

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 to the Nebraska Broadband)
Pilot Program (NEBP) Received from)
Pierce Telephone Company)

Application No. NUSE-77.15



REPLY TESTIMONY OF DONN SWEDENBURG IN SUPPORT OF PIERCE
TELEPHONE COMPANY'S AMENDED APPLICATION

Q. Please state your name, employer, business address and telephone number.

A. My name is Donn Swedenburg. I am employed by RVW, Inc. My business address is 4118 Howard Boulevard, Columbus, Nebraska 68602. My business telephone number is 402-564-2876.

Q. On whose behalf are you testifying?

A. I am testifying on behalf of Pierce Telephone Company ("Pierce").

Q. Are you the same Donn Swedenburg who filed direct testimony in the above captioned docket on September 27, 2013?

A. Yes, I am.

Q. Please state your position and the name of your current employer and provide a summary of your duties.

A. I am a designer at RVW, Inc. My duties include design of fiber to the premises, digital loop carrier and wireless broadband systems. I work as a consultant to Pierce Telephone Company ("Pierce") and was involved in the preparation of Pierce's Application, and the amendment to the Application, both filed in this proceeding. In this Reply Testimony, I will refer to the Application, as amended, as the "Amended Application".

Q. Have you reviewed the pre-filed direct testimony of Mike Drahota filed on behalf of Cable One, Inc. and the pre-filed direct testimony of Tom Schommer filed on behalf of Telebeep, Inc. in this proceeding?

A. Yes, I have.

Q. What is the purpose of your reply testimony?

A. My reply testimony is provided to rebut a number of points set forth in the direct testimonies of Mr. Drahota and Mr. Schommer, and to support the Amended Application filed by Pierce for funding from the Nebraska Broadband Fund.

Q. In Mr. Drahota's testimony, page 2, lines 4 through 7, he references "the 3 Mbps downstream and 768 Kbps upstream minimum standard" for broadband. Is this the speed standard for broadband that has been identified by the Commission?

A. No, it is not. In Progression Order No. 4 entered in Application No. NUSF-77 on September 27, 2011, the Commission stated at page 11 that "broadband is defined as service that provides consumers with a minimum actual download speed of 4Mbps and upload speed of 1 Mbps, which mirrors the FCC's National Broadband Plan standard." This ruling was reaffirmed in Progression Order No. 7 entered in Application No. NUSF-77 on January 15, 2013 wherein the Commission stated at page 11 that in connection with NUSF Goal #1, "we should use the definition of 'broadband' adopted in Progression Order No. 4 which is 4/1 Mbps."

Q. In your opinion, what are the implications of this Commission definition of "broadband" for the conclusions reached by Mr. Drahota in his testimony?

A. First and foremost, any conclusions that Mr. Drahota has asserted regarding the current availability of broadband, as he has incorrectly defined the term, are flawed. Speeds of 3

Mbps/768 Kbps define “underserved” areas of the State since the Commission has defined “underserved” in Progression Order No. 4, page 10, to mean “any area where a facilities-based provider offers Internet access at speeds greater than 56K down but not greater or equal to those speeds defined as broadband.” Second, Mr. Drahota’s assertion that the areas included within the Amended Application “are already being served by multiple competing broadband providers” is not credible since he is relying on a mistaken definition of “broadband”. Third, Mr. Drahota’s unsubstantiated claims that Telebeep and Connecting Point “both already serve the rural areas around Norfolk with *broadband* wireless internet access service” (Drahota Testimony, page 5, lines 22-23 (emphasis added)) is again premised upon a wrong definition of “broadband” and further, such assertions are made without any basis in publicly available information on speeds actually provided, actual speed measurements or identification of census blocks served by Telebeep or Connecting Point as compared to census blocks included in Pierce’s Amended Application.

Q. Have you undertaken research as to the availability of broadband, as defined by the Commission, provided by Cable One in the census blocks included in Pierce’s Amended Application?

A. Yes. The research that I have undertaken is a comparison of the census blocks served by Cable One to the census blocks that Pierce proposes to serve pursuant to the Amended Application. As indicated above, none of the census blocks included in Cable One’s service area is a part of the Amended Application. Therefore, the availability of broadband provided by Cable One is moot with regard to the Amended Application.

Nebraska Broadband Map to establish the availability of broadband, defined by the Commission as 4 Mbps/1Mbps service, is misplaced since the Nebraska Broadband Map is based upon a speed of 768Kbps. Third, the concern stated by Telebeep that Pierce will offer a “subsidized” competitive service to Telebeep is misplaced because Pierce’s broadband network proposed in the Amended Application is designed to serve the rural market comprised of the census blocks identified in the Amended Application. That network is not designed nor targeted at the Norfolk market which is Telebeep’s primary market.

Q. To reaffirm your direct testimony, do you support the Staff recommendation regarding the Amended Application?

A. Yes. Pierce appreciates the Staff’s recommendation to approve the Amended Application and believes that the Commission should adopt the Staff’s recommendation regarding the provision of NEBP support as requested by the Amended Application.

Q. Does this conclude your testimony?

A. Yes.

CERTIFICATE OF SERVICE

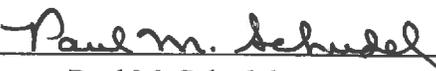
The undersigned hereby certifies that on this 11th day of October, 2013, the original, five copies, and an electronic copy of the foregoing pleading was delivered to:

Nebraska Public Service Commission
Shana Knutson
1200 N Street, Suite 300
Lincoln, NE 68508
Shana.Knutson@nebraska.gov

and a copy of the foregoing pleading was sent via first class U.S. mail and electronic mail to:

Telebeep, Inc.
Tom Schommer, President
2404 Taylor Avenue
Norfolk, NE 68701
tom@telebeep.com

Edwards Wildman Palmer LLP
Craig A. Gilley
1255 23rd Street, NW, Eighth Floor
Washington, DC 20037
cgilley@edwardswildman.com


Paul M. Schudel