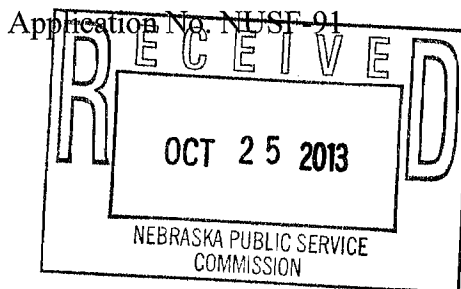


BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

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.)



REPLY COMMENTS OF COX NEBRASKA TELCOM, LLC

Cox Nebraska Telcom, LLC ("Cox") hereby files these Reply Comments for the Nebraska Public Service Commission's ("Commission") consideration in the above-captioned docket, NUSF-91. These comments are being filed pursuant to the Commission Order entered in NUSF-91 on October 8, 2013. Cox thanks the Commission for the opportunity to provide replies to the comments that were filed September 30, 2013.

Cox files these Reply Comments primarily to respond to the suggestion made by some parties that the Commission should wait to implement a low-income broadband adoption program until after the Federal Communications Commission ("FCC") has acted. While Cox has advocated the Commission would benefit by waiting for FCC guidance in other dockets, waiting for the FCC to undertake the creation of a federal broadband adoption program before proceeding with a similar program in Nebraska is inadvisable and unnecessary.

The lack of Internet subscribership among low-income Nebraskans is not going to resolve itself without considerable effort. Statistics contained in the Comments filed by the Center for People in Need demonstrate that a lack of Internet access is a pervasive problem impacting Nebraska's low-income families. And yet, as Cox said in its

Comments, access to the Internet has evolved into a mainstream service, particularly related to educational and employment pursuits.

While it is true the FCC is currently conducting various pilot projects as potential ways to address the digital divide that plagues low-income citizens and other low-adoption rate groups, such as senior citizens, the FCC's efforts are in their infancy. No programs are complete, and the timeline for the eventual implementation of a federal broadband "lifeline" or adoption program cannot be predicted. If the FCC were in the final stages of creating a national broadband adoption program, Cox would concur with those who suggest waiting on the FCC before creating a Nebraska-based broadband adoption program. However, the launch of a federal broadband adoption program is not imminent. Comments will still be taken, rules proposed and promulgated, and an Order entered all on an FCC timeline that generally is not swift. As such, the Commission should not delay its efforts and the related consumer benefits and wait on the FCC.

The Commission can ease some concerns raised by commenters by testing this program on a pilot basis, much like it has with the Nebraska Broadband Pilot Program ("NEBP"). It should be established independently, outside the NTAP, but rely on similar eligibility criteria. The program can be launched on a small scale so as to not overwhelm the Commission's resources. Cox acknowledges this may prove challenging as word of the existence of the program spreads. However, Cox encourages the Commission to proceed on a limited basis by opening the program to those providers who wish to pilot this program, and allow the program to progress with the adoption of policies and procedures like it has done with the NEBP.

The NEBP began with a handful of applicants in its introductory year, but more than doubled in size once companies became familiar with the program and its

requirements. The same concept could be realized with a Nebraska Internet adoption program. Companies could optionally participate in the program as it is trialed. Other companies could subsequently participate as they become comfortable with the program's structure and requirements. A phased-in approach would also aid in addressing concerns that the program would be administratively burdensome and overwhelm Commission resources.

Cox concurs with the commenters that suggested that the lack of subscribership among low-income consumers is likely not solely due to cost. Indeed, additional efforts to improve computer and Internet literacy and access to computers or tablets would undoubtedly increase adoption rates. However, implementing a comprehensive program that includes training and distribution of Internet-capable devices likely exceeds the realm of what is feasible and realistic for the Commission to undertake at this time. But, the inability to address the problem in its entirety should not prevent the Commission from solving one component of the puzzle, that being the cost of service. The Commission's efforts to lower cost could incite action from other governmental entities and/or non-profit organizations to provide computer training and improve access to devices.

