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ALL COMMISSIONERS

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Public Service Commission, on its own motion, seeking to Administer the Nebraska Universal Service Fund's Broadband Program: Application to the Nebraska Broadband Program Received from United States Cellular Corporation.)

Application No. NUSF-92.47



DIRECT TESTIMONY OF STEPHANIE CASSIOPPI ON BEHALF OF UNITED STATES CELLULAR CORPORATION

Background of Witness

1 **Q. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.**

2 My name is Stephanie Cassioppi. My address is 8410 West Bryn Mawr, Chicago, IL
3 60631.

4 **Q. ON WHOSE BEHALF ARE YOU PROVIDING THIS TESTIMONY?**

5 **A.** I am testifying on behalf of United States Cellular Corporation. United States Cellular
6 Corporation has licensed wireless operations in 23 states, including Nebraska. In my
7 testimony, I will refer to United States Cellular Corporation as "U.S. Cellular".

8 **Q. WHAT ARE YOUR DUTIES WITH U.S. CELLULAR AND HAVE YOU PREVIOUSLY TESTIFIED BEFORE ANY GOVERNMENTAL BODIES?**

9 **A.** I am the Director of State Legislative and Regulatory affairs. My duties include
10 overseeing state legislative and regulatory affairs for U.S. Cellular and managing our
11 federal Eligible Telecommunications Carrier ("ETC") projects, including filings,
12 recertification and compliance. I also manage the outside lobbyists that are retained by
13 U.S. Cellular. I testified before this Commission annually from 2010 to 2013 in the
14 NUSF-69 dockets to support U.S. Cellular's Nebraska Universal Service Fund ("NUSF")
15

1 Dedicated Wireless Fund applications. In addition, I have testified before this
2 Commission for the last three years in support of U.S. Cellular's applications to receive
3 funding from the NUSF Broadband Program ("NEBP") in NUSF-77 and NUSF-92. I've
4 also testified before this Commission in support of U.S. Cellular's ETC designation
5 application several years ago. I've testified before the Oklahoma Corporation
6 Commission, the Indiana Utility Regulatory Commission, and legislative committees in
7 Wisconsin, Illinois, Ohio and Missouri, and before the Chicago City Council. Finally,
8 I've submitted written testimony in many jurisdictions on a variety of issues.

9 **Q. PLEASE DESCRIBE YOUR RELEVANT EMPLOYMENT AND**
10 **EDUCATIONAL HISTORY.**

11 **A.** I earned a Bachelor of Science degree from the University of Illinois, Urbana-Champaign
12 and a graduate degree from DePaul University, Charles H. Kellstadt School of Business.
13 Prior to working for U.S. Cellular, I was employed by Verizon Wireless for two years as
14 a Director of External Affairs and prior to that I was employed for six years by Ameritech
15 Cellular in the same capacity. Since 2006, my role with U.S. Cellular has been to provide
16 state legislative and regulatory support to the operations in our 23 state territory.

17 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

18 **A.** The purpose of my testimony is to provide information to the Commission that supports
19 granting U.S. Cellular's application to receive funding from the NEBP. I will
20 demonstrate U.S. Cellular's application is in the public interest and benefits consumers in
21 Nebraska.

1 **Background of U.S. Cellular**

2 **Q. BRIEFLY DESCRIBE U.S. CELLULAR AND ITS PROVISION OF SERVICES**
3 **IN NEBRASKA.**

4 **A.** U.S. Cellular provides wireless services and products through a high-quality network to
5 approximately five million customers in 23 states. U.S. Cellular has a strong presence
6 across Nebraska, employing approximately 210 associates and operating 18 company-
7 owned retail stores, and 22 authorized-agent locations. Since our founding in 1983, U.S.
8 Cellular has been headquartered in Chicago and we currently employ approximately
9 6,400 associates across our footprint.

