

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-102/
Public Service Commission, on) PI-194
its own motion, to investigate)
and consider the cost model used) PROGRESSION ORDER NO. 1
by the Federal Communications)
Commission for Connect America)
Fund Support, and its)
corresponding state counterpart.) Entered: August 18, 2015

BY THE COMMISSION:

On March 24, 2015, the Nebraska Public Service Commission (the "Commission") opened the above-captioned proceeding to investigate the cost model used by the Federal Communications Commission ("FCC") for Connect America Fund ("CAF") support. In that Order, the Commission solicited comments on the threshold question of whether it should utilize Nebraska universal service fund monies to obtain access to the CostQuest Associates, Inc. ("CostQuest") State Broadband Cost Model ("SBCM") which, according to CostQuest, replicates the processing logic, inputs and reporting formats of the adopted FCC price cap model ("CACM"). Based on information provided to the Commission, a \$30,000 annual license fee would provide access to the CostQuest SBCM, with the ability to interact with various methods of the model and generate results as needed.

Comments responsive to the Commission's March 24, 2015 Order were filed by Qwest Corporation d/b/a CenturyLink QC and United Telephone Company of the West d/b/a CenturyLink; the Rural Independent Companies; and the Rural Telecommunications Coalition of Nebraska. CenturyLink filed comments in support of the Commission's effort to investigate the SBCM saying the "SBCM model will provide better information on what the cost of providing service should be."¹ The Rural Independent Companies also recommended the Commission pursue a licensing agreement with CostQuest for this purpose responding "the Commission will be better enabled to determine the investment needed and expenses that will be incurred by telecommunications carriers providing service in rural areas of the State to build a robust infrastructure."² The RTCN recommended against the Commission

¹ Comments of Qwest Corporation d/b/a CenturyLink QC and United Telephone Company of the West d/b/a CenturyLink filed April 29, 2015, at page 2.

² Comments of the Rural Independent Companies filed April 30, 2015, at page 2.

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expending the \$30,000 annually to acquire rights through a license to the SBCM.³

O P I N I O N A N D F I N D I N G S

As the Commission indicated in its March 24, 2015 Order opening this proceeding, it has not yet analyzed the SBCM, nor the CACM; and, therefore is not endorsing the use of either model or its inputs for calculating broadband network costs. However, the Commission finds having access to the SBCM/CACM may be useful in relation to other matters currently under Commission consideration, including but not limited to the NUSF-99 and NUSF-100 proceedings. Accordingly, the Commission directs the staff to work with CostQuest to obtain a mutually agreeable licensing agreement where the Commission and interested parties would then be able to obtain access through these investigations.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the findings and conclusions made herein be and they are hereby adopted.

MADE AND ENTERED at Lincoln, Nebraska, this 18th day of August, 2015.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Tim Schram
Crystal Knodt
Jefferson

//s//Frank E. Landis
//s//Gerald L. Vap

Chairman

Gerald L. Vap

ATTEST:

Jeff L. Puley

Executive Director

³ See Comments of the Rural Telecommunications Coalition of Nebraska filed April 30, 2015.