BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Petition) Application No. NUSF-77 of the Nebraska Telecommun-) Progression Order No. 6 ications Association for Investigation and Review of) Processes and Procedures Regarding the Nebraska Universal Service Fund. Application No. NUSF-69 In the Matter of the Nebraska Public Service Commission on its own motion seeking to implement policies and procedures related to providing dedicated universal service support for wireless telecommunications services. Application No. NUSF-26 In the Matter of the Nebraska) ORDER ESTABLISHING A Public Service Commission, on) PROCEDURAL SCHEDULE AND its own motion, seeking to) SETTING HEARING establish a long-term universal) service funding mechanism.) Entered: November 7, 2012

BY THE COMMISSION:

Background

On January 14, 2010, the Nebraska Telecommunications Association filed a petition for investigation and review of the Nebraska Universal Service Fund (NUSF) processes and procedures. On March 8, 2010, the Commission held a planning conference to discuss a timeline for the submission and development of issues to be considered for possible inclusion in this investigation. Comments and reply comments were submitted to the Commission by interested parties regarding issues that should be addressed. Subsequently, briefs and reply briefs were submitted in response to our July 7, 2010 Order in which we asked for legal briefs regarding four questions concerning the Commission's legal authority to provide NUSF support for broadband services.

Following the Commission's analysis of the legal briefs submitted in response to the July 7, 2010 Order, on November 3, 2010 the Commission issued Progression Order No. 1 in which we found that the Commission possesses requisite legal authority to provide support for broadband deployment and/or

operational costs of broadband services through the NUSF. Also in Progression Order No. 1 we found that the Commission should consider implementation of a broadband pilot program. A series of questions were posed in response to which we invited comments by interested parties.

January 17 and January 31, 2011, respectively, comments and reply comments responsive to the questions posed in Progression Order No. 1 were received by the Commission. Following consideration of these comments and developments in connection with the Federal Communications Commission's (FCC) inquiry regarding the National Broadband Plan as well as adoption of the Connect America Fund, on June 14, 2011 we issued Progression Order No. 3 in which we found that making NUSF support available for broadband deployment in Nebraska will complement the Commission's existing goal to support networks that provide voice service as well as advanced services. In light of the evolving Federal policies with regard to broadband deployment, we also concluded to proceed incrementally with implementation of the Nebraska Broadband Pilot program (NEBP). In light of the many issues attendant to the implementation of the NEBP, the Commission sought comment on a series of issues relating thereto, and in particular, relating to Year One of the NEBP.

Following the receipt of comments and reply comments in response to Progression Order No. 3 and a public hearing on August 8, 2011, on September 27, 2011 the Commission issued Progression Order No. 4 setting forth the proposals which would constitute the basis on which the NEBP would be established. On November 21, 2011 the Commission issued its findings relating to the establishment of the NEBP, including guidelines for applications for funding therefrom, in Progression Order No. 5. An application period of January 2 through February 1, 2012 was established.

A total of seven applications for funding of broadband projects during 2012 were received by the Commission. Public notice of the submission of these applications was given and interested parties were provided the period to and including March 26, 2012 to file protests or interventions in response to the applications. A hearing on the applications was held on May 30, 2012. The Commission awarded broadband support to each applicant in part or in full. The Commission's Orders were issued on June 26, 2012.

On June 5, 2012, the Commission issued an order to explore (a) whether new standards or goals should be formulated to advance the deployment and availability of high-speed broadband services to all Nebraska consumers and (b) whether additional NUSF support should be designated for the NEBP in 2013. The Commission received comments from CenturyLink, Frontier, Cox, the Rural Independent Companies, the Rural Telecommunications Coalition of Nebraska, Viaero Wireless, the American Cable Association and the Nebraska Cable Communications Association. The Commission received reply comments from CenturyLink, Frontier, Cox, the Rural Independent Companies, Verizon, the Nebraska Cable Communications Association, and Windstream.

Procedural Schedule

The Commission issues this Order to adopt a procedural schedule for determining the issues set forth in Progression Order No. 6. The Commission has asked its staff to make a recommendation on the issues outlined in Progression Order No. 6 and release those recommendations no later than November 13, 2012. The staff recommendation will be sent to all commenters in this proceeding and will be posted on the Commission's website.

A hearing on this matter will be scheduled on **December 4, 2012,** commencing at 2:00 p.m. in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska. The hearing will be in legislative format. The Commission will permit post-hearing comments which may be filed on or before **December 19, 2012.**

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that a staff recommendation will be released on or before **November 13, 2012**.

IT IS FURTHER ORDERED that a Hearing on this matter will be held on **December 4, 2012** at **2:00 p.m.** in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska.

IT IS FURTHER ORDERED that the Commission will permit post-hearing comments which may be filed on or before December 19, 2012.

MADE AND ENTERED at Lincoln, Nebraska this 7th day of November, 2012.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

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IT IS FURTHER ORDERED that the Commission will permit post-hearing comments which may be filed on or before **December 19, 2012.**

MADE AND ENTERED at Lincoln, Nebraska this 7th day of November, 2012.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

//s//Rod Johnson
//s//Frank Landis