10 Our Nebraska operations began in 2003 when U.S. Cellular launched service in the
11 Omaha and Lincoln markets using CDMA-technology. In 2006, U.S. Cellular purchased
12 106 cell sites that had been owned by Western Wireless, d/b/a Cellular One. The
13 opportunity to purchase that network arose when Alltel, now Verizon, purchased Western
14 Wireless and was forced to divest certain spectrum in Nebraska. The divestiture
15 presented U.S. Cellular with the opportunity to increase its footprint outside the Lincoln
16 and Omaha markets. After the acquisition, U.S. Cellular upgraded the Western Wireless
17 towers at an expense of roughly \$70,000 per site. We have continued to grow and U.S.
18 Cellular now has 402 towers in Nebraska. U.S. Cellular operates a switching center in
19 Omaha. It has a full power back-up system to provide redundancy. We have field teams
20 located across Nebraska enabling quick dispatch of personnel if problems arise that
21 require on-site repair.

1 **Background of Application**

2 **Q. WERE YOU INVOLVED IN THE PREPARATION OF U.S. CELLULAR'S NEBP**
3 **APPLICATION THAT WAS FILED MARCH 31, 2016?**

4 **A.** Yes. I oversaw the preparation of the application and the exhibits. In addition, I
5 interfaced with our team of engineers to select the tower locations that were included in
6 the application.

7 **Q. WHY IS U.S. CELLULAR SEEKING SUPPORT FROM THE NEBP?**

8 **A.** U.S. Cellular has previously been awarded funding from the NUSF Dedicated Wireless
9 Program and the NEBP. That support has enabled U.S. Cellular to bring better wireless
10 coverage, including wireless broadband to customers in rural Nebraska. With the
11 significant changes that have taken place in the federal USF in recent years, the
12 opportunity to obtain NUSF support is greatly appreciated and needed. The NEBP helps
13 bring broadband to rural consumers who do not have this vital and fundamental service
14 and U.S. Cellular is excited to again participate in this valuable program.

15 **Q. BRIEFLY DESCRIBE YOUR APPLICATION.**

16 **A.** U.S. Cellular is seeking NEBP funding to build new wireless towers through three
17 projects. A total of five towers will be built near the communities of Valentine, Wallace
18 and Winnebago. Initially, the application also sought funding for a new tower near
19 Deshler. However, the Deshler site was voluntarily withdrawn during the allowable
20 negotiation period. All of the towers will deliver wireless broadband speeds of at least 4
21 Mbps on the downlink and 1 Mbps on the uplink, although faster speeds are regularly
22 achieved in new tower construction.

1 **Q. ARE THE TOWERS LOCATED IN UNSERVED OR UNDERSERVED AREAS?**

2 Yes, I believe the towers will be built in unserved or underserved areas. Some overlap
3 between wireless providers may occur, but such is unavoidable due to the delivery
4 method of wireless service not having rigid boundaries. However, this should not negate
5 the opportunity for wireless carriers to receive funding to improve wireless service in
6 underserved rural areas.

7 **Q. WILL U.S. CELLULAR CONSTRUCT THESE TOWERS WITHOUT SUPPORT**
8 **FROM THE NEBP?**

9 A. No. The sites identified in the application exhibit a strong need for improved service, but
10 they are not a business driver. Accordingly, these sites will not be constructed without
11 NEBP support.

12 **Q. WHAT ARE YOUR THOUGHTS ON STAFF'S RECOMMENDATIONS?**

13 We are grateful to have received a recommendation from staff for funding the new towers
14 that U.S. Cellular submitted for consideration. If approved, U.S. Cellular commits to
15 fulfill all expectations required of NEBP recipients, such as meeting the deployment
16 schedule, filing the necessary paperwork and abiding by the Commission's NEBP
17 requirements.

18 **Q. HOW WILL APPROVAL OF U.S. CELLULAR'S APPLICATION FURTHER**
19 **AND PROMOTE THE PUBLIC INTEREST AND UNIVERSAL SERVICE IN**
20 **NEBRASKA?**

21 A. Customers living in and passing through the areas that are served by these new towers
22 will enjoy the same level of wireless service that customers in Lincoln and Omaha
23 receive, including receiving wireless broadband. Granting U.S. Cellular's application
24 fulfills the goal of universal service by providing rural customers with advanced

1 telecommunications services that are comparable to that delivered in urban areas.
2 Furthermore, besides improving access to public safety, the availability of better wireless
3 service in rural areas may enable some consumers to consider wireless as their primary
4 telecommunications service, much like residents in urban areas are able to do. Robust
5 competition encourages all companies, both wireline and wireless, to introduce
6 innovative and better-priced services, which benefits Nebraska's consumers.

7 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

8 **A.** Yes.