

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,) Application No. C-1628/NUSF
on its own motion, seeking to)
conduct an investigation into) PROGRESSION ORDER #18
intrastate access charge reform)
and intrastate universal service)
fund.) Entered: June 5, 2002

BY THE COMMISSION:

1. This matter comes before the Commission upon requests filed by Southeast Nebraska Telephone Company ("SENTCO") and also by Arlington, Blair, Eastern Nebraska and Rock County Telephone Companies collectively referred to as HunTel Systems, Inc. ("HunTel") on May 21, 2002, and April 29, 2002 respectively, requesting approval for a modification in the calculation of their earnings.

SENTCO

2. In its request, SENTCO states that a mistake was made in the elections selected by SENTCO in the filing of its initial NUSF Transition Plan in 1999. At that time, SENTCO chose to calculate its earnings on a total company basis using a one-year average. Because of the location of the company and the fluctuating financial situation unique to that small company, SENTCO believes that selection was inappropriate. SENTCO, therefore, requested permission to calculate its earnings on an intrastate basis using a three-year average test period. SENTCO further requests that its selection of a three-year average be effective retroactively to September 1, 2001. Applicant does not anticipate any further changes in selections should they be approved by the Commission.

HunTel

3. HunTel states that for the 1998 through 2000 reporting period, HunTel has filed its NUSF-EARN forms based on a one-year test period. For the calculation of NUSF payments beginning September 1, 2002, HunTel has determined that it desires to elect the prior three-year period for its test period.

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

4. In the C-1628 Order, the Commission permitted ILECs to utilize a one year or three year averaged period for the determination of the ILEC's earnings relative to the calculation of NUSF payments. Although, the Commission will not consider

requests such as this lightly, upon review of the particular facts which led to the applicants requests and being fully advised in the premises, the Commission finds that the requests filed by SENTCO and HunTel should be approved effective September 1, 2002.

5. The Commission further finds that SENTCO's request to change the calculation of its earnings from a total company basis to an intrastate basis should be approved.

6. The Commission declines to permit SENTCO to make the selection changes effective retroactively to September 1, 2001.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the request filed by Southeast Nebraska Telephone Company should be and it is hereby granted as set forth herein.

IT IS FURTHER ORDERED that the request filed by Arlington, Blair, Eastern Nebraska and Rock County Telephone Companies collectively referred to as HunTel Systems, Inc. should be and it is hereby granted as set forth herein.

MADE AND ENTERED at Lincoln, Nebraska this 5th day of June, 2002.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director