

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         ) PROGRESSION ORDER NO. 2  
administration of the Nebraska     )  
Universal Service Fund.            ) Entered: July 13, 1999

BY THE COMMISSION:

On April 20, 1999, this Commission entered Progression Order #1 in Docket No. NUSF-1 seeking comment regarding the pass through of access reductions. Comments were filed by Pay Phone Concepts, Inc.; AT&T; MCI Telecommunications Corp.; MCI WorldCom; Community Internet Systems, Inc.; AirTouch Communications; GTE Service Corp.; Aliant Communications; US West; the Nebraska Telephone Association; and the Universal Service Advisory Board. Reply comments were filed by GTE Service Corp.; Hamilton Long Distance Co.; AT&T; MCI WorldCom, Inc.; Sprint Communications Company; and US West. Based upon the evidence and the comments filed herein, the Commission is of the opinion and finds as follows.

O P I N I O N   A N D   F I N D I N G S

Neb. Rev. Stat. sec. 75-609(3) requires the Commission to ensure that access reductions are passed on to the customers of interexchange carriers. As such, the Commission is requiring all interexchange carriers to pass through reductions in charges paid directly to local exchange carriers (LECs) for originating and terminating interexchange calls to end-users irrespective of whether the interexchange services are provided over a company's own facilities, through resale of another company's facilities or a combination of both.

Further, the Commission finds that access charges are a component of some services that facility-based interexchange carriers sell to reselling interexchange carriers. Therefore, Nebraska Statutes and competitive neutrality require that reductions in access charges attributable to reselling interexchange carriers should be flowed through so that the customers of reseller interexchange carriers receive the benefit of lower access charges.

However, in light of the time necessary to implement said changes, the Commission imposes no specific time frame or process for these reductions to be passed through. Nonetheless, the Commission will monitor the situation and fully expects interexchange carriers to implement the required reductions in the most expeditious manner possible.

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O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that access charges are a component of some services that facility-based interexchange carriers sell to reselling interexchange carriers.

IT IS FURTHER ORDERED that Nebraska Statutes and competitive neutrality require that the reductions in access charges attributable to reselling interexchange carriers should be flowed through so that the customers of reseller interexchange carriers receive the benefit of lower access charges.

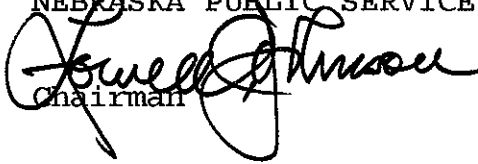
MADE AND ENTERED at Lincoln, Nebraska, this 13th day of July, 1999.

COMMISSIONERS CONCURRING:

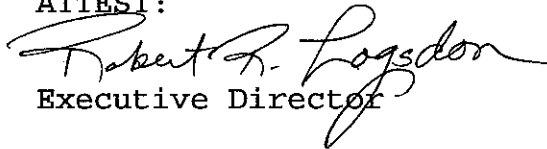


//s//Lowell C. Johnson  
//s//Frank E. Landis  
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director