

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

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

REPLY COMMENTS OF THE CITY OF LINCOLN

The City of Lincoln respectfully submits these Reply Comments in response to the comments of other parties to the Commission’s Order Seeking Comment entered on August 13, 2013. Lincoln appreciates the opportunity to further the conversation.

Lincoln joins with the majority of the comments in their belief that there is not currently sufficient affordable access to broadband. We recently conducted an informal survey of the options available in Lincoln for low cost broadband service. We were able to identify at least nine providers with prices ranging from \$19.99 to \$49.99 per month for the slowest, cheapest options.

At first blush, you might say that our survey indicates healthy competition and plenty of choices in the Lincoln market. Unfortunately, you can only reach that conclusion if you ignore two important factors. The first is the reality is that when you examine those offers, you find those prices are available only if you already have a landline or dishNET or cable television services so that instead of paying \$29.99, you actual costs are \$50 to \$60 per month or more. The second factor is that even if the actual costs were only \$29.99 (and we don’t believe such service truly exists for that price in Lincoln), you only need to look at the September 24, 2013 survey by the Center

for People in Need to realize that for 50% of their clientele, they can only afford \$10 or less a month in order to have broadband service. For them, \$29.99 per month might as well be \$299.99 - it just does not fit in their budgets.

I. UNDERSERVED IS UNDERSERVED

That reality leads the City to its first point of how we should approach how to utilize USF funds in addressing the broadband gap. We are fully aware that USF funds have traditionally gone to high cost rural areas. Lincoln rate payers have paid so that they could call their cousins living on farms and ranches. In the case of broadband access, we request that the Commission reexamine and redefine the concept of who is *underserved*. Lack of access should go beyond the issue of whether the marketplace is capable of providing adequate broadband speed to everyone who can afford to pay the local rate. It should not be confined to categories defined by population density.

We need to begin with the proposition that broadband access is not a luxury service, it is an essential service for modern education and employment. When a community has a large percentage of its population which does not have access to broadband because those residents cannot afford to pay for even the most basic of service speed, that is a community that is underserved as far as access to broadband.

II. THE NEED IS NOT BEING FILLED

An essential question for the Commission is whether the marketplace is currently filling the need or on track to fill the identified need. We reviewed the comments without finding any evidence that significant progress in this area is on the horizon. For

example, we applaud CenturyLink for its on-going program to serve low income Nebraskans. However, given the fact that their admirable outreach is only serving 147 Nebraskans currently, the only conclusion that can be reached is that Nebraska carriers, acting alone, are not currently in the position to solve this problem.

III. WE CANNOT AFFORD TO WAIT

We have reviewed comments which suggest the Commission should wait to see what the FCC and other agencies produce from on-going studies and projects. We are confident that members of the Commission will continue to keep themselves apprised of the results of all of the on-going studies and projects addressing this need. However, if the Commission waits, it cannot be assured that a model will be demonstrated which will obviously meet our unique and specific needs. If the Commission waits, it can only be assured that the children currently growing up in low income families across the state will do so without the educational advantages available to so many children around the world who grow up with broadband access. Children only have one childhood, once that period passes, their opportunities for a first class education are gone forever.

IV. NTAP MAY NOT BE THE BEST MODEL FOR EXPANDING BROADBAND ACCESS

We have reviewed a number of the comments which support essentially recreating a NTAP program for broadband access. The City agrees that this approach has certain factors which recommend it. We agree that such a program would be an improvement over the current, largely unaddressed, problem with broadband access for low income families.

We strongly suggest, however, that Nebraska's experience with the NTAP program suggests that a similar broadband program will leave too many Nebraskans on the wrong side of the broadband gap. The evidence shows that the NTAP program has never reached most Nebraskans who could benefit from the program. We would suggest that enrolling low income Nebraska in a NTAP for broadband access would gain even less involvement from among the target population.

The City of Lincoln urges the Commission to adopt an Order that allows a more project oriented approach. We agree with CenturyLink that the Commission should partner with a variety of entities who can work cooperatively to reach and provide service to this target audience. Those potential partners include not only progressive companies such as CenturyLink, but also educational institutions, social service agencies, municipalities, foundations, and economic development groups. Working together, with seed money from the Commission, these groups could pilot projects that will demonstrate ways in which the variety of Nebraska communities can be served.

CONCLUSION

The current project going forward in north Omaha is already one example of how this trailblazing can happen. We urge the Commission to use this reexamination to broaden its approach and to become a dynamic leader in addressing the broadband gap. The City of Lincoln appreciates this opportunity to provide these Reply Comments in response to the questions posed by the Commission and looks forward to the Commission continuing to lead the way in its approach to the ever evolving telecommunications landscape.

Dated:

October 25, 2013
City of Lincoln

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