

## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public	)	Application No. NUSF-139
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.	)	

### IDENTIFICATION AND PRIORITIZATION OF ISSUES FOR WORKSHOP AND HEARING

The Nebraska Rural Independent Companies (“RIC”)<sup>1</sup> submit the following recommendations regarding identification and prioritization of issues for the workshop and hearing scheduled for March 6 and March 20, respectively, in response to the *NUSF-139 Scheduling Order* entered by the Nebraska Public Service Commission (the “Commission”) in this matter on January 22, 2024.<sup>2</sup>

#### Issue Identification and Prioritization

RIC has identified the following listed issues relating to this docket based upon RIC’s review of the Commission’s August 29 Order opening this docket and the filed comments submitted to date by interested parties. The below issues are listed in priority order. It is

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<sup>1</sup> Consolidated Telephone Company, Consolidated Telco, Inc., Consolidated Telecom, Inc., The Curtis 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, Sodtown Communications, Inc., and Three River Telco.

<sup>2</sup> *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 Establishing Procedural Schedule and Setting Hearing (Jan. 22, 2024) (the “*NUSF-139 Scheduling Order*”).

anticipated that in addition to the workshop to be held on March 6, that a follow up workshop will likely need to be scheduled at a later date in order to provide adequate time for meaningful discussion of all listed issues.

### **Issues for Consideration at March 6 Workshop**

#### **A. Issues relating to Section II.B of August 29, 2023 Order Opening Docket**

1. Should sustainability of broadband networks be expressly adopted as a goal of the High Cost Program? If so, what should be the contents of a sustainability goal statement?
2. Should the Commission require all incumbent and competitive local exchange carriers to implement operational cybersecurity and supply chain risk management plans consistent with the FCC requirements set forth in the “Enhanced ACAM Order”, WC Docket No. 10-90 et al., FCC 23-60 (rel. July 24, 2023)?

#### **B. Issues relating to Section II.C of August 29, 2023 Order Opening Docket**

1. Should the Nebraska Universal Service Fund High Cost Program (the “High Cost Program”) continue to provide broadband deployment support (“BDS”) to Nebraska Eligible Telecommunications Carriers (“NETCs”), and if so, should BDS for Price Cap (“PC”) carriers be provided on a different basis than BDS for Rate-of-Return (“RoR”) carriers?
2. If High Cost Program BDS is to continue, should a transition plan be established to phase out BDS or should BDS end on a date certain? In this regard, should PC and RoR carriers be subject to different treatment? If so, in what regards?
3. Should the existing Commission methodology for shifting High Cost Program support from BDS to ongoing expense support continue or should it be revised? If revised, should broadband speeds of 100/20 Mbps (consistent with E-ACAM and BEAD Program

specifications) be required for locations to qualify for ongoing expense support and should revisions to the current 25/3 Mbps speed requirements be flash cut on a date certain or should a transition plan be established for implementation of changes to current speed requirements? (Consideration of the impact of LB 1031 pending before the Nebraska Legislature on these issues will be required.)

4. Should the State Broadband Cost Model (“SBCM”) be updated to more accurately reflect broadband deployment and ongoing expense costs that are consistent with current market realities? If so, what should be the basis for such updates, i.e., inflation-based only or actual cost based, and how should these updates be accomplished?
5. Should the Commission establish a schedule for the retirement and replacement of copper-based outside plant utilized for provision of telecommunications and information services in Nebraska? What would be the process for retirement of copper-based outside plant? If the Commission were to implement a schedule for retirement of the remaining copper plant, how should such a schedule relate to any plan to phase out High Cost Program BDS?
6. Should the Commission commence a rulemaking proceeding as authorized by Section 86-1505 of the Rural Communications Sustainability Act? If so, what issues should be addressed in such rulemaking proceeding?
7. What is the continuing role of the NUSF-EARN Form, if any, in connection with carrier eligibility for High Cost Program ongoing expense support?
8. If use of the NUSF-EARN Form continues, should it be revised to take into account the mismatch between recognition of E-ACAM support over the next five years as revenue

versus recognition of depreciation expense for network additions constructed with such support over the next thirty years? If so, what revisions are needed?

9. Are current Commission reporting mechanisms sufficient to maintain accountability for the use of High Cost Program funds? If not, what adjustments are needed?
10. Is portability of High Cost Program BDS and ongoing expense support a currently relevant issue? If so, how does it relate to the requirements of Neb. Rev. Stat. §§ 86-1501 – 86-1507 (the Rural Communications Sustainability Act)?
11. Is the issue of duplication of Nebraska and federal universal service support a continuing issue of concern in light of the availability of the information contained in the Nebraska Broadband Map? If duplication of support remains an issue, how is it most effectively addressed?
12. Is affordability of broadband service a Nebraska issue or only a federal issue based upon continuation of funding through the Affordable Connectivity Program? Should Lifeline/Link Up programs be expanded to include broadband service?

#### **Issues for Discussion at a Second Workshop**

RIC respectfully submits that it is most likely impractical to attempt to address all of the foregoing list of issues at the March 6 workshop. Therefore, it is suggested that perhaps Section II.C issues 7 through 12 could be discussed at a workshop scheduled after the March 20 hearing at a date mutually agreeable to the Commission and all interested parties.

#### **Conclusion**

The Nebraska Rural Independent Companies appreciate the opportunity to provide the foregoing issue identification and prioritization in response to the *NUSF-139 Scheduling Order*. RIC looks forward to further participation in this proceeding.



Dated: February 2, 2024.

Consolidated Telephone Company, Consolidated Telco, Inc., Consolidated Telecom, Inc., The Curtis 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, 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 2nd day of February 2024, an electronic copy of the foregoing pleading was delivered to the Nebraska Public Service Commission at [psc.nusf@nebraska.gov](mailto:psc.nusf@nebraska.gov) and was served electronically on the parties to this proceeding.

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