

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 SATELLITE BROADCASTING & COMMUNICATIONS ASSOCIATION

In order for the Public Service Commission (“PSC”) to maximize the expansion of the Nebraska Telephone Assistance Program (“NTAP”) to include broadband for low-income citizens, it must implement a policy of technological neutrality. By ensuring that a variety of communications platforms compete to provide broadband services, the PSC will stretch its limited state resources to reach the greatest number of Nebraskans. Unfortunately, that key concept was missing from most of the initial comments. SBCA will use these reply comments to reinforce the need for technological neutrality.

I. Technological Neutrality should be cornerstone of NTAP expansion

A survey of the comments provides ample support for expanding the NTAP program to include broadband services for low-income citizens. The City of Lincoln highlights the problem when it urges the PSC to focus on broadband deployment for “those trapped on

the wrong side of the digital divide.”¹ The Center for People in Need concentrates on the needs of the residents of Lincoln but its goals are applicable across the state: “The Center believes the Commissions (sic) expansion of the NTAP Program to increase broadband access to Lincoln’s low-income population is essential to furthering education, obtaining employment, and providing additional economic opportunities.”² N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless (“Viareo”) also calls for “implementing a broadband component to the existing NTAP Program” for low-income subscribers.³

Others, however, conditioned their support for additional broadband programs on narrower business interests. For example, Windstream does not want the Commission to move ahead if reforms to NTAP “negatively impact loop high cost funding or its pilot program to support provision of new broadband infrastructure...”⁴ Others seek to restrict any support to carriers that provide “*residential basic local exchange service*.”⁵ The Commission should reject these overtures to use an expanded NTAP program if it locks in customers to the incumbent providers. SBCA believes that these restrictive principles, if

¹ *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*, (“*Low-Income Broadband Adoption Proceeding*.”) Application No. NUSF-91, Nebraska Public Service Commission, Comment of City of Lincoln (“*City of Lincoln*”) at Page 1.

² *Low-Income Broadband Adoption Proceeding*, Comments of Center for People in Need at 5.

³ *Low-Income Broadband Adoption Proceeding*, Comments of N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless at 1. (“Viareo”)

⁴ *Low-Income Broadband Adoption Proceeding*, Initial Comments on Behalf of Windstream Nebraska, Inc. (“Windstream”) at 1.

⁵ *Low-Income Broadband Adoption Proceeding*, Initial Comments of Rural Independent Companies, at 4 & 5; Verizon’s Initial Comments at 2; See also Comments of Qwest Corporation d/b/a CenturyLink QC and United Telephone Company of the West d/b/a CenturyLink comparing the PSC’s statutory options at 5.

adopted, would unnecessarily tie the hands of the Commission and preclude it from supporting potentially less expensive technologies and thereby hamper broadband deployment.

The City of Lincoln recognized the conflict between meeting policy goals and juggling economic realities: “[T]he constrained funding places an even higher priority on the Commission’s ability to invest in strategic fashion.” In order to maximize every dollar to expand broadband access, the SBCA urges the Commission to avoid any technological restrictions. Instead, the Commission should make support available in a technologically neutral manner, and to eliminate any doubt, the program’s rules should state that satellite broadband services are eligible for support.

By providing the broadest number of choices to program recipients and allowing them to determine the technology that best meets their unique situation, the Commission introduces economic competition and maximizes every dollar that it invests. Unlike other technologies which may require more expensive upgrades to service an area, it is less costly for satellite broadband services to “pin-point” specific consumers. For example, satellite broadband providers only need to install a dish or antenna at the customer’s premises along with equipment whereas wireline providers may have to upgrade an entire loop. The same advantage holds true over wireless or mobile services because it is not necessary to incur the costs associated with base stations, towers or backhaul facilities to provide satellite services.

By making support available in a technologically neutral manner, the PSC would create competition for broadband services based on price and the performance of the service. If a provider of services is unable to attract customers because it can't offer the speeds or data capacity consumers want, the platform provider will need to decide whether it wishes to upgrade its services. That creates a cycle of competition that drives prices down and improves performance. The PSC will miss an important opportunity to capture those benefits if it offers additional broadband support through a single provider immune to competition.

II. Satellite broadband providers offer residential voice services

In its initial request, the PSC asked for comments about whether it had the authority to expand the NTAP fund to include broadband for low-income citizens. It's no surprise that the initial comments took different paths. SBCA does not offer a definitive opinion on jurisdiction but agrees with commentators that support the PSC's ability to expand the NTAP program.

SBCA believes that as technology changes the method of providing communications services, regulators should not hold on to outmoded classifications. That's especially true if those classifications do not allow regulators to pursue the most efficient, lowest-cost option in meeting their policy objectives.

Unlike terrestrial network providers, satellite broadband operators are "national" providers. As a result, the traditional process of state certification followed by qualification as an ETC would be inappropriate and burdensome for the satellite industry. Since satellite


providers transmit their broadband services over spectrum, they should not be required to qualify as a local exchange carrier to provide services or draw support from an expanded NTAP fund. The existing registration process is sufficient for VoIP providers in Nebraska. SBCA reiterates the arguments it made in its initial comments that the PSC should develop support mechanisms that are flexible, technologically neutral and reflect modern technologies and network infrastructures.

III. Conclusion

SBCA agrees with the City of Lincoln that the PSC should not wait for the FCC to solve the myriad challenges involved with expanding support programs to include broadband services.⁶ The states are well situated to act as laboratories for closing the digital divide as they deal with the unique population and geographic challenges of their citizens. By embracing a concept of technological neutrality and empowering their citizens to choose the service that best fits their needs, Nebraska can rapidly close the digital divide.

Respectfully submitted,

On behalf of the Satellite Broadcasters &
Communications Association

By:  _____

William P. Hunt III, Director Regulatory
dishNET Wireline, L.L.C.
9601 S. Meridian Boulevard
Englewood, CO 80112
Direct Dial: 303.723.1712

⁶ City of Lincoln at 1.

And

Lisa McCabe

Senior Director, Public Policy & Outreach

SBCA

1100 17th Street, NW, Suite 1150

Washington, D.C. 20036

(202) 658.9499

lmccable@sbca.org

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 25th day of October 2013, five paper copies and one electronic copy of the Reply Comments of the Satellite Broadcasting & Communications Association in Docket No. NUSF 91 were delivered to:

Sue Vanicek
Nebraska Public Service Commission
1200 N Street, Suite 300
Lincoln, NE 68508
Sue.Vanicek@nebraska.gov

Brandy Zierott
Nebraska Public Service Commission
1200 N Street, Suite 300
Lincoln, NE 68508
Brandy.Zierott@nebraska.gov

Shana Knutson
Nebraska Public Service Commission
1200 N Street, Suite 300
Lincoln, NE 68508
Shana.Knutson@nebraska.gov



William P. Hunt III

