

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-64
Public Service Commission, on)
its own motion, seeking to)
investigate the use of expense) ORDER OPENING DOCKET
caps in the earnings calculation)
for Nebraska universal service)
fund support.) Entered: December 19, 2006

BY THE COMMISSION:

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

The Nebraska Public Service Commission (Commission) hereby opens the above-captioned investigation to determine whether it should use expense cap(s) rather than company reported expenses in the earnings calculation for Nebraska universal service support. The NUSF recipients are required to file NUSF-EARN Forms with the Nebraska Telecommunications Infrastructure and Public Safety Department (NTIPS Department) each year for determination of Nebraska universal service fund support. The companies are required to submit company investment, expense and revenue information which is then used to determine the extent to which NUSF support should be distributed.

The Commission is considering placing some standards or caps on certain operational expense categories. The Commission directs the staff to develop a proposal to release for public comment. The Commission will hold a workshop to receive feedback from interested persons on how this proposal should be developed and any standards which should be used in an expense cap formula. After a proposal has been developed, the Commission will release the staff proposal for comment and if necessary will hold a hearing on the staff proposal.

A workshop is hereby scheduled for **January 31, 2007** at 1:00 p.m. in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the above-captioned investigation be and it is hereby open to determine whether the Commission should develop operational expense caps for reporting earnings to the Nebraska Telecommunications Infrastructure and Public Safety Department.

IT IS FURTHER ORDERED that a workshop be scheduled for **January 31, 2007** at 1:00 p.m. in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska.

MADE AND ENTERED at Lincoln, Nebraska this 19th day of December, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director