

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. 8
administration of the Nebraska)
Universal Service Fund.) Entered: April 5, 2000

BY THE COMMISSION:

1. On March 11, 1999, the Nebraska State Legislature passed Legislative Bill 514 (LB514) and it was subsequently signed into law by the Governor on March 18, 1999. Among other things, LB514 added section 75-609(3) to the Nebraska Revised Statutes. This section reads:

"Reductions made to access charges pursuant to subsection (2) of this section shall be passed on to the customers of interexchange service carriers in Nebraska whose payment of charges have been reduced. The commission shall have the power and authority to ensure that any access charge reductions made pursuant to subsection (2) are passed on in a manner that is fair and reasonable. The commission shall have the power to review actions taken by any telephone carrier to ensure that this subsection is carried out."

2. By order dated January 13, 1999, in Application No. C-1628, the Commission found that access charges billed to interexchange service carriers (hereinafter, "IXCs") in Nebraska by incumbent local exchange carriers (hereinafter, "ILECs") should be reduced over a transitional period. A transitional period of three years was adopted for the non-rural ILECs, US West, Aliant dba ALLTEL, and GTE, and a transitional period of four years was adopted for the remaining, rural ILECs.

3. In Application No. NUSF-1 Progression Order No. 1, entered April 20, 1999, the Commission found, pursuant to its authority under Nebraska Revised Statute 75-609(3), that interexchange carriers should pass through any reductions in access charges that are paid directly to Nebraska ILECs. In accordance with this requirement, the Commission required plans be filed demonstrating this pass-through on or before August 1, 1999.

4. Subsequent to that order, in Application No. NUSF-3 Progression Order No. 2, entered July 13, 1999, the Commission determined that access charges are a component of some services that facility-based IXCs sell to reselling IXCs. Accordingly, the

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Commission ordered that any reductions in access charges that are a component of services that facility-based IXCs resell to other IXCs should be passed on to the reselling IXCs. Reselling IXCs in turn are required to pass these reductions through to their customers. However, in light of the time requirement, the Commission declined, at that time, to adopt a time-frame for facility-based IXCs to pass reductions in access charges to reselling IXCs or for reselling IXCs to pass these reductions on to their customers.

5. On February 8, 2000, the Commission entered Progression Order No. 4 in this Docket that re-affirmed that the access reductions ordered in Docket No. C-1628 were made pursuant to Commission's authority contained in Neb. Rev. Stat. 75-609(2) and set forth the method by which the Commission would determine if access charge reductions received by IXCs have been passed on to their customers.

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

6. Based on additional information provided by ALLTEL and MCI WorldCom, the Commission finds that these IXCs have complied with the access pass-through requirements as set forth in the Commission's February 8, 2000, Progression Order No. 4 in this Docket. Accordingly, ALLTEL and MCI WorldCom are removed from this proceeding.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that ALLTEL and MCI Worldcom be, and they are hereby, removed from this proceeding.

MADE AND ENTERED at Lincoln, Nebraska, this 5th day of April, 2000.

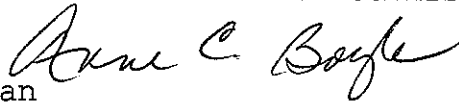
COMMISSIONERS CONCURRING:



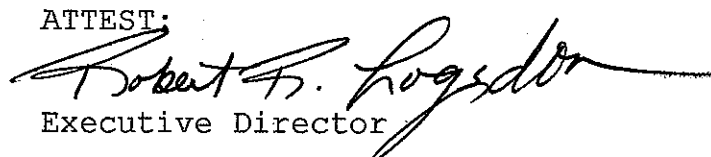

//s//Anne C. Boyle

NEBRASKA PUBLIC SERVICE COMMISSION:

Vice Chairman



ATTEST:



Executive Director