

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska	)	Application No. NUSF-61.2
Public Service Commission,	)	
seeking to review traffic	)	
studies to determine the	)	
appropriate percentage of	)	ORDER
assessable revenues subject to	)	
the Nebraska Universal Service	)	
Fund: United States Cellular	)	
Corporation's (U.S. Cellular)	)	
request for approval of traffic	)	
study.	)	Entered: January 6, 2009

BY THE COMMISSION:

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

On November 12, 2008, United States Cellular Corporation (U.S. Cellular) notified the Commission that beginning with the first quarter of 2009 and thereafter, U.S. Cellular would be using a traffic study in lieu of the federal safe harbor to determine the percentage of its assessable revenues that are interstate and thus subject to the federal universal service fund (FUSF). U.S. Cellular will use the inverse percentage to determine the assessable intrastate revenues for the Nebraska Universal Service Fund (NUSF).

In June 2006, the Federal Communications Commission considered the safe harbor percentage for wireless carrier revenues that should be considered interstate. The FCC raised the wireless safe harbor percentage from 28.5 percent to 37.1 percent for interstate contributions. The FCC also allows companies to report a percentage of revenue (through a traffic study or actual traffic data) as an alternative to the safe harbor upon request and documentation.

Similarly, the Commission has adopted a rule which permits a carrier to use the relevant FCC safe harbor provisions or to request the Commission to approve an allocation factor. See Neb. Admin. Code, Title 291, Chapter 10, Rule 002.01D1b.

In the application, U.S. Cellular confidentially filed the relevant documentation to establish an allocation factor to use as an alternative to the FCC safe harbor provision. U.S. Cellular provides it will update its traffic study on an annual basis and therefore the amount determined to be intrastate may change. U.S. Cellular committed to file confidentially any updates to its allocation factor.

Upon review of the request made by U.S. Cellular, the Commission is of the opinion and finds its request to contribute to the NUSF based on its traffic study should be and it is hereby approved. The allocation factor is approved as provided in the confidential attachment to this Order. In addition, any revisions to this factor must be filed with the Commission for approval. The Commission finds it should keep the traffic study information and updates filed by U.S. Cellular confidential as requested.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the allocation factor contained in Confidential Attachment "A" to this Order shall be and it is hereby approved.

IT IS FURTHER ORDERED that U.S. Cellular Corporation shall use the inverse of its federal traffic study percentage for the purposes of reporting intrastate revenue effective January 1, 2009 for Nebraska remittances.

MADE AND ENTERED at Lincoln, Nebraska this 6th day of January, 2009.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director