BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission, on its own motion, to increase broadband adoption among low-income consumers through the development of a Nebraska broadband telephone assistance program. Application No. NUSF-91

Comments of Center for People in Need

Center for People in Need (the "Center") respectfully submits these Comments in response to the Commission's Order Seeking Further Comments (the "Order") entered on April 1, 2014. The Center is grateful for the opportunity to further articulate its position regarding the Commission's investigation on ways to increase broadband adoption among low-income consumers in Nebraska.

The Center supports allocating $2 million of the universal service fund to initiate a pilot program that would subsidize retail broadband service for low-income subscribers.

In its Original Comments and Reply Comments filed in response to the Commission's Order Opening this docket ("Opening Order"), the Center provided the Commission with results of two surveys it had administered to measure certain areas of low income internet usage among clients of the Center who received food distributions on two separate dates. Generally speaking, those survey results showed that there is a need for faster internet at more affordable prices for low-income Nebraskans. Without sufficient internet speeds, this subset of Nebraskans lack meaningful access to internet resources which results in restricting economic development and educational opportunities. Thus, the Center supports the Commission’s proposal to allocate $2 million of the universal service fund to initiate a pilot program ("Program") that would subsidize retail broadband service for low-income subscribers.
The Center believes that a $10.00 discount on a monthly recurring bill would not address the Commission’s broadband affordability concerns.

The Commission has proposed a $10.00 subsidy on consumers monthly recurring bill which, based upon the surveys conducted of Center’s clientele, would still likely make broadband speeds unaffordable to many low-income Lincoln residents. According to the website for Time Warner Cable, an internet only service package in Lincoln that provides internet speeds at or exceeding the Commission’s definition of broadband used in the NUSF-92 docket (4 Mbps downstream, 1 Mbps upstream) would cost, at a minimum, $34.99 per month.\(^1\) Similarly, an internet only plan from Windstream would cost, at a minimum, $36.99 per month.\(^2\) If the Commission offers a $10.00 per month subsidy, that reduces the cost of internet from two providers in Lincoln to $24.99-$26.99 per month. Despite that reduced cost, in the Center’s first survey, 50% of those surveyed stated that they could afford $0-$10.00 per month for internet services, and in its second survey, 32% stated that they could not afford more than $20.00 per month for internet service and 36% stated that they could not afford more than $10.00 per month. Thus, based upon a surface review of Time Warner Cable’s and Windstream’s fee structure, even with the Commission’s proposed subsidy much of the Center’s clientele would still find broadband speed internet unaffordable.

The Center would instead suggest that the Commission place a cap on the cost of internet for those who qualify for the Program, rather than only offer a subsidy to ensure that those that need assistance are actually able to afford internet at the reduced cost. The Program should work to ensure that not only is the internet affordable but that it permits participants to obtain broadband at speeds that will allow meaning access to internet resources. Furthermore, the cost

\(^1\) Time Warner Cable, https://www.timewarnercable.com/residential/order/session/5a3e6f1e-70c4-41e8-b237-e45efc2a4221?new_services (accessed May 12, 2014).

of delivering broadband at a speed that meets the Commission’s definition of broadband may vary significantly across the state, and a set subsidy amount may not adequately address the affordability of broadband internet service in all communities. The Center believes that further analysis should be taken to ensure that the subsidy proposed by the Commission would address the accessibility and affordability issues facing low-income Nebraskans.

The Center supports the Commission’s proposed requirement for providers to advertise the availability of the discount program.

The Center supports the Commission’s proposal that providers participating in the Program be required to advertise the availability of the Program in a manner similar to the Lifeline program. If consumers do not know that this assistance exists, obviously they will not seek out its benefits. The Center also believes that it would be beneficial for the Commission to provide information on the Program to educational institutions as well as agencies, such as the Center, that provide various types of services to low-income Nebraskans.

Conclusion

As mentioned in the Center’s previously filed Comments, the Center believes the Commission should work to increase broadband access among low-income consumers in Nebraska. Affordable broadband service is of vital importance to Lincoln’s low-income population as it is essential to furthering education, obtaining employment, and providing additional economic opportunities. The Center welcomes the opportunity to work with the Commission and to continue providing data to the Commission regarding the need in the community for broadband subsidies for low-income Nebraska consumers.

The Center looks forward to providing further comments and analysis as this Docket progresses.
DATED this 13th day of May, 2014.

CENTER FOR PEOPLE IN NEED

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