

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-99
Public Service Commission, on) PROGRESSION ORDER NO. 2
its Own Motion, to Administer)
the Universal Service Fund) ORDER SEEKING FURTHER
High-Cost Program.) COMMENT AND SETTING HEARING
)
) Entered: June 30, 2020

BY THE COMMISSION:

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

The Nebraska Public Service Commission (Commission) initiated this proceeding on October 15, 2014 to consider certain modifications to the high-cost funding mechanism in the universal service fund program. The Commission solicited comments on certain modifications affecting the carriers classified federally as price cap carriers.

In general terms, the Commission proposed to adopt a separate distribution mechanism for price cap carriers designed to target and track Nebraska universal service fund investments in broadband infrastructure. The Commission proposed to distribute support to price cap carriers outside the current distribution mechanism through a mechanism that was more comparable to the FCC's Connect America Fund ("CAF").

On September 1, 2015, the Commission adopted a framework by which price cap carrier support would be distributed.¹ The Commission froze the amount of support allocated to price cap carriers at the 2015 calendar level. The Commission adopted a specific allocation for broadband build-out support and for ongoing support. Eighty percent of each price cap carrier's NUSF high-cost allocation was directed to broadband build-out support. The Commission directed carriers to target support to unserved areas. The Commission disqualified the use of NUSF deployment support 1) in areas served by an existing unsubsidized competitor, and 2) where the carrier was receiving

¹ See *In the Matter of the Nebraska Public Service Commission, on its Own Motion, to Administer the Universal Service Fund High-Cost Program*, Progression Order No. 1 (September 1, 2015) ("NUSF-99, Progression Order No. 1").

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 2

federal universal service support.² The Commission adopted a process for price cap carriers to apply for and receive broadband buildout support. The Commission found support should be paid on invoiced costs similar to prior broadband support provided in Commission dockets.³

Last year, the Commission revised the distribution methodology for rate-of-return carriers. While it was modeled largely on the NUSF-99 framework, there were also some significant distinctions. The speeds were updated to reflect the current FCC broadband speed standard. The process for submitting broadband projects was streamlined. A requirement to designate projects and use the funding within two years was also added.

Consequently, on November 13, 2019, the Commission released Progression Order No. 2 in order to solicit comments on whether to update the NUSF-99 framework in a manner that would more closely align price cap carrier high-cost support with our findings in NUSF-108. In the November 13, 2019 order, the Commission sought comment on the following changes:

1. Whether to align the minimum speed requirements with the 25/3 Mbps standard the FCC adopted subsequent to our September 1, 2015 Order and as applied to the rate-of-return carriers.
2. Whether to make the broadband deployment support available similar to the mechanism adopted in NUSF-108, Progression Order No. 3 where projects would be filed for review but not necessarily through an application process.

² See *id.* at 6. Specifically, the Commission stated it would disallow broadband support in areas that already have an unsubsidized carrier providing comparable broadband service.

³ See *id.* at 8. See also generally Commission orders entered in *In the Matter of the Petition of the Nebraska Telecommunications Association for Investigation and Review of Processes and Procedures Regarding the Nebraska Universal Service Fund*, Docket No. NUSF-77, and *In the Matter of the Nebraska Public Service Commission, on its Own Motion, to Administer the Nebraska Universal Service Fund Broadband Program*, NUSF-92.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 3

