BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission) Application No. NUSF-1
on its own motion, seeking to)
establish guidelines for) ORDER INITIATING SHOW CAUSE
administration of the Nebraska) AND SETTING HEARING
Universal Service Fund.)
) Entered: March 22, 2005

BY THE COMMISSION:

OPINION AND FINDINGS

As part of its regulatory authority pursuant to the Nebraska Telecommunications Universal Service Fund Act and Neb. Admin. Code Title 291, Chapter 10 section 004, the Commission requires all incumbent local exchange carrier (ILEC) companies receiving NUSF support to file an NUSF EARN form. NUSF-1, Progression Order. No. 5 (Progression Order No 5) requires ILECs to perform annual audits and, to submit the NUSF third party audit results to the Commission by the end of the following year.

At this time, the Commission has failed to receive the required information and finds it appropriate to initiate a show cause proceeding requiring:

Keystone-Arthur Telephone Company

to appear before the Commission at 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska on May 11, 2005 at 2:00 p.m. and show cause why said company has failed to comply with Progression Order No. 5 and Title 291, Chapter 10, Rule 004 of the Nebraska Administrative Code and, why the Commission should not impose administrative penalties against said company for failing to comply with the Commission rules and orders described herein.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the above-named company be and it is hereby ordered to Show Cause why the Commission should not assess upon it administrative penalties for its failure to comply with NUSF-1, Progression Order No. 5, and Title 291, Chapter 10, Section 04 of the Nebraska Administrative Code.

IT IS FURTHER ORDERED that the above-named company appear before the Commission on **May 11, 2005**, at 2:00 p.m., in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska for a hearing on this Show Cause Order.

MADE AND ENTERED at Lincoln, Nebraska, this $22^{\rm nd}$ day of March, 2005.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director