

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,)	Application No. NUSF-4
on its own motion, seeking to)	
determine the level of the fund)	
necessary to carry out the)	ORDER SETTING SURCHARGE
Nebraska Telecommunications)	FROM JULY 1, 2014 THROUGH
Universal Service Fund Act)	JUNE 30, 2015
effective fiscal year beginning)	
July 1, 1999.)	Entered: May 28, 2014

BY THE COMMISSION:

On April 15, 1999, the Commission, on its own motion, opened this docket to determine the level of the fund necessary to carry out the Nebraska Telecommunication Universal Service Fund Act. Neb. Rev. Stat. § 86-328 (2008) states, in pertinent part, that "Annually, the Commission shall hold a public hearing to determine the level of the fund necessary to carry out the Nebraska Universal Service Fund Act." Notice of this hearing appeared in The Daily Record, Omaha, Nebraska on May 10 and May 13, 2013; and the Lincoln Journal Star, Lincoln, Nebraska and the Omaha World Herald, Omaha, Nebraska on April 28 and May 5, 2014 pursuant to § 86-328. A public hearing on this matter was held in the Commission Hearing Room, Lincoln, Nebraska, on May 13, 2014.

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

Ms. Sue Vanicek, Director of the Nebraska Telecommunications Infrastructure and Public Safety Department, which administers the Nebraska Universal Service Fund (NUSF), recommended that the surcharge remain at 6.95 percent.

Ms. Vanicek based her recommendation on the lack of growth forecasted for NUSF remittances in the upcoming year. Remittances have been declining about 2 percent per year since 2010. The NUSF currently has a three-month operating reserve, which is the minimum operating reserve recommended by the Department. Given the amount of the forecasted annual remittances is less than the total annual amount of funds being used for the various NUSF programs, reductions in the currently funded amounts of some programs will need to occur in the future and/or the operating reserve will need to decrease, even if the surcharge is maintained at 6.95 percent.

The NUSF Advisory Board met on April 15, 2014 to discuss the NUSF surcharge. After deliberation, the NUSF Advisory Board voted to recommend to the Commission that the surcharge level be maintained at 6.95 percent.

Ms. Katherine Vogel, entered an appearance for N.E. Colorado Cellular, Inc. d/b/a Viaero Wireless ("Viaero"), and provided comments to the Commission. Viaero recommended the Commission maintain or increase the NUSF surcharge so that adequate broadband funding is available to provide ubiquitous coverage in Nebraska. Viaero also recommended shifting more high-cost funding to the broadband grant program.

Upon review of the testimony given, the Commission is of the opinion that the recommendation of Ms. Vanicek and the NUSF Advisory Board should be accepted. Maintaining the surcharge level at 6.95 percent will keep the NUSF specific, sufficient, and predictable pursuant to Neb. Rev. Stat. § 86-323. Accordingly, the NUSF surcharge should continue to be set at 6.95 percent for the fiscal year of operations beginning July 1, 2014, and extending through June 30, 2015.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that a 6.95 percent surcharge shall fund the Nebraska Universal Service Fund from July 1, 2014 to June 30, 2015.

IT IS FINALLY ORDERED that all affected telecommunications companies are hereby required to collect said surcharge and remit it to the Commission as set forth herein and in Commission Universal Service Rules and Regulations and Commission orders.

MADE AND ENTERED at Lincoln, Nebraska, this 28th day of May, 2014.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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Upon review of the testimony given, the Commission is of the opinion and finds that the recommendation of Ms. Vanicek and the NUSF Advisory Board should be accepted. Maintaining the surcharge level at 6.95 percent will keep the NUSF specific, sufficient, and predictable pursuant to Neb. Rev. Stat. § 86-323. Accordingly, the NUSF surcharge should continue to be set at 6.95 percent for the fiscal year of operations beginning July 1, 2014, and extending through June 30, 2015.

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NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Aune Boyle
Tim Schram
Red Johnson

Frank E. Landis
Chairman

ATTEST:

Steve Meradith
Executive Director

//s//Frank E. Landis