## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

The Commission, on its own motion,	)	Application No. C-2256/	
to investigate and seek comment	)	PI-38	
on cost models for the following:	)		
(1) unbundled network element (UNE)	)		
pricing; (2) developing zones to	)		
de-average rates on a geographical	)	PROGRESSION ORDER No. 4	
basis; (3) deter mining zones for	)		
universal service (USF) payments;	)		
(4) establishing a permanent fund-	)		
ing mechanism for USF payments; and	)		
(5) determining whether all sub-	)		
sidies have been removed from	)		
access prices.	)	Entered: October 31, 2000	)

## BY THE COMMISSION:

On March 28, 2000, the Commission opened this docket to investigate and seek comment on cost models for the following: 1) unbundled network element (UNE) pricing; 2) developing zones to deaverage rates on a geographical basis; 3) determining zones for Universal Service Fund (USF) payments; 4) establishing a permanent funding mechanism for USF payments; and 5) to determine whether all subsidies have been removed from access prices. On June 6, 2000, this Commission released its first proposal of alternatives labeled Initial Nebraska Public Service Commission Proposal with respect to Cost Models. The Commission received comment on the initial proposal of alternatives and is now prepared to release a further recommendation. This recommendation is attached hereto and labeled as Initial Recommendations of the Nebraska Public Service Commission on Interim and Permanent Geographic Deaveraging.

The interested parties will now have an opportunity to submit comments. The Commission finds that comments on the Commission's initial recommendations should be filed no later than 5:00 p.m., on November 21, 2000.

A hearing on this matter will be held on December 5, 2000, at 1:30 p.m., in the Commission Hearing Room, Lincoln. The hearing will be in legislative format. Commission staff economist Dr. Dave Rosenbaum will present testimony and parties