C-5561
Public Service Commission, on)
its own motion, to administer the)
the Nebraska Broadband Bridge)
Program in the 2024 program)
year.)

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 February 6, 2024.

- 1) Procedural Schedule** *(no comment)*
- 2) Adjustments to Scoring** *(no comment)*
- 3) Challenge Process** *(no comment)*
- 4) Benchmark Rates** *(no comment)*
- 5) Project Budget and Reimbursement**

a. Budget Template

Disclosing disallowed costs will be difficult because of the lack of documentation on what costs are disallowed. The “Allowed and Disallowed Costs” guidance provided in previous years is undefined and vague and is easy to interpret in multiple contradictory ways. The “Budget Template” document provides an example of “Real Estate Purchase” as a disallowed expense, while the “Allowed and Disallowed Costs” sheet seems to contradict that by listing “obtaining titles” as an allowed expense.

b. Reimbursement Template

-Reporting disallowed expenses on a reimbursement template seems contradictory and does

not seem to serve a logical purpose.

-No logical column exists for freight expenses.

-Check # column: Does this imply that proof of payment will be required for every invoice?

This has not previously been requested. Many vendors are not paid by check. If it is to be required, more explanation is needed to define what proof of payment is for every payment type. It seems overburdensome to require this for every line item when proof of payment could be spot checked during the review process.

-Equipment Usage sheet: The explained use of this sheet is unrealistic and is not sufficient to reimburse for use of equipment in most scenarios. For example: If a \$700,000 cable plow is fully depreciated after 7 years, and the company is no longer depreciating in its normal course of accounting, is it then worth \$0/hr? Even if additional considerations were allowable to account for costs of insurance, fuel, repairs, etc, tracking this type of data to a per tool or piece of equipment is not a logical approach. A different approach needs to be used for equipment reimbursement. Most telecom construction is valued per unit, such as per foot of boring, per splice, per foot of cable pulled, or per vault set. The reimbursement process needs to incorporate a schedule of fair market rates for equipment usage that more fairly encompasses the total cost of ownership and operation of equipment used in telecom construction.

6) Approval from Local Authorities

While approval and coordination with local authorities should be rewarded with additional points, consent should not be required. The authority to give consent can be questionable in many rural areas. In some areas the people in authority may not be aware of the broadband needs of locations in their jurisdiction.

7) Maximum Per Location Cost

Assigning a points system to location cost may be effective in ensuring providers structure projects to benefit the maximum number of subscribers as compared to state broadband dollars spent. While all locations should eventually be served, the goal should be to serve as many as possible as fast as possible; funding high cost per location projects is counterproductive to that goal. Points could potentially be taken from the match percentage category or more total points could be added to the review process.

8) Past Performance and Useful Life of Facilities

Considering past extension requests does not provide insight into the ability to complete the project due to the many factors that could have contributed to the request for an extension on a previous project. Failure to complete prior projects could be a circumstance in which an applicant should potentially be ineligible.

9) Submission of Serviceable Locations

Defining a project area more specifically as a contiguous area in which all currently existing locations must be able to receive service may help avoid applications that cherry pick routes or locations. Describing a project area as a polygon, not as a route may also help. While fabric data locations give some insight into serviceable locations, the data is highly numerically inaccurate and required use of the data should be avoided unless absolutely necessary. Consequences should exist for not providing service to all locations in a project area for a certain time period. Aside from a boots on the ground inspection, any other provided data has the propensity to be manipulated to appear in compliance.

10) Cybersecurity and Prohibited Equipment

The commission should not adopt this requirement. Does the commission employ experts on

cybersecurity capable of understanding plans presented? If the commission doesn't have the expertise to analyze submitted material, it should not be requested. Cybersecurity is by and large the responsibility of hardware and software vendors that ISP's customers utilize, not the ISP itself. ISP's internal cybersecurity plans for protection of its hardware and software platforms are highly complex and proprietary and not a necessary issue for the commission to investigate.

11) Program Structure

NBBP 2021 program documentation was very sparse and poorly developed. Lack of written program rules and documentation led to multiple instances of commission staff providing conflicting advice on program rules and interpretations. This conflicting information was used to plan, deploy, and request reimbursement on projects. Those conflicts has so far had a detrimental effect on the ability of applicant(s) to receive reasonable reimbursement for completed projects. Commission staff needs to be held accountable for statements they make to program participants that are not accurate or will later be nullified by other staff members. The rules need to be clearly written before they are enforced; not written by commission staff at the time of enforcement.

Additionally, if statutorily allowable, the commission should consider changing the program timeline to a 24-month schedule, which would put project completion dates at the end of the construction season instead in the middle of it.

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Respectfully submitted,



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