- a. Consistent with the process for rate-of-return carriers, the Commission asked whether it should designate eligible census blocks. The Commission asked interested parties to elaborate on how the Commission could complement support received from the federal universal service program to extend existing broadband-based networks further out to rural areas that have no broadband service.
 - b. The Commission asked whether to prioritize certain areas for broadband deployment and for input on the criteria should the Commission utilize to make those determinations?
 - c. Consistent with the past strategic plan principles, the Commission asked whether it should design the process around support preferences for fiber-based projects.
 - d. Additionally, carriers have, in some cases, utilized fixed wireless technology to meet federal universal service fund obligations. With the assumption that the cost to deploy this technology is lower than the cost to deploy fiber, the Commission asked why state support was necessary to supplement deployment of these technologies. The Commission asked how carrier of last resort obligations (COLR) should be treated if alternative technologies such as fixed wireless services are deployed in the place of replacing or updating the copper-based network with fiber. The Commission further asked how that should impact NUSF support.
3. Consistent with the requirements for rate-of-return carriers, the Commission asked whether to adopt specific timeframes for both requesting to utilize allocated support, and for buildout once projects are approved. The Commission asked what the timeframe should be.
4. The Commission also sought comment on how to better ensure that ongoing support is being used to maintain the quality and performance of both voice and broadband service in Nebraska as it was intended. The Commission

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 4

asked whether to tie ongoing support to census blocks where the carrier is providing voice and broadband service at speeds of 25/3 Mbps. The Commission asked how it should treat areas that are not receiving adequate voice and broadband service. The Commission asked whether to impose a reporting requirement, such as the EARN Form, to ensure that operational expenses are being used for the purpose of maintaining and improving the network facilities in Nebraska specific high-cost exchanges for which they were intended and in support of services offered to Nebraska consumers in high-cost exchanges.

5. The Commission further solicited comments on whether to make any changes to account for the possible future changes in federal support for price cap areas. Connect America Fund Phase II support will likely be transitioning to an auction-based support at some point in time.

Comments Filed

Comments in response to the Commission's November 13, 2019, Order were filed by Charter Communications, Inc. (Charter), Cox Nebraska Telcom, LLC (Cox), Citizens Telecommunications Company of Nebraska d/b/a Frontier Communications (Frontier), Qwest Corporation d/b/a CenturyLink and United Telephone Co of the West (collectively CenturyLink), the Rural Independent Companies (RIC), the Rural Telecommunications Coalition of Nebraska (RTCN), and Windstream Nebraska Inc. (Windstream). Reply comments were filed by CenturyLink, Frontier, RIC and RTCN.

Minimum Speed Threshold

CenturyLink agreed that broadband projects should meet a minimum 25/3 Mbps standard to be eligible for NUSF broadband build-out support.⁴

⁴ See Comments of Qwest Corporation d/b/a CenturyLink QC and United Telephone Company of the West d/b/a CenturyLink (filed December 13, 2019) at 3 ("CenturyLink Comments").

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 5

Frontier stated that as the FCC has generally adopted the 25/3 Mbps standard, the application of this standard for price cap carriers is not unreasonable going forward.⁵

Cox supported the minimum speed requirement of 25/3 Mbps unless a price cap carrier can provide reasonable justification that such standard is not technically or financially feasible.⁶

RIC also recommended that the minimum broadband network speed requirement should be 25/3 Mbps.⁷ RIC stated this requirement would harmonize the price cap carrier requirement with applicable Nebraska law and with the current Federal Communications Commission (FCC) 25/3 Mbps broadband speed standard.⁸ In addition, this minimum speed standard is found in the Legislature's declaration of policy in Neb. Rev. Stat. § 86-1101(2).⁹

RTCN supported the minimum speed requirement of 25/3 Mbps consistent with the standard established in NUSF-108 relative to rate-of-return carriers. RTCN also stated it matches the threshold for broadband established in LB 994 (2018).¹⁰

Windstream agreed that the deployment obligation should be changed to match the FCC's 25/3 Mbps standard.¹¹ In addition, the review of areas which are not eligible for support due to the

⁵ See Comments of Citizens Telecommunications Company of Nebraska d/b/a Frontier Communications of Nebraska (filed December 13, 2019) at 2 ("Frontier Comments").

⁶ See Comments of Cox Nebraska Telcom, LLC (filed December 13, 2019) at 1 ("Cox Comments").

⁷ See Comments of the Rural Independent Companies in Response to Order seeking Comments (filed December 13, 2019) at 2 ("RIC Comments").

