

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-92.42
Public Service Commission, on)
its own motion, seeking to)
administer the Nebraska)
Universal Service Fund's) GRANTED
Broadband Program; application)
to the Nebraska Broadband)
Program Received from)
Centurylink/Adoption Program.) Entered: May 27, 2015

APPEARANCES:

For CenturyLink:

Jill Gettman
Gettman and Mills, LLP
10250 Regency Circle #105
Omaha, NE 68114

For the Commission:

Shana Knutson
300 The Atrium Building
1200 N Street
Lincoln, NE 68508

BY THE COMMISSION:

On December 10, 2013, the Nebraska Public Service Commission (Commission) opened NUSF-92 to serve as the vehicle for the Nebraska Universal Service Fund Broadband Program (NEBP). The Commission allocated \$500,000 for broadband adoption projects in calendar year 2015. On September 3, 2014, the Commission solicited applications for broadband adoption projects. The deadline for filing an application was November 26, 2014.

On November 26, 2014, CenturyLink filed a request for broadband adoption funding.¹ Notice of the application appeared in the Daily Record, Omaha, Nebraska on December 10, 2014. On December 29, 2014, N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless ("Viaero") filed a Petition of Formal

¹ The CenturyLink application was offered and received into the record as Exhibit No. 11.

Intervention which was granted on January 9, 2015. Subsequently, Viaero withdrew its Intervention.

On March 13, 2015, a procedural order was entered determining the schedule for processing adoption applications. Pre-filed testimony was submitted on March 27, 2015. A hearing was held in Lincoln, Nebraska on April 27, 2015 with appearances as shown above.² Mrs. Ann Prockish, Regulatory and Legislative Affairs Director for Nebraska, testified in support of the application.³

CenturyLink already has a low-income broadband subscriber program called "CenturyLink Internet Basics" in place. The program allows low-income subscribers to subscribe to broadband service for as low as \$9.95 per month. In this application, CenturyLink proposes enhancements to the program to help increase the number of low-income broadband subscribers in the Omaha area. CenturyLink proposes to provide a \$10.00 discount to the monthly recurring charge to qualifying low income customers of broadband service for a period of 12 months. The discount would apply to any speed to which the customer chooses to subscribe. For customers of the CenturyLink Internet Basics program, this would essentially provide service at no cost for the first year.

CenturyLink would also partner with Metropolitan Community College to provide education to potential customers on safely accessing and using the Internet. With locations throughout the Omaha metro area, Metropolitan Community College is in the best position to reach the maximum number of potential subscribers.

CenturyLink requested up to \$50,000 to cover the additional \$10.00 discount of the monthly recurring charge. This amount would allow CenturyLink to provide discounted broadband service to approximately 400 customers.

² The hearing was consolidated with other broadband adoption applications for administrative efficiency.

³ The pre-filed Direct Testimony of Ms. Ann Prockish was offered and received into evidence as Exhibit No. 27.

Ms. Vanicek, Director of the Nebraska Telecommunications Infrastructure and Public Safety Department of the Commission, testified in support of the staff recommendation.⁴ She stated the projects recommended for funding will represent a diverse test bed for the Commission to analyze which broadband adoption projects are most successful. Ms. Vanicek further testified all projects recommended for funding by the staff benefit low-income consumers and are aimed at increasing broadband adoption.

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

The Commission set aside \$500,000 for broadband adoption projects to increase broadband adoption and usage in Nebraska. Because it is a pilot program, the Commission found it would address these applications on an ad hoc basis rather than utilizing a specific methodology for choosing projects. Ten projects were proposed. In total, the amount of broadband adoption support initially sought was \$1,225,276; more than twice the amount of available funding.

The Commission staff filed a recommendation on February 12, 2015. In its filing, the Commission staff recommended CenturyLink's application be funded in the amount of \$50,000. No one opposed the CenturyLink application for broadband adoption support.

Based upon the application and the staff recommendation, the Commission finds the application should be granted. The Commission approves support for the proposed project up to an amount of **\$50,000 or the actual cost** of the project whichever amount is lower.

The Commission will hold a workshop to discuss reporting requirements for this grant on **July 22, 2015 at 1:30 p.m.** in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska. A telephone bridge will be made available for this workshop.

⁴ The pre-filed Direct and Reply Testimony of Ms. Sue Vanicek were offered and received into evidence as Exhibit Nos. 13 and 14 respectively.

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O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the above-captioned application be, and it is hereby, approved as provided herein.

IT IS FURTHER ORDERED that a workshop to discuss reporting requirements for this grant will be held on **July 22, 2015 at 1:30 p.m.** in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska.

IT IS FURTHER ORDERED that Applicant shall submit detailed and accurate invoices and other documentation required by the Department prior to reimbursement for the supported project(s).

IT IS FURTHER ORDERED that Applicant shall use Nebraska Broadband Program support only for the purposes described in its application and authorized by the Commission.

MADE AND ENTERED at Lincoln, Nebraska this 27th day of May, 2015.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Tim Schram
Crystal Knowles Vice-Chairman

ATTEST:

Frank E. Landis
//s//Frank E. Landis
//s//Tim Schram

Steve Meradith
Executive Director