

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Petition of	)	Application No. NUSF-77
the Nebraska Telecommunications	)	Progression Order No. 8
Association for Investigation and	)	
Review of Processes and Procedures	)	
Regarding the Nebraska Universal	)	
Service Fund.	)	
	)	
In the Matter of the Nebraska	)	Application No. NUSF-69
Public Service Commission on its	)	
own motion seeking to implement	)	
policies and procedures related to	)	ORDER SEEKING COMMENTS
providing dedicated universal	)	
service support for wireless	)	
telecommunications services.	)	Entered: April 23, 2013

BY THE COMMISSION:

***Background***

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. Subsequently, in response to briefs and reply briefs submitted by all interested parties, the Commission determined it had the legal authority to provide NUSF support for broadband services and that it should provide support for broadband capital improvement projects. Through various progression orders, the Commission established a framework for the Nebraska Broadband Pilot (NEBP) Program.

A total of sixteen NEBP program applications were received by the Commission for 2013 calendar year support. Public notice of the submission of these applications was given and interested parties were provided the period to and including April 5, 2013, to file protests or interventions in response to the applications. A hearing on the applications has not yet been determined.

In Progression Order No. 7, entered on January 15, 2013, the Commission found that the support used for the dedicated wireless fund program (NUSF-69) should be transitioned over a four year period into the NEBP. The Commission decided this transition should begin next year during the 2014 calendar year.

***Issues for Comment***

In this Progression Order, the Commission seeks comments on whether it should reconsider its decision to transition this support over four years, and instead, accelerate the combination of these programs.<sup>1</sup> The Commission solicits comments from interested parties on whether to combine both programs in 2014 by allocating \$9 million in support for the NEBP which could be used for wireline and/or wireless infrastructure improvement projects. In the alternative, the Commission seeks comments on whether to combine the support for both programs to a lesser degree but combine the support faster than four years.

In considering this proposal, the Commission asks interested parties to comment on the merits of maintaining a separate dedicated wireless fund program which alternatively could be absorbed into the broader NUSF-77 broadband program. The Commission solicits comments on the extent to which the support for the broadband projects attributed to the dedicated wireless fund and NEBP currently overlap. For example, applicants seeking 2013 support included both costs for tower construction and the placement of broadband equipment on existing cell towers. While the Commission has not specifically prohibited wireless tower construction support in its NUSF-77 criteria, the Commission has made it clear that its priority is to promote broadband availability in areas that are currently unserved or underserved. If support can also be used for tower construction, is there a continued need for a separate support mechanism?

In addition, given the NUSF-77 support determination method employs a more robust set of criterion, including ones which encompass the philosophies of those utilized in the NUSF-69 support determination method, could the Commission's goals to target support for wireless and wireline broadband services be more efficiently accomplished in the NUSF-77 proceeding, while still accomplishing those goals included in NUSF-69 which include universal access to wireless telecommunications and broadband services. Since both

---

<sup>1</sup> To be clear, the Commission is not considering changing its determination to allocate \$5 million in dedicated wireless fund support for the 2013 calendar year. The Commission believes carriers have relied on this finding and have probably expended resources in preparation for a dedicated wireless fund application.

support mechanisms prioritize projects in part based on household density and service coverage inputs, what are the advantages and disadvantages to combining the support for these programs? What conditions from the dedicated wireless fund program should be preserved?

We additionally ask interested parties to consider that in NUSF-69, the Commission determined that broadband capable wireless projects would be prioritized. All carriers submitting applications since that time have affirmed their networks supported a 3G or faster broadband service. However, the Commission's definition of broadband service in the dedicated wireless fund program is not as robust as the Commission's definition of broadband in the NEBP. Accordingly, the Commission solicits further comments on whether it makes sense to continue to provide explicit support for infrastructure in the dedicated wireless program which does not provide the minimum 4/1 Mbps speeds that are required in the NEBP. Interested parties should comment on whether the Commission should encourage faster broadband services through a requirement that carriers use support to offer services that meet or exceed the 4/1 Mbps speed threshold.

In addition, we solicit comments on whether the absorption of the dedicated wireless fund into the NEBP would accelerate the delivery of wireless and wireline broadband services because of the 25 percent matching requirement. No matching obligation exists for the dedicated wireless program applicants. In the alternative, would the matching obligation deter the construction of wireless facilities in given areas? Please provide specific examples. Interested parties should comment on whether this change would make a significant difference in the Commission's ability to reach more consumers at a faster pace.

Interested parties may comment on the issues describe above and may comment on any other issues germane to this subject matter.

#### ***Comment Period***

The Commission solicits comment on the foregoing questions. We give commenters until **May 24, 2013** to file initial comments in response to this Progression Order. Commenters should file one (1) paper copy and one (1) electronic copy of their Comments with the Commission. Reply comments shall be filed on or before **June 7, 2013**.

Electronic copies should be sent to [Sue.Vanicek@nebraska.gov](mailto:Sue.Vanicek@nebraska.gov) and [Brandy.Zierott@nebraska.gov](mailto:Brandy.Zierott@nebraska.gov). An electronic copy of the comments and reply comments shall also be served on all other interested parties on the Commission's service list.

***Commission Hearing***

A hearing on this matter will be scheduled on a date later to be determined.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Comments responsive to the foregoing issues may be filed by interested parties on or before **May 24, 2013** and Reply Comments may be filed on or before **June 7, 2013** as provided above.

MADE AND ENTERED at Lincoln, Nebraska this 23rd day of April, 2013.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application Nos. NUSF-77 and NUSF-69

Page 4

Electronic copies should be sent to [Sue.Vanicek@nebraska.gov](mailto:Sue.Vanicek@nebraska.gov) and [Brandy.Zierott@nebraska.gov](mailto:Brandy.Zierott@nebraska.gov). An electronic copy of the comments and reply comments shall also be served on all other interested parties on the Commission's service list.

**Commission Hearing**

A hearing on this matter will be scheduled on a date later to be determined.

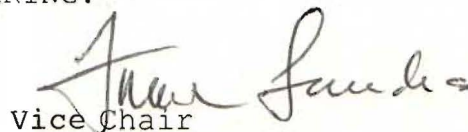
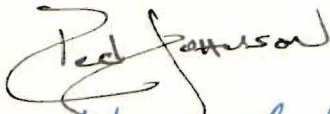
O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Comments responsive to the foregoing issues may be filed by interested parties on or before **May 24, 2013** and Reply Comments may be filed on or before **June 7, 2013** as provided above.

MADE AND ENTERED at Lincoln, Nebraska this 23rd day of April, 2013.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

  
Vice Chair

ATTEST:

  
Executive Director

//s//Frank E. Landis