

# SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska ) Application No. NUSF-1  
Public Service Commission, on )  
its own Motion, seeking to ) ORDER INITIATING DOCKET  
establish guidelines for ) AND SEEKING COMMENT  
administration of the Nebraska )  
Universal Service Fund. ) Entered: March 16, 1999

### BY THE COMMISSION:

The Commission, on its own Motion, opens a docket to establish guidelines for the administration of the Nebraska Universal Service Fund ("NUSF"). Proceedings in this docket will be conducted in a legislative format except as otherwise ordered by this Commission. As such, this docket shall not constitute a contested case as defined by Neb. Rev. Stat. section 84-901, and therefore, the ex parte provisions outlined in that section shall not apply. The Commission incorporates the record and all Findings and Conclusions entered in C-1628 into this docket. Furthermore, all parties in C-1628 are hereby made parties to this docket.

### F I N D I N G S   A N D   C O N C L U S I O N S

The Commission in its February 2, 1999, ruling in Docket No. C-1628 on the motion filed by AT&T Communications of the Midwest, Inc. (AT&T) found that the Nebraska Universal Service Fund (NUSF) should be funded via a surcharge on retail end-user revenues from solely intrastate telecommunications services.

To define eligible retail end-user telecommunication revenues, the Commission will utilize definitions set forth by the Federal Communications Commission (FCC) in its Universal Service Worksheet, FCC Form 457. The following services will be subject to the NUSF surcharge:

Fixed local service contained in FCC Form 457; lines 34, 36, 37 and 38. This includes monthly service, local calling, vertical features, local private line and pay telephone coin revenues. This does not include Federal Subscriber Line Charges or Primary Interexchange Carrier Charges assessed to end users. This will include charges made to hotels, motels and other similar companies for telephone service that may be rebilled by the customer to another party.

Mobile service, including wireless telephony, paging and messaging, and other mobile services, contained in FCC Form 457; lines 39 and 40.

Toll services contained in FCC Form 457; lines 41, 43, 44, 45, and 47.

The NUSF surcharge will be assessed on only the intrastate portion of these services. In cases where a charge is made for both intrastate and interstate service, and the interstate service is not charged separately or cannot be readily determined, the NUSF surcharge shall apply to the total charge. Companies that provide retail intrastate telecommunication

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services subject to the NUSF surcharge but whose estimated contributions per month will be less than \$100 are not required to contribute to the NUSF and should not bill the NUSF surcharge to their customers.

As required by the Commission's January 13, 1999, Order in docket C-1628, companies are required to pass the NUSF surcharge on to the customer and explicitly display the surcharge amount on each customer's bill. There will be no exemptions for customers unless expressly identified by Commission order.

The NUSF surcharge will be assessed starting on July 1, 1999. Therefore, the services subject to the NUSF surcharge, included on a bill dated July 1, 1999, or after, will be assessed the NUSF surcharge, without regard to whether the service is billed in advance or in arrears.

As discussed above, the NUSF surcharge will be assessed on intrastate retail end-user services. Therefore, the NUSF surcharge will not be assessed on local, state or federal taxes, the 911 surcharge or the relay service surcharge.

Further, the Commission seeks comments on the following issues:

- a) Should any category of service that is not included in the above-mentioned list of services be assessed the universal service surcharge?
- b) Should any category of service listed above not be assessed the universal service surcharge?
- c) How can the Commission determine that all providers of retail intrastate telecommunications services subject to the NUSF surcharge contribute to the NUSF on a fair and equitable basis?
- d) What should the penalties be if the Commission finds that a provider is not complying with these requirements?

Comments on the above-outlined issues shall be filed with this Commission on or before May 17, 1999. Reply comments will be due on or before June 17, 1999.

The Findings and Opinions contained herein will become effective on July 1, 1999. Therefore, companies should modify their current billing systems accordingly. The purpose of the comments will be to recommend, if necessary, future changes to the services subject to the NUSF. Any changes deemed necessary will be implemented after July 1, 1999, and companies will be given reasonable notice in order to modify their billing systems.

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O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that a copy of this Order be served upon each of the parties of record in Docket No. C-1628 and all such parties are hereby made a party to this docket.

IT IS THEREFORE ORDERED that interested parties file comments on or before May 17, 1999, and reply comments on or before June 17, 1999, regarding the issues outlined above.

IT IS FINALLY ORDERED that the Findings and Opinions contained in this Order will be effective on July 1, 1999, unless otherwise ordered by this Commission.

MADE AND ENTERED at Lincoln, Nebraska, this 16th day of March, 1999.

COMMISSIONERS CONCURRING:

NEBRASKA PUBLIC SERVICE COMMISSION:

Chairman

ATTEST:

Executive Director

//s//Lowell C. Johnson  
//s//Frank E. Landis  
//s//Daniel G. Urwiller

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