BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public Service Commission, on its own motion, seeking to establish guidelines for administration of the Nebraska Telephone Assistance Program. Application No. NUSF-2, Progression Order No. 12

ORDER SEEKING COMMENT

Entered: July 27, 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 July 27, 2021, 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 motion seeking to establish guidelines for administration of the Nebraska Telephone Assistance Program.

1. The Commission invited interested parties to comment on whether to provide Nebraska Telephone Assistance Program ("NTAP") support for qualifying voice-only services to replace the support that is phased-out by the Federal Communications Commission ("FCC"). The Commission also seeks comment on whether to expand the NTAP program to replace the temporary federal Emergency Broadband Benefit Program and how to address program verification and enrollment procedures now that the federal processes are being eliminated.

2. As an initial matter, it is important to understand the current status of the Lifeline program. First, overall participation in the federal Lifeline program remains low for Nebraska consumers. According to USAC, as of August 2021, Nebraska, with a population of 1.9 million, had only 4,103 Lifeline subscribers. Second, the recent annual survey by the Centers for Disease Control and Prevention ("CDS") reported that only 1.3% of adult Nebraskans are

without phone service.¹ This is a remarkably low percentage with only seven other states having lower percentages (based on rounding of the CDC's report).

A. Level of Support

3. The Commission first seeks comment on whether the Commission should replace the previous support at the levels prior to FCC's transitioned phase-out of voice-only Lifeline support. Specifically, the Commission seeks comment on whether the NTAP should provide a support level of \$12.75 for voice-only services, up from the current level of \$3.50, or, in the alternative, set a different support amount. In addition, the Commission invited comment on whether the NTAP should look at a different subsidy level for those subscribers who have both phone and internet services.

4. As a NTAP provider, CenturyLink takes no position regarding the level of support the Commission should establish. Whether or not the Commission should replace the previous FCC support amounts are best left to policymakers as the level of support does not impact a provider's ability to provide the service.

5. Regarding the Commission's invitation to provide comment on altering the subsidy level for those subscribers who have both phone and internet services, CenturyLink suggests that it may be premature for the Commission to act on this issue. While the Emergency Broadband Benefit Program is a temporary program, multiple provisions in various proposed legislation at the federal level extend this benefit and/or make it permanent. While making state policy based on proposed federal initiatives is somewhat speculative, broad support and consensus among federal policymakers is that a low-income broadband support initiative is critical, so the likelihood of a federal solution remains favorable. As such, any state-level support mechanism

¹ National Center for Health Statistics, National Health Interview Survey Early Release Program, available at https://www.cdc.gov/nchs/data/nhis/earlyrelease/Wireless_state_202108-508.pdf.

for subscribers who have both phone and internet services may be ultimately unnecessary and, therefore, premature at this time.

B. Verification of Eligibility

6. Finally, the Commission invites comment on how to approve subscribers and verify eligibility for enrollment if the Commission provides a replacement for the voice-only discount since any new NTAP program would be detached from the FCC's Lifeline verification procedures. CenturyLink strongly suggests that if the Commission provides a replacement for the voice-only discount that the Commission or another state agency would be in the best position to verify eligibility for enrollment. The responsible agency should communicate with NTAP providers utilizing a methodology similar to what is currently used by the federal Lifeline program.

7. The Commission noted that it no longer takes an active role in enrolling subscribers or verifying eligibility. NTAP providers also no longer have any role in verifying eligibility for federal Lifeline subscribers. As such, NTAP providers do not have the infrastructure or resources to develop and implement Nebraska-specific NTAP verification systems and enrollment processes. In addition to the initial verification steps, document retention also must be addressed, and the Commission or other state agency would be in a better position of storing sensitive documentation of this nature rather than the individual NTAP providers. Retaining this sensitive documentation was one of the key drivers in the FCC's National Lifeline Accountability Database (NLAD) as having the various providers retain this sensitive documentation placed both the provider and consumer at unnecessary risk.

8. Approximately 50 carriers participate in the NTAP program. Requiring each carrier to develop its own subscriber eligibility verification and approval system is extremely inefficient

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and lends itself to inconsistencies between the various providers. This concern is amplified by declining customer participation in Lifeline. As of August 2021, reporting to the FCC indicated CenturyLink had only 413 Lifeline subscribers in Nebraska. If the Commission or other state agency assumes the FCC's eligibility verification procedures, that agency will have economies of scale in developing a single system; individual providers would not experience that same benefit.

9. Further, the communications marketplace is highly competitive. Subscribers can easily switch among providers. If a single verification and approval system was used by the state, NTAP subscribers switching NTAP providers would have the added benefit of already being verified and approved by the Commission, thereby making the change seamless for the subscriber.

Respectfully submitted,

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