BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

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.	)	Application No. NUSF-77 Progression Order No. 10 ORDER Entered: November 25, 2013

APPEARANCES:

For the Rural Independent Companies:
Paul Schudel
WOODS AITKEN, LLP
301 South 13th Street, Suite #500
Lincoln, Nebraska 68508

For N.E. Colorado Cellular Inc. d/b/a Viaero Wireless:
Loel P. Brooks
BROOKS, PANSING BROOKS, PC, LLO
1248 O Street, Suite 984
Lincoln, Nebraska 68508-1424

For the Commission:
Shana Knutson
300 The Atrium Building
1200 N Street
Lincoln, Nebraska 68508

BY THE COMMISSION:

On January 14, 2010, the Nebraska Telecommunications Association filed a petition for investigation and review of the Nebraska Universal Service Fund (NUSF) processes and procedures. Through various progression orders, the Commission established a framework for the Nebraska Broadband Pilot (NEBP) Program.

On October 1, 2013, the Commission issued Progression Order No. 9 seeking comments on whether it should establish a cap on the amount of NEBP support provided to each company on an annual basis. In the alternative, the Commission sought comments on whether to cap the total support amount possible for each project filed. In addition, the Commission sought comments on whether to establish a limitation on the amount of support given on a per household basis.

Comments were filed on October 11, 2013 by the following: Cox Nebraska Telcom, LLC (Cox), the Rural Independent Companies (RIC), N.E. Colorado Cellular d/b/a Viaero Wireless (Viaero Wireless), Windstream Nebraska Inc. (Windstream), United States Cellular Corporation (US Cellular), and United Telephone Company of the West d/b/a CenturyLink & Qwest Corporation d/b/a CenturyLink QC (CenturyLink).

A public hearing was held on October 30, 2013 in Lincoln, Nebraska. The hearing was held in legislative format. Appearances were entered as shown above.

Ms. Sue Vanicek, Director of the Nebraska Telecommunications Infrastructure and Public Safety Department (NTIPS Department), testified and provided a staff recommendation. Mr. Dan Davis provided a recommendation on behalf of RIC. Mr. Loel Brooks provided testimony on behalf of Viaero Wireless. Mr. David Porter provided testimony on behalf of Windstream.

In general, the NTIPS Department recommended adoption of the Commission's proposals to establish caps on a per company, per project and per household basis. Cox also supported all caps proposed by the Commission. U.S. Cellular didn't oppose the Commission's proposal to establish caps on the amounts awarded by company, per project or per household. However, U.S. Cellular asked the Commission to consider increasing the per project cap to $337,500. CenturyLink filed comments opposing all cap proposals. Windstream recommended a per technology cap but didn't oppose a company cap. However, Windstream did not support a per household cap. RIC recommended a per company cap of 10 percent of annual funding. RIC opposed a per project cap and a per household cap. Viaero Wireless opposed a per company cap and a per project cap but supported a per household cap of $1,000.

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

The Commission opened this proceeding to provide guidance to the potential applicants for the next round of broadband grant support. The Commission wanted to ensure that funding was available for more than one or two applicants in a given funding year. Moreover, the Commission

wanted to encourage the reasonable and efficient use of limited broadband grant funds.

The Commission appreciates the comments and statements provided by the interested parties. However, at this point, the Commission believes it does not have enough justification in the record to adopt any particular cap as proposed by the Commission in its October 1, 2013 Order. The Commission will continue to evaluate the propriety of establishing a per household, per project and/or per company cap and may revisit this issue again after it has had an opportunity to collect more data. Accordingly, the Commission does not adopt the specific proposals suggested in its October 1, 2013 Order for the 2014 NEBP support year.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the findings and opinions set forth above be, and they are hereby, adopted.

MADE AND ENTERED at Lincoln, Nebraska this 25th day of November, 2013.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director