

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-92.49
Public Service Commission, on)
its own motion, seeking to)
administer the Nebraska)
Universal Service Fund's)
Broadband Program: Application) GRANTED
to the Nebraska Broadband)
Program received from Allo)
Communications, LLC and Lincoln)
Public Schools.)
Entered: August 30, 2016

BY THE COMMISSION:

By Application filed July 18, 2016, Allo Communications, LLC and Lincoln Public Schools ("LPS") jointly seek Nebraska Universal Service Fund support for a broadband adoption grant in the amount of \$150,000. Notice of this application appeared in the Daily Record, Omaha, Nebraska on July 22, 2016. No protests or petitions of formal intervention were filed by any other interested party. Although the application was filed outside the window designated by the Commission, the Commission believes it should give consideration to this application given the \$500,000 set aside for broadband adoption projects in 2016 has not been exhausted.

Description of the Proposed Project:

Allo is a competitive local exchange and interexchange carrier of telecommunications services within the state of Nebraska. Allo has been designated as a Nebraska eligible telecommunications carrier (NETC). In late 2015 the Lincoln City Council approved several multi-year agreements with Allo, including a broadband franchise and lease of the City's conduit infrastructure, allowing Allo to place fiber in the conduit. As a result of these agreements, Allo's services will provide high speed internet with speed of up to 1 gigabit as well as digital television and Voice over Internet Protocol (VoIP) service.

LPS is the second largest public school district in Nebraska. During the 2015-2016 school year, LPS served almost 40,000 students throughout the district. Approximately 43 percent of LPS students qualify for free or reduced lunch due to low family income.

In 2015, the Lincoln Board of Education approved the LPS Technology Implementation Plan. Students in grades 3-12 have begun to receive individual Chromebooks over a three year period. LPS has advised Allo of its desire to find effective ways to ensure that all children receiving Chromebooks from LPS can effectively utilize these devices through access to affordable broadband services in

their family home. Further, the in-home service will provide portability around the house, and perhaps in outside areas surrounding the house, without being tethered to a land line. Allo hopes to develop even greater service portability capability as its network is deployed and refined.

Allo and LPS jointly desire to help assist low-income, high-need families in their efforts to obtain affordable access to broadband services in their homes, which will further allow LPS students to increase their educational and employment opportunities. The proposed project is designed initially to target children currently attending LPS whose family income qualifies them for the Federal Free Lunch Program and who will have received or will receive digital hardware from LPS ("Qualified Subscriber") as part of LPS's current initiative to provide digital technology to all children attending LPS in the coming years.

Qualified Subscribers will be able to access the new Allo service on a month-to-month basis without a contract, on a prepaid basis. Allo is targeting the new service to cost between \$10 to \$15 per month with a 20x20 Mbps speed. Qualified Subscribers will not need to purchase any additional equipment or modems, as the Allo service will contain all necessary connectivity equipment.

LPS will (i) coordinate with Allo concerning technical issues relating to the LPS digital devices distributed to students (ii) assist Allo in prioritizing neighborhoods most in need of new services (iii) provide information to students concerning the mechanics of accessing Allo's new services at home, (iv) facilitate Allo's access to eligibility information regarding Qualified Subscribers for Allo's services and (v) provide information to the Commission regarding the adoption of the new service by low-income families/students served by LPS.

Allo is requesting funding in the amount of \$150,000 for the implementation of the proposed project. The support will be used by Allo to defer the costs of special network equipment and installation of the proposed special new services. Allo will provide funding to study, design and engineer the systems and network features needed to best deploy and implement the new services. Allo anticipates that its network and infrastructure will be operational in the targeted service areas by the second quarter of 2017.

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. Three applications

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for adoption support were filed this year. The collective request for all three projects was less than \$500,000. Accordingly, the staff did not make a recommendation.

Based upon the information provided in the application, the Commission finds the application should be granted. The Commission approves support for the proposed project up to an amount of **\$150,000.00 or the actual cost** of the project whichever amount is lower. The joint applicants shall submit detailed and accurate invoices and other documentation required by the Department prior to reimbursement for the supported project(s).

O R D E R

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

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.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 30th day of August, 2016.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Gerald L Vay
Crystal Knudsen
Frank E. Landis

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

Tim Schram
Chairman

ATTEST:

Jeffery L. Pule
Executive Director