⁸ See *id.* at 3.

⁹ See *id.*

¹⁰ See Comments of the Rural Telecommunications Coalition of Nebraska (filed December 13, 2019) at 2 ("RTCN Comments").

¹¹ See Comments of Windstream (filed December 13, 2019) at 2 ("Windstream Comments").

Application No. NUSF-99
Progression Order No. 2

Page 6

presence of an unsubsidized competitor should also be set at 25/3 Mbps.¹²

Selection of Project Areas

CenturyLink stated that the Commission should not designate eligible census blocks; rather, the Commission should rely upon the unserved and underserved criteria.¹³ CenturyLink stated that the sheer number of price cap carrier census blocks would make this a difficult task administratively for the Commission.¹⁴ CenturyLink recommended the Commission continue to use existing broadband mapping with an enhanced challenge process until the FCC adopts more accurate mapping capabilities.¹⁵ CenturyLink further stated the Commission should employ caution in establishing prioritization criteria.¹⁶ CenturyLink stated that prioritization should focus on factors such as projects in unserved and underserved areas or those providing service to a greater number of residents.¹⁷

Frontier did not believe that a more prescriptive approach by the Commission in terms of potential areas for broadband deployment projects or type of network design would be beneficial.¹⁸

Cox stated the Commission must accurately identify areas where funding is eligible using the best data available.¹⁹

¹² See *id.*

¹³ See CenturyLink Comments at 3.

¹⁴ See Reply Comments of Qwest Corporation d/b/a CenturyLink QC and United Telephone Company of the West d/b/a CenturyLink (filed January 10, 2020) at 4 ("CenturyLink Reply Comments").

¹⁵ See CenturyLink Comments at 3; see also CenturyLink Reply Comments at 4.

¹⁶ See CenturyLink Comments at 4.

¹⁷ See *id.*

¹⁸ See Frontier Comments at 2.

¹⁹ See Cox Comments at 2.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 7

Prioritization should focus on unserved areas, followed by underserved areas.²⁰

Windstream stated that having filed a number of applications, it has a fair understanding of the process Staff uses in reviewing applications.²¹ Windstream stated it shares a mutual understanding of the census blocks which are available for funding.²² However, if Windstream had access to a published list of census blocks, any differences could be reconciled before filing an application rather than after an application has been submitted.²³ Windstream stated however, it was not within the sphere of Commission's jurisdiction to schedule or prioritize areas for broadband deployment support.²⁴

RTCN stated the Commission should take a ground-up approach to prioritizing projects driven by community-based proposals for support to address local needs.²⁵ Such factors should include the number and duration of outages and service interruptions caused by plant failure (as opposed to external causes such as cable cuts), the number of subscriber complaints relative to the total number of subscribers, and customer requests of adjacent providers for service.²⁶ RTCN suggested the Commission continue to allocate on a census block basis.²⁷ In its reply comments, RTCN took issue with Windstream's claim that the Commission lacked the authority to prioritize areas for broadband deployment support.²⁸

²⁰ *Id.*

²¹ See Windstream Comments at 4.

²² See *id.*

²³ *Id.*

²⁴ See *id.* at 5.

²⁵ See RTCN Comments at 6.

²⁶ *Id.*

²⁷ See *id.*

²⁸ See Reply Comments of the Rural Telecommunications Coalition of Nebraska (filed January 10, 2020) at 5-6 ("RTCN Reply Comments") (stating Windstream mischaracterized the statements of the court decision upon which it relied).

