

September 19, 2019

Submitted via Email to RuralBroadband@Nebraska.gov

Mr. Ed Toner, Chair Nebraska Rural Broadband Task Force c/o Nebraska Information Technology Commission Officer of the Chief Information Office 501 South 14th Street, 4th Floor P.O. Box 95045 Lincoln, NE 68509-5054

Re: Comments in response to the Nebraska Rural Broadband Task Force Findings and Recommendations and Task Force Subcommittee Reports

The Rural Broadband Task Force will create history just like leaders did in the 1930s when regulation of the telecommunications industry first began. At that time, policymakers evaluated the landscape and saw that the wireline telephone would be important to society going forward and would transform communication. When the telephone first appeared, policymakers didn't know what the future implications would be, but they did know that they would be important for business, commerce and public safety. Today with high-speed internet, broadband, policymakers face a similar role in history. The recommendations this task force makes will influence public policy throughout Nebraska. As telecommunications companies evaluate their investment plans what you decide will be a major influence on where and how broadband is offered in Nebraska. As the industry most affected by your policy recommendations, we would like to offer some general considerations.

Your discussions are made even more difficult than it was in the 1930s because since then the FCC has developed policies that guide and restrict what options are available. The Local Exchange Carrier (LEC), members of the Nebraska Telecommunications Association (NTA), are the carriers of last resort and as such are subject to stringent regulation. However, today competition has developed and many of our competitors do not fall into a similar business situation. Our competitors do not have the responsibilities we carry. Incentive programs can be created to encourage wireless carriers, cable or other internet service providers however, there is no mechanism to require a company to provide service in all locations in a service area. Your challenge is to recommend policy that sufficiently incents companies to make deployment decisions while at the same time recommending policies that do not destroy a business case for eligible telecommunications carriers (ETCs) that have mandated responsibilities to provide basic services. Areas where business cases are most vulnerable are in the truly rural areas that are outside incorporated communities.



Universal Service Fund

The Rural Broadband Task Force has heard from the USF Subcommittee (NUSF Subcommittee Report, page 8) that support has not been sufficient recently and that a support mechanism must be stable and predictable. We agree. When a company considers deploying millions of dollars of communications infrastructure, stability and predictability is a principal business consideration. We encourage the Rural Broadband Task Force to recommend strong support for the permanent sufficiency and predictability of NUSF while maintaining strict accountability that ETCs must-have (NUSF Subcommittee Report, page 7). To spread the limited funds of USF on non-accountable experiments is undesirable and significantly disrupts the business case to serve truly rural customers located outside of city limits.

Data

Policymakers throughout the United States have been as equally frustrated as you about the availability of data to make decisions. That is why the FCC recently implemented a new mapping policy in August of this year. Nebraska should support the FCC in this policy and not require duplicative reporting. The limitations of FCC form 477 are apparent. Data you have looked at in this report was developed as far back as December of 2016. Now we have almost completed three construction seasons since that data was reported and significant development has happened. Nebraska public policy in this area should not be based on dated information. (Broadband Data Subcommittee Report, page 6)

Technology

There is no magical technology solution that will cure everything. Alternative technologies, while appealing, are not a panacea. Alternatives should be viewed for what they are and that is an evolutionary strategy while more permanent solutions are built. There are geographic issues like hills and foliage. The challenge with such technologies is the time it takes to see how the deployment unfolds. Easy to serve areas will be first and will, of course, be successful as those connections are the easy, "low hanging fruit". The problems become apparent only when you get into the later stage of deployment and more challenging to serve areas. Today the reality is the easy and cost-effective customers already have broadband service. The Rural Broadband Task Force should recommend that long term costs be considered. Long-term, high-speed deployments that will endure Nebraska's climate and last 20 – 30 years should be favored over ideas that require frequent replacement that arguably will require additional support.

Government Role

We agree with the conclusion of Public-Private partnership Subcommittee in the August 16th Nebraska Rural Broadband Task Force meeting minutes that the existing prohibition on retail provision of broadband by public entities should be maintained. Looking forward we would also want to consider other ways to make partnering with government entities less cumbersome (Public-Private Partnership Subcommittee Report, page 7). As always, it is important that when we are managing critical infrastructure like the emergency/911 communications network the Nebraska Public Service Commission oversite should be maintained.

In the very rural areas that need the most help to get broadband deployed, it is unlikely that economics will support more than one network, and that network should be privately owned, not a



State-owned network. The role of government should be to provide a level playing field in competitive areas, and economic support for universal availability of service in unserved areas.

The Nebraska Telecommunications Association appreciates the opportunity to submit these remarks to the Rural Broadband Task Force. We thank the Task Force for their work in preparing the Findings and look forward to your final report.

Sincerely,

Eric B. Carstendor

Eric B. Carstenson, CAE President, Nebraska Telecommunications Association 233 S 13th Street, Suite 801 Lincoln, NE 68508