Cox participates in the national program, Connect2Compete ("C2C") targeted at school-age children eligible for reduced or free lunch programs and their families, and believes the creation of a Nebraska-based broadband adoption program will complement that effort. Cox will not abandon its C2C initiative if a Nebraska low-income Internet program is created. CenturyLink commented the Commission should partner with its existing CenturyLink Internet Basics program. Cox views any company-sponsored program and the Commission's low-income program being complementary and sharing

the goal to increase low-income subscribership, not in competition with each other. It is incorrect to decide between offering one or the other, especially since many companies do not offer a similar low-income program. A variety of efforts are necessary to address the problem low-income subscribers face, and that includes company-sponsored programs, the Commission's program, as well as a future federal adoption program and the efforts of community-based non-profit organizations. A multifaceted, collaborative approach will best solve this problem.

Cox agrees with the Comments filed by CenturyLink that the program would be best served by offering a flat discount which could be applied to any speed tier the customer chooses. As Cox noted in its initial Comments, this approach provides for ease of administration and maximum consumer flexibility. In contrast, the approach suggested by the Rural Independent Companies ("RIC") whereby varied levels of discounts would be offered would be burdensome to providers and confusing to eligible recipients. Cox also concurs with CenturyLink that the program should be distinct and separate from the Commission's NTAP, but be similar in structure.

In regard to the application of the discount to bundles, RIC argues that separation of billed amounts should be a prerequisite to receive reimbursement. This goes too far. Carriers should have flexibility in bill presentation. As long as it is clear that broadband is a component of a bundled package offered by a provider to an eligible consumer which reflects the discount established by the Commission the Commission should not mandate any particular format for consumers' bills.

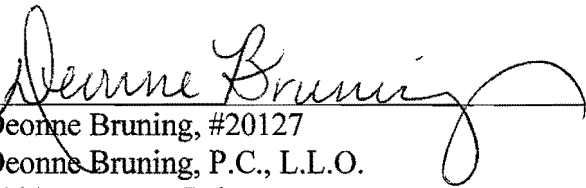
Cox does not necessarily agree with the Comments filed by the RIC that in order to be eligible to receive reimbursement from the Commission's low-income program, a provider should be required to obtain and hold Eligible Telecommunications Carrier

("ETC") status. In the context of the federal Lifeline program, Cox has advocated that the FCC do away with the requirement for full-fledged ETC status entirely. Given the similarity between Lifeline and a broadband adoption program, a similar case can be made in instances where a provider only seeks to participate in a broadband adoption program. At a minimum, the Commission should recognize that in the context of broadband adoption there are unnecessary requirements flowing from federal law, such as the need for providers to conform their service areas to rural telephone company study areas. However should the Commission choose to adopt an ETC requirement, the ETC status of providers, such as Cox who are already certified under either the lifeline or the high-cost program should be sufficient for participation in any new broadband adoption program.

In closing, Cox encourages the Commission to create a broadband adoption program that offers a fixed discount, such as \$20.00 per month to apply toward the speed and tier of the customer's choice, including a bundled package. Cox encourages the Commission to implement the program on a pilot basis and ensure it is flexible enough to work in conjunction with a federal adoption program, if and when one is created. Even if a federal program is not created any time soon, flexibility is critical so that the Nebraska program can evolve to best meet the needs of the Commission, the low-income consumers and carriers. Cox thanks the Commission for opening this docket and for its willingness to consider creating an Internet adoption program in Nebraska.

Respectfully submitted this 25th day of October, 2013.

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Certificate of Service

An original and five copies of the foregoing Reply Comments of Cox Nebraska Telcom, LLC were hand-delivered October 25, 2013 to the Nebraska Public Service Commission, 1200 N St., Suite 300, Lincoln, NE 68508, and a copy of the same has been e-mailed to:

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