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 8

RIC recommended the Commission retain and not replace the current application process used for price cap carrier broadband support.²⁹ RIC further stated that it should review and modify its budget allocation to price cap carriers.³⁰ RIC stated that redundant NUSF support should not be provided to census blocks that will receive Rural Digital Opportunities Fund (RDOF) support where such support will result in the deployment and operation of broadband service meeting the 25/3 Mbps minimum speed.³¹ RIC suggested that if a price cap carrier is seeking to obtain NUSF support prior to the establishment of the RDOF, then the price cap carrier should bear the burden to demonstrate to the Commission that the approval of its proposed use of NUSF will be consistent with the FCC-announced RDOF principles.³² RIC further suggested the Commission may want to revisit the factors used to prioritize broadband deployment support.³³ To the extent feasible, NUSF support should be prioritized for establishment of broadband service to currently "unserved" areas, with lower priority given to "underserved" areas.³⁴ In its reply comments RIC took issue with the position taken by RTCN and argued NUSF support is not allocated on a per location basis.³⁵ RIC also stated that the Commission would need to seek further comment on RTCN's community-based redirection of support proposal in order for the Commission to consider it further.³⁶

²⁹ See RIC Comments at 6.

³⁰ See *id.*

³¹ See *id.* at 8.

³² See *id.*

³³ See *id.*

³⁴ *Id.* at 9.

³⁵ See Reply Comments of the Rural Independent Companies (filed January 10, 2020) at 4 ("RIC Reply Comments").

³⁶ See *id.*

Application No. NUSF-99
Progression Order No. 2

Page 9

Technology Distinctions

CenturyLink stated that while fiber has certain advantages, fiber projects are the costliest from both an installation and maintenance standpoint and takes much longer to deploy.³⁷ CenturyLink further stated that the FCC has accepted alternative technologies such as fixed wireless as acceptable broadband solutions.³⁸ CenturyLink suggested the Commission develop a weighted scoring process similar to that of the FCC and other state broadband grant programs.³⁹

CenturyLink stated that universal service support should remain technology neutral as it is limited to those projects which are uneconomical regardless of technology employed. Depending on the unique circumstances of any particular locations, fixed wireless may be the best, long-term solution.⁴⁰

CenturyLink argued that carrier of last resort obligations are associated with carrier receiving state support and not the technology deployed to provide service. If a non-incumbent carrier is awarded NUSF support, any COLR obligations must follow the support.⁴¹ Further, any carrier receiving support must be an eligible telecommunications carrier (ETC).⁴² Once a non-incumbent carrier is the designated COLR/ETC for a given area, the incumbent provider should be relieved of such obligations.⁴³

Frontier stated that fiber to the home may be reasonable in one area, but not in another.⁴⁴ The Commission should not

³⁷ See CenturyLink Comments at 4.

³⁸ See *id.*

³⁹ See *id.*; see also CenturyLink Reply Comments at 6.

⁴⁰ See *id.* at 5.

⁴¹ See *id.*

⁴² See *id.*

⁴³ See *id.* at 6.

⁴⁴ See Frontier Comments at 3.

Application No. NUSF-99
Progression Order No. 2

Page 10

constrain carriers in terms of arriving at the most reasonable deployment technology for any particular area.⁴⁵

RIC reiterated and affirmed its prior statement that the networks have been planned to be scalable regarding broadband speeds consistent with the FCC's statements that it expects carriers seeking federal USF support to be planning to the extent possible for the deployment of "future proof" networks.⁴⁶

RTCN stated the Commission's objective should be to ensure that support is efficiently utilized by ETCs to provide quality voice and advanced information services at rates comparable to urban areas.⁴⁷ RTCN stated that fiber has been demonstrated to be superior when it comes to providing reliable voice services and information services.⁴⁸ RTCN recommended the Commission continue to base price-cap carrier support for broadband deployment projects on invoiced costs.⁴⁹

Windstream stated the process should not focus on the technology of the project but on the goal of bringing broadband capability to unserved and underserved areas with a choice of technology that makes the most sense from a reliability and cost perspective.⁵⁰ Windstream further stated that although fixed wireless solutions may be less expensive than fiber, it does not mean that such solutions themselves are not expensive.⁵¹

Timeframe for Use of Support

CenturyLink recommended against the use of specific timeframes to utilize support or to build-out designated

⁴⁵ *Id.*

⁴⁶ *See* RIC Comments at 11.

⁴⁷ *See* RTCN Comments at 7.

⁴⁸ *See id.*

⁴⁹ *See id.*

⁵⁰ *See* Windstream Comments at 5.

⁵¹ *See id.*

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 11

projects.⁵² CenturyLink stated that every project is unique and may be affected by many variables outside of the carrier's control.⁵³

Frontier stated that if the time requirement to designate projects and use the funding operated the same as the timeframe adopted for rate-of-return carriers, Frontier is not opposed to that requirement.⁵⁴

Cox stated that a two-year completion date for buildout once a project is approved is reasonable.⁵⁵ Although, Cox stated, extensions should be allowed upon the demonstration there are reasonable grounds for delays.⁵⁶

RIC recommended the Commission require timelines for price cap carriers to make application for approval of broadband projects and to utilize any such NUSF support and to complete Commission-approved projects. If a price cap carrier need additional time to deploy broadband projects supported by the NUSF, it should seek a waiver from the Commission based upon good cause.⁵⁷ RIC further recommended the Commission apply a "shot clock" to NUSF support that has been previously allocated to price cap carriers.⁵⁸

RTCN also agreed the Commission should adopt specific timeframes for requesting and using support once buildout projects are approved.⁵⁹

⁵² See CenturyLink Comments at 6.

⁵³ See *id.*

⁵⁴ See Frontier Comments at 3.

⁵⁵ See Cox Comments at 2.

⁵⁶ See *id.*

⁵⁷ See RIC Comments at 12.

⁵⁸ See *id.*

⁵⁹ See RTCN Comments at 8.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 12

Windstream agreed that the Commission should adopt specific timeframes.⁶⁰ Windstream recommended a three-year timeframe.⁶¹

Ongoing Support Requirements

CenturyLink recommended against tying ongoing support to census blocks where the carrier is providing voice and broadband service at speeds of 25/3 as CenturyLink stated that it believes voice and broadband are distinct services with separate obligations.⁶² Secondly, CenturyLink states that supported services are basic local exchange services.⁶³ While certain components can be used for support for both voice and broadband, the limited funding offered by NUSF cannot provide ongoing support for both voice and broadband.⁶⁴

Frontier also recommended against tying ongoing support to census blocks where the carrier is providing both voice service and broadband service at speeds of 25/3 Mbps.⁶⁵ Frontier stated this may preclude carriers from maintaining their existing voice service and/or broadband service as needed.⁶⁶ In its reply comments, Frontier stated that revoking a carrier's ETC designation could have a significant adverse impact on consumers, including the lack of Lifeline availability.⁶⁷

RIC stated that given the track record regarding the use of NUSF support by price cap carriers as compared to rate-of-return carriers, it would be appropriate for the Commission to

⁶⁰ See Windstream Comments at 6.

⁶¹ See *id.*

⁶² See CenturyLink Comments at 7.

⁶³ See *id.*

⁶⁴ See *id.*

⁶⁵ See Frontier Comments at 4.

⁶⁶ See *id.*

⁶⁷ See Reply Comments of Comments of Citizens Telecommunications Company of Nebraska d/b/a Frontier Communications of Nebraska (filed January 10, 2020) at 2 ("Frontier Reply Comments").

Application No. NUSF-99
Progression Order No. 2

Page 13

establish even more rigorous requirements for price cap carriers.⁶⁸

Windstream stated that ongoing support is used for operating expenses. As such it should not be tied only in areas which voice and broadband are being provided at speeds of 25/3 Mbps.⁶⁹ Windstream stated that it would be impossible for Windstream to trace expenses down to geographic areas such as census blocks.⁷⁰

Additional Reporting Requirements

CenturyLink recommended against the use of the NUSF EARN Form or any similar reporting requirement.

Frontier stated that it was not clear on the need for such additional reporting.⁷¹ The current levels of NUSF support provided to companies is fundamentally based on the companies' EARN form results.⁷² Frontier believes the current EARN Form reporting process is sufficient to demonstrate the appropriate uses of NUSF support for ongoing maintenance and operational costs.⁷³

RTCN recommended the Commission use an earnings test to ensure that support is being used solely for purpose allowed by law, regulations, policies and orders.⁷⁴

⁶⁸ See RIC Comments at 14.

⁶⁹ See Windstream Comments at 7.

⁷⁰ See *id.*

⁷¹ See Frontier Comments at 4.

⁷² *Id.*

⁷³ *Id.*

⁷⁴ See RTCN Comments at 9.

Application No. NUSF-99
Progression Order No. 2

Page 14

Consideration of Federal Support

CenturyLink stated that revisions based on speculative future changes in federal support for price cap areas are premature. The Commission should not make any changes based on anticipated and speculative revisions to CAF II.⁷⁵

Cox took no position on whether changes should be made in anticipation of possible updates to federal support for the price cap companies.⁷⁶

RIC urged the Commission to closely monitor developments relating to the RDOF in order that deployment of NUSF support in price cap carrier-served areas can be accomplished in a manner that results in the most efficient utilization of federal universal service support.⁷⁷

RTCN stated the Commission should act quickly to build on efforts to coordinate with the FCC wherever possible.⁷⁸ The FCC set an ambitious timeline to complete the RDOF auction by the end of 2020.⁷⁹ RTCN recommended the Commission take a lead role in ensuring efficient utilization of federal and state support.⁸⁰

Windstream stated that the current process does not provide funding for CAF II census blocks. At the end of the Phase I RDOF auction, the census blocks price cap carriers will have won support for will be known.⁸¹ Using the new set of census blocks post-RDOF auction should provide seamless.⁸²

⁷⁵ See CenturyLink Comments at 8.

⁷⁶ See Cox Comments at 2.

⁷⁷ See RIC Comments at 16.

⁷⁸ See RTCN Comments at 10.

⁷⁹ *Id.*

⁸⁰ See RTCN Reply Comments at 12.

⁸¹ See Windstream Comments at 7.

⁸² *Id.*

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 15

Proposal

Based on the Comments and Reply Comments submitted, the Commission finds there were a few points of general agreement. All commenters agreed that 25/3 Mbps should be the minimum speed threshold for broadband deployment obligations tied to NUSF support. Accordingly, the Commission proposes to adopt that standard.

In addition, very few commenters disagreed with the idea of imposing a timeframe for broadband deployment applications to be submitted each year and projects to be completed. The Commission adopted a two-year timeframe for completion of broadband projects in NUSF-108. Most commenters were generally supportive of having matching requirements for price cap carriers. We acknowledge that there may be cases where build-out takes longer than two years. CenturyLink voiced concerns stating that every project may have unique challenges.⁸³ However, we believe that given its importance, every carrier should be deploying broadband to underserved areas with some level of urgency. We believe a two-year standard timeframe along with the opportunity to seek a waiver or extension of time for good cause shown would balance these competing concerns.⁸⁴ Accordingly, we propose to adopt a one-year timeframe for carriers to file requests for support for projects in a given funding year, and a two-year timeframe for project completion. Interested parties are free to comment on this proposal.

The Commission proposes an allocation mechanism whereby each exchange within the carriers' territories is assigned an amount of buildout support that would be reimbursed to the carrier once broadband service is provided to all eligible locations within that exchange. Eligible locations would be those that are defined as rural, are not eligible for RDOF support, are not already built to 25/3 Mbps or greater, and do not already have competitive service, defined as broadband at 25/3 Mbps and voice service offered. The technology used for projects must reach every household, regardless of topography,

⁸³ See CenturyLink Comments at 6.

⁸⁴ See Reply Comments of CenturyLink at 7.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 16

vegetation, or distance. Utilizing this methodology, the Commission proposes to release a list of the exchanges that each carrier covers, assign a maximum reimbursable amount based on SBCM modeled costs of eligible census blocks, and carriers would be required to notify the Commission within one year of the exchanges that they plan to build to with their available buildout support. Carriers would be required to provide notice of projects that use 95% of their available buildout support for that year. If that threshold is not met, any remaining support would be forfeited to fund a reverse auction to bring 25/3 broadband to exchanges within that carrier's territory that do not have projects planned. The specific exchange or exchanges that would be part of the auction would be selected at the discretion of the Commission.

Through this methodology, the Commission would only prioritize areas if buildout support was not utilized in a timely manner.

The Commission also proposes to make available in the first year of this program any support that has not been allocated through the NUSF-99 program. The Commission believes this support, along with the 2020 deployment support held in abeyance, and 2021 support will provide the support necessary to promote significant broadband deployment to areas that are unserved or underserved.

In addition, the Commission proposes to continue its requirement that price cap carriers build out prior to seeking reimbursement for broadband projects.⁸⁵

Issues for Further Comment

The Commission has proposed allowing price cap carriers to identify which areas they will build to using buildout support. If the Commission decides to establish priority areas, how should those priority areas be determined? Should the Commission identify areas where it has received a number of complaints, like Oshkosh, as priority areas? Why or why not?

⁸⁵ See NUSF-99, Progression Order No. 1.

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 17

Should the Commission adopt other modifications with respect to price cap carrier support similar to those adopted in NUSF-108 for rate-of-return carriers? Should the ongoing support a price cap carrier receives be subject to the NUSF EARN Form process or some alternative process to ensure that ongoing support is being used to support Nebraska-based network costs? CenturyLink stated that no additional reporting requirements should be imposed by the Commission. However, the Commission has retained the NUSF-EARN Form requirement for rate-of-return carriers receiving ongoing support. Should the Commission likewise require price cap carriers receiving ongoing support to similarly report to the Commission? Why or why not?

The Commission has proposed removing RDOF-eligible areas from eligibility for NUSF support. Should the Commission provide any supplemental support for areas covered by the RDOF auction? What about areas that are initially eligible but do not receive any auction-based support? What about areas that do receive auction-based support but for other technologies such as low-orbit satellite or fixed wireless?

Comments

Comments responsive to the issues, proposals, and questions presented herein may be filed by interested persons on or before 5:00 p. m. central time on **July 30, 2020**. Commenters must file one (1) original paper and (1) electronic copy of their comments. Electronic comments should be filed with Cullen.Robbins@nebraska.gov and Brandy.Zierott@nebraska.gov.

Hearing

A videoconference hearing in this matter will be held on **August 25, 2020**, at 1:30 p.m., in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska 68508. The link to the videoconference is as follows <http://tiny.cc/PSCWebex>. The telephone bridge for the audio connection is: 614-655-0003 Access Code 926 434 190.

If auxiliary aids or reasonable accommodations are needed for attendance at the meeting, please call the Commission at (402) 471-3101. For people with hearing/speech impairments,

SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

Application No. NUSF-99
Progression Order No. 2

Page 18

please call the the Nebraska Relay System at (800) 833-7352 (TDD) or (800) 833-0920 (Voice). Advance notice of at least seven (7) days is needed when requesting an interpreter.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the issues described above be and they are hereby open for public comment.





IT IS FURTHER ORDERED that comments responsive to this Order may be filed by interested parties on or before **July 30, 2020** in the manner prescribed above.

IT IS FURTHER ORDERED that a videoconference hearing in this matter will be held on **August 25, 2020** at 1:30 p.m. in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska 68508. The link to the videoconference is as follows <http://tiny.cc/PSCWebex>. The telephone bridge for the audio connection is: 415-655-0003 Access Code 926 343 190.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska this 30th day of June, 2020.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:



Chair

ATTEST:


Executive Director