SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska)	Application No. C-5600
Public Service Commission, on)	
its own motion, to administer)	ORDER OPENING DOCKET AND
the Precision Agriculture)	SEEKING COMMENT
Infrastructure Grant Program in)	AND
the 2024-2025 program year.)	NOTICE OF HEARING
)	
)	Entered: August 6, 2024

BY THE COMMISSION:

The Nebraska Public Service Commission ("Commission") hereby opens this docket on its own motion for the purpose of implementing the Precision Agriculture Infrastructure Grant Act, Neb. Rev. Stat. §§ 86-1401 - 86-1406 (the "Act"), in the 2024-2025 program year. The Commission previously issued precision agriculture ("PRO-AG") grants on April 30, 2024, in Commission Docket No. C-5529. Because the Act provides for the issuance of grant funds on an annual basis, the Commission hereby opens the current docket for the purpose of issuing PRO-AG grant awards in the 2024-2025 fiscal year.

The purposes of the Precision Agriculture Infrastructure Grant Act are to propel Nebraska agricultural producers to lead the nation in precision agriculture connectivity, sustainability, traceability, and autonomy to accelerate rural economic development, and to provide high-speed Internet service to farm sites in unserved areas of the state.¹ Pursuant to the Act, the Commission may distribute grant funding to applicants seeking to use the grant funding for two general purposes, generally referred to as "Connectivity" and "Devices and Technology."²

Funding for 2024-2025 Program Year

In the 2023-2024 program year, funding was available in the amount of \$453,239 for each of the two subprograms. In the Connectivity subprogram, the Commission awarded \$391,280 in grant awards. In the Devices and Technology subprogram, the Commission awarded \$287,336.29 in grant awards. The total amount of funding remaining following these grant awards is \$227,861.71. This amount

¹ Neb. Rev. Stat. § 86-1403.

² See Neb. Rev. Stat. § 86-1404.

Page 2

will be carried over to the 2024-2025 program year and equally divided between the two subprograms.³

For the 2024-2025 program year, \$901,216 was appropriated by the Legislature for PRO-AG awards. Each subprogram will also be allocated one-half of the unawarded funds from the prior year, in the amount of \$113,930.85. The total amount available for each subprogram will therefore be \$564,538.85.

Issues for Comment

The Commission finds that it is appropriate at this time to review the 2023-2024 program year and consider whether any adjustments to the program should be made for the 2024-2025 program year. The Commission therefore seeks comment on several topics relating to the precision agriculture grant program, as set forth below.

1. Feedback on Previous Program Year

The Commission first seeks feedback from participants in the previous program year. Were there aspects of the 2023-2024 PRO-AG grant cycle which could be improved? What modifications might the Commission consider to the program to increase participation and ensure high quality applications are received? The Commission welcomes general comments and feedback regarding PRO-AG applications, program structure, and awards.

2. Eligible Uses for Grant Funding

The Commission notes that of the applications received in the previous program year, many of the Devices and Technology applications sought to fund drone-related projects. However, the Act provides for a wide range of Device and Technology uses, including traceability solutions, water and soil sensors, or autonomous agriculture machinery. Abould the Commission encourage applicants to pursue grants for these uses? Alternatively, should

-

³ See Neb. Rev. Stat. § 86-1404(3) ("The commission shall award up to one-half of the available grant funds for the purpose described in subdivision (2)(a) of this section and up to one-half of the available grant funds for the purposes described in subdivisions (2)(b), (c), and (d) of this section."). The Commission interprets the phrase "available grant funds" to include all sources of funding available each program cycle, including carryover funds from previous years.

⁴ Neb. Rev. Stat. § 86-1404(2).

Page 3

the Commission's scoring criteria be adjusted to encourage applications of a certain type?

3. Application Forms

On review of the applications submitted in the 2023-2024 program year, the Commission found that a significant number of applications were missing key information. The Commission therefore proposes to update its PRO-AG application forms. Specifically, the Commission proposes to modify the forms to ask specific questions as required by statutes and program guidelines, rather than allowing applicants broad discretion in structuring their application and attachments. The Commission seeks comment on this proposal. Will this be effective in ensuring high quality applications are received? How else might the Commission modify the application process to be helpful to interested parties and potential applicants?

4. Proposed Program Schedule and Application Deadline

The Commission proposes to open the application window for the 2024-2025 PRO-AG cycle on December 13, 2024, with applications due by January 17, 2025. Grant awards would be released by April 15, 2025.

The Commission further proposes that in order to ensure a fair and complete review of proposed PRO-AG projects, Commission staff may request that applicants modify or supplement applications until March 7, 2025. Commission staff may seek additional or supplemental information from applicants regarding the proposed project prior to this deadline. Applicants will not be permitted to supplement or modify applications unless requested by Commission staff. Following the deadline to supplement or modify applications, no further changes will be accepted. The Commission proposes this approach to allow applicants an opportunity to correct defects, without unfairly prejudicing other applicants. Should this approach be adopted?

