

LB 994 (2019)

Nebraska Rural Broadband Task Force

Comments and Recommendations from the

Nebraska Rural Electric Association

The Nebraska Rural Electric Association (NREA) is a service organization providing support to 34 rural public power districts and electric cooperatives. NREA members provide distribution electric service across most of rural Nebraska. NREA sees the advancement of rural broadband as a vital economic development tool for the areas we serve. High-speed internet access is no longer a luxury or entertainment, it is an integral element for daily business, education and rural health care.

NREA applauds the efforts of the Nebraska Legislature in passing LB 994. The diversity of membership on the Task Force was critical to understanding the need for rural broadband and the diverse technology involved. Thank you to the members of the Task Force that have put a significant amount of time and effort into this process.

While the efforts put forth are commendable, NREA is concerned that many of the recommendations are so general in nature that it will leave any legislation to the complete interpretation of the Legislature. The Legislature needs to benefit from the expertise and vision of the Task Force members with greater explanations and more specific recommendations.

NREA believes creative use of partnerships and utilizing different technologies where necessary, will ensure that no area will be left without access to broadband. While fiber to every home is a laudable goal, it is not immediately practical with respect to cost and timing. Assurances need to be made through this task force process that all available technologies to provide internet access will be evaluated and considered. It is also critical to remember that if a lower tier technology is used to bridge a gap, efforts will continue to increase service and value in those rural areas.

Comments and Recommendations

Definitions

1. Placement of a definitions section should be at the head of the report for clarity.
2. While it is necessary to set a benchmark, using the current FCC definition of broadband to mean internet access that allows 25 Mbps download and 3 Mbps upload speed is limiting at best. If used as a goal, the system will be outdated before it is installed. Upload speeds are as important as download speeds for many businesses including agriculture. This should be discussed somewhere in the report.

Current Status of Broadband Deployment

1. While the Task force used the information most readily available, using the FCC data does not accurately reflect broadband availability in Nebraska. There needs to be a clear statement as to the limitations of the FCC Form 477 data used in the report. For example; when used to describe accessibility in a county, the percentages may be misleading since

most of the population may reside in a single municipality. The Data Subcommittee does an excellent job outlining the limitations of the Form 477 data, but it needs to be clarified early in the report where first impressions of need are made.

2. Data is needed to clearly show where broadband internet access is not available and not solely by census block where it is generally available.
3. There needs to be a discussion related to access addressing the cost of access of internet service. There are wide-ranging disparities for the cost of service available in urban and rural areas.
4. It would be beneficial in the tables identifying average fixed speeds and average mobile speeds on page 15 to differentiate between rural and urban. If that data is not available, that should be clarified.
5. It is good that the report identifies the impact broadband accessibility has on rural healthcare and precision agricultural technologies, but the report needs to further identify the broad-ranging economic development benefits that include developing remote business locations and work-from-home opportunities.
6. Dialogue on the homework gap belongs here. This is a critical need for rural students and should be included in the broad discussion of this section.
7. The USDA Farm Computer Usage and Ownership Report (August 2019) shows that only 15 percent of farms used fiber as their primary method to access the internet, 27 percent use satellite and 20 percent use DSL. Some reference to data other than FCC Form 477 data would help to clarify the limitations.
8. A clear depiction of the comparability of broadband in rural areas to that in urban areas, when it comes to reliability and affordability, should also be included in the report.

Nebraska Universal Service Fund

1. Additional data should be provided to see how much NUSF and federal USF funds have been provided to incumbent carriers and match that with broadband availability in rural areas to illustrate the current effectiveness of the funding.
2. Need to include in the recommendations that the use of a reverse auction process will not delay broadband deployment.
3. Recommendation that the reverse auction process is open to all providers of internet services and not just traditional telecommunication providers.
4. Under the reverse auction process, create a system of accountability to ensure reliability of service and reasonable costs for broadband deployment when funds are awarded.

Public Private Partnerships

1. Legislation should not over prescribe a public/private partnership model. Flexibility is key to ensuring that public/private partnerships are appropriate to where they are enacted. There is no “one size fits all” model. There should be no mandated partnership model.
2. Elimination of barriers to partnerships must:
 - a. Remove statutory encumbrances to leasing dark fiber.
 - b. Consider that while dark fiber owned by rural electric providers will not solve the issue on its own, it can and should play a role in rural broadband deployment.

- c. Recognize that a public power system and a telecommunications (internet) provider can negotiate rates for leases without the added burden of the Public Service Commission process and delays. Removal of all language regarding price setting is appropriate.
 - d. Remember that rural electric providers must maintain fair and non-discriminatory electric service to all customers and this model should be used for leasing dark fiber.
 - e. Recommend language supporting the repeal of the requirement that 50 percent of “profits” derived from leases go into the Nebraska Internet Enhancement Fund. Removal of this language will reduce costs to internet providers and end use customers.
 - f. Support developing a process to ensure standards of reliability and affordability are maintained.
3. The NREA is comfortable with maintaining the current prohibition for public entities to provide retail internet service. NREA members prefer to support the success of local telecommunication providers including wireless and independent ISPs and WISPs. It is important to recognize the prohibition may need to be re-evaluated should there continue to be areas that remain unserved or underserved in the future.
 4. When there were no private or municipal electric systems willing to bring electric service to the sparsely populated areas of the state, rural electric coops and PPDs were voluntarily created to fill the gaps. If broadband service gaps remain unfilled, it may be the role for a rural electric provider to step in to serve rural customers.
 5. No restrictions should be placed on Nebraska’s rural electric cooperatives.
 6. Support the exploration of legislation to clarify broadband communications as an approved use for private easements established for electric use.

Broadband Data

1. NREA supports the findings and recommendations.
2. Clarification needed to better understand the recommendation to explore strategies to encourage Nebraskans to participate in crowdsourcing efforts developed to enhance federal broadband mapping.

Federal Rural Broadband Infrastructure Funds

1. This section of the report failed to identify broadband funding through the USDA Rural Utility Service and other agencies. NREA recommends the inclusion of an outline of federal funding that could be available and used as part of a public/private partnerships, cooperative or other model for internet deployment.