

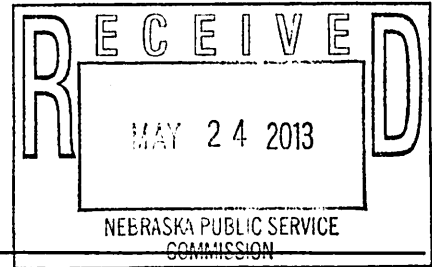
BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Petition of the Nebraska
Telecommunications Association for Investigation and
Review of Processes Regarding the Nebraska
Universal Service Fund.

) Application No. NUSF-77
) Progression Order No. 8
)
)

In the Matter of the Nebraska Public Service
Commission on its own motion seeking to implement
policies and procedures related to providing dedicated
universal service support for wireless
telecommunications services.

) Application No. NUSF-69
)
)
)



**COMMENTS OF THE
RURAL TELECOMMUNICATIONS COALITION OF NEBRASKA**

I. INTRODUCTION

The Rural Telecommunications Coalition of Nebraska (“RTCN”),¹ by and through its attorneys of record, hereby respectfully submits these comments to the Nebraska Public Service Commission (“Commission”) in response to the Commission’s April 23, 2013, Order Seeking Comments in Application No. NUSF-77, Progression Order No. 8 and Application No. NUSF-69.²

¹ For purposes of this docket, RTCN is made up of the following carriers: Arapahoe Telephone Company d/b/a ATC Communications, Benkelman Telephone Company, Inc., Cozad Telephone Company, Diller Telephone Company, Glenwood Telephone Membership Corporation, Hartman Telephone Exchanges, Inc., Hemingford Cooperative Telephone Co., Keystone-Arthur Telephone Co., Mainstay Communications, Plainview Telephone Company, Southeast Nebraska Communications, Inc., Wauneta Telephone Company, and WesTel Systems f/k/a Hooper Telephone Company.

² *In the Matter of the Petition of the Nebraska Telecommunications Association for Investigation and Review of Processes and Procedures Regarding the NUSF*, Application No. NUSF-77, Progression Order No. 8; *In the Matter of the Nebraska Public Service Commission on its own motion seeking to implement policies and procedures related to providing dedicated universal service support for wireless telecommunications services*, Application No. NUSF-69, Order Seeking Comments (April 23, 2013) (“Order”).

II. COMMENTS

Through its Order, the Commission seeks comments on various issues regarding the transition of support used for the Dedicated Wireless Fund program into the Nebraska Broadband Pilot Program (NEBP). In NUSF-77 Progression Order No. 7, entered January 15, 2013, the Commission found that it may be beneficial to combine the NEBP with the Dedicated Wireless Fund program over time.³ The Commission explained that these programs should continue to target needed support so that reasonably comparable access to voice and broadband service is available statewide.⁴ The Commission agreed with the staff recommendation that a transition period of four years should be implemented so that carriers can appropriately construct build-out plans.⁵ The Commission noted, however, that for the 2013 calendar year, it would refrain from shifting support from the Dedicated Wireless Fund to the NEBP.⁶

Among the issues set forth for comment in the Commission's Order was whether the Commission should reconsider its decision to transition the Dedicated Wireless Fund support to the NEBP over four years, and instead, accelerate the combination of these programs. The Commission also inquired whether to combine both programs in 2014 by allocating \$9 million in support for the NEBP which could be used for wireline and/or wireless infrastructure improvement projects.

³ See *In the Matter of the Petition of the Nebraska Telecommunications Association for Investigation and Review of Processes and Procedures Regarding the NUSF*, Application No. NUSF-77, Progression Order No. 7; *In the Matter of the Nebraska Public Service Commission on its own motion seeking to implement policies and procedures related to providing dedicated universal service support for wireless telecommunications services*, Application No. NUSF-69; *In the Matter of the Nebraska Public Service Commission, on its own motion, seeking to establish a long-term universal service funding mechanism*, Application No. NUSF-26, Order, page 12 (January 13, 2013) ("Progression Order No. 7").

⁴ See *id.*

⁵ See *id.*

⁶ See *id.*

RTCN continues to support the Commission's decision to transition Dedicated Wireless Fund program support to the NEBP, and RTCN favors an eventual allocation of the entire \$9 million in support for use for wireline and wireless projects through the NEBP. As it relates to the timing of the transition, RTCN does not oppose the acceleration of the transition, but at this time does not take a position on how quickly the transition should occur.

The Commission also sought comments on whether the Commission's goals to target support for wireless and wireline broadband services could be more efficiently accomplished in the NEBP proceeding, while still accomplishing those goals included in Dedicated Wireless Fund program, which include universal access to wireless telecommunications and broadband services.

RTCN believes that the Commission's goals for the NEBP and Dedicated Wireless Fund programs could be more efficiently accomplished if the two programs were combined into the NEBP proceedings. While the Commission has not established clearly defined goals for the Dedicated Wireless Fund program, it has emphasized the importance of encouraging broadband deployment through the wireless program.⁷ Since as early as its June 14, 2011, NUSF-77 Progression Order No. 3, the Commission has communicated its intention to transition the wireless program to a wireless broadband program, and this transition had begun with the giving of greater weight to wireless broadband deployment in applications under the Dedicated Wireless Fund program.⁸ With this transition of the wireless fund to a wireless broadband fund in motion, the logical end point of this transition is the merging of the wireless fund into the NEBP, particularly given the converging objectives and similar funding mechanisms of the two

⁷ See Progression Order No. 7, page 3.

⁸ See *In the Matter of the Petition of the Nebraska Telecommunications Association for Investigation and Review of Processes and Procedures Regarding the NUSF*, Application No. NUSF-77, Progression Order No. 3, Order Seeking Further Comments and Setting Hearing, page 8 (June 14, 2011) ("Progression Order No. 3").

programs. Unlike the high-cost program, the NEBP and the Dedicated Wireless Fund programs are project-specific, grant-based programs, and thus, in addition to the convergence of goals of the two programs, the funding approval processes for these two programs could be merged with relative ease, resulting in a reduction of administrative costs and burden on the Commission.

Through the Order, the Commission also inquired whether the Commission should encourage faster broadband services through a requirement that carriers use support to offer services that meet or exceed the 4/1 Mbps speed threshold, and whether the absorption of the Dedicated Wireless Fund into the NEBP would accelerate the delivery of wireless and wireline broadband services because of the 25 percent matching requirement.

The requirements of the NEBP should not be lessened or otherwise altered in the transition of the Dedicated Wireless Fund program into the NEBP. The 4/1 Mbps minimum speed threshold should remain, and the Commission should continue to reevaluate on a periodic basis whether such threshold should increase. The 25% matching requirement should also remain. This requirement applied to the \$5 million Dedicated Wireless Fund that will be transitioned into the NEBP will help accelerate the delivery of wireless and wireline services, in part, by creating an additional \$1.67 million of investment into the projects being funded.⁹

III. CONCLUSION

RTCN again appreciates the opportunity to contribute to this important proceeding and respectfully submits its comments above.

⁹ The addition of \$5 million to the NEBP, if paired with the requirement that each applicant pay 25% of the cost of each project, will result in a total addition of \$6.67 million invested in NEBP projects (\$5 million from the NEBP fund ($\$6.67m \times .75 = \$5m$), plus \$1.67 million from the industry 25% matching ($\$6.67m \times .25 = \$1.67m$)).

Dated this 24th day of May, 2013.

RURAL TELECOMMUNICATIONS COALITION
OF NEBRASKA ("RTCN")

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Cozad Telephone Company,
Diller Telephone Company,
Glenwood Telephone Membership Corporation,
Hartman Telephone Exchanges, Inc.,
Hemingford Cooperative Telephone Co.,
Keystone-Arthur Telephone Co.,
Mainstay Communications,
Plainview Telephone Company,
Southeast Nebraska Communications, Inc.,
Wauneta Telephone Company, and
WesTel Systems f/k/a Hooper Telephone Company.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that an original and five copies of the foregoing Comments of the Rural Telecommunications Coalition of Nebraska were filed with the Public Service Commission on May 24, 2013, and a copy was served via electronic mail on May 24, 2013, addressed as shown below, to the following:

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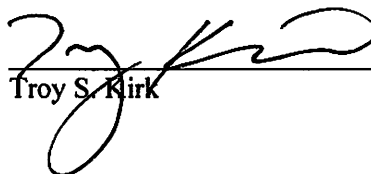
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