5. Prohibited Equipment

The Commission understands that federal legislation has been introduced which would add telecommunications and video equipment produced by Shenzhen Da-Jiang Innovations Sciences and Technologies Company Limited ("DJI") to the Federal Communications

Page 4

Commission's ("FCC") covered list (the "Covered List").⁵ The Commission understands that some drone technology which might otherwise be eligible for PRO-AG grant funding may be affected by this legislation.⁶ The Commission is prohibited by statute from distributing Nebraska Universal Service Fund and Nebraska Broadband Bridge Program grant funds to providers utilizing equipment on the FCC's Covered List.⁷ Similarly, the Commission has prohibited the distribution of PRO-AG grant funding to entities utilizing such equipment.⁸

The Commission seeks comment as to whether there are additional steps it should take to ensure no PRO-AG grant funding is issued to entities utilizing equipment on the FCC's Covered List. If DJI drone technology is added to the FCC's Covered List, and cannot be funded with PRO-AG grant funds, do adequate alternatives exist such that applicants could still benefit from PRO-AG grants? What steps might the Commission take to ensure applicants and awardees are aware of the equipment which may not be funded with PRO-AG grants? The Commission welcomes comment on this policy consideration.

⁵ H.R. 2864, 118th Cong. (2024) ("Countering CCP Drones Act"), available at https://www.congress.gov/bill/118th-congress/house-bill/2864/text. The current Covered List is maintained by the FCC at https://www.fcc.gov/supplychain/coveredlist. Detailed information regarding the creation and maintenance of this list can be found at 47 C.F.R. § 1.50000 et seq.

⁶ See generally DJI AGRICULTURE, https://ag.dji.com/ (last visited July 31, 2024) ("Over 300,000 drones operate globally, treating more than 500 million hectares of farmland around the world.").

⁷ Neb. Rev. Stat. §§ 86-324(2)(d), 86-1304(4).

⁸ See 2023 PRO-AG Program Guide, available at https://psc.nebraska.gov/sites/psc.nebraska.gov/files/doc/2023%20PRO-AG%20Program%20Guide.pdf, at 9 (requiring applicants to attach a cybersecurity plan to applications, and include an attestation that the applicant does not use any equipment prohibited by the FCC).

⁹ See Aaron Karp, U.S. House Committee Advances Legislation To Effectively Ban DJI Drones In U.S., Commercial Uav News (Mar. 28, 2024), https://www.commercialuavnews.com/regulations/u-s-house-committee-advances-legislation-to-effectively-ban-dji-drones-in-u-s (discussing the dominance in the market of drone technology manufactured in China); Sally French, If Congress Bans DJI Drones, Here's What That Could Do To Hobby Drone Pilots, THE DRONE GIRL (June 26, 2024), https://www.thedronegirl.com/2024/05/01/congress-bans-dji-drones/ ("Such a rule would very likely stifle innovation in the drone market, and it would almost certainly make it more expensive for hobby drone pilots and photographers to buy new gear. It also could make procuring government equipment more expensive for all Americans who pay taxes.").

Page 5

Comment Submissions

The Commission requests that interested parties provide comments responsive to the issues raised above on or before **Friday**, **September 13**, **2024 at 5:00 p.m. Central Time**. Comments should be filed electronically, with service to psc.broadband@nebraska.gov.

Hearing

The Commission further finds that this matter should be set for hearing. A hearing in this matter will be held on **Tuesday**, **October 1**, **2024 at 10:30 a.m. Central Time** in the Commission Hearing Room, 1200 N Street, 300 The Atrium, Lincoln, Nebraska 68508. This hearing will be held in person. Remote access to the hearing will be available via WebEx at the following link: https://psc.nebraska.gov/stream (case sensitive). Any party wishing to present testimony remotely is strongly encouraged to contact Commission staff at least twenty-four hours in advance to ensure adequate audio and video capability.

If auxiliary aids or reasonable accommodations are needed for attendance at the meeting, please call the Commission at (402) 471-3101. For people with hearing/speech impairments, please call the Nebraska Relay System at (800) 833-7352 (TDD) or (800) 833-0920 (Voice). Advance notice of at least seven days is needed when requesting an interpreter.

The Commission recognizes that this hearing date may conflict with harvest season for some interested parties. However, we find that this is unavoidable to prevent additional delay to the award of PRO-AG grants. Parties unable to attend the hearing in person are encouraged to submit comments to psc.broadband@nebraska.gov prior to September 13, 2024 at 5:00 p.m. Central Time as described above. Comments received by the deadline will be entered into the hearing record. Virtual participation at the hearing is also encouraged.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the above-captioned docket be, and it is hereby, opened.

IT IS FURTHER ORDERED that comments may be filed on or before Friday, September 13, 2024 at 5:00 p.m. Central Time with service to psc.broadband@nebraska.gov as prescribed herein.

Page 6

IT IS FURTHER ORDERED that a hearing will be held in this matter on **Tuesday**, **October 1**, **2024 at 10:30 a.m. Central Time** in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln, Nebraska 68508 and by videoconference as indicated above.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska this 6th day of August, 2024.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Vale tocker

Executive Director

Attachment A: Proposed Procedural Schedule

Precision Agriculture Grant Program

Proposed Procedural Schedule 2024 - 2025 Program Year

<u>Event</u>	<u>Date</u>
Comments Due	September 13, 2024, at 5:00 p.m. Central Time
Hearing Date	October 1, 2024, at 10:30 a.m. Commission Hearing Room
Order Issuing Application Materials Entered	November 19, 2024
Application period begins	December 13, 2024
Deadline to submit applications	January 17, 2025
Deadline to supplement or modify applications	March 7, 2025
Grant awards released	April 15, 2025
State of Nebraska W-9 and ACH enrollment form due from successful applicants	One week following grant awards
Project completion deadline	April 15, 2026
Annual Report #1 due	July 1, 2026
Annual Report #2 due	July 1, 2027
Annual Report #3 due	July 3, 2028
Annual Report #4 due	July 2, 2029
Annual Report #5 due	July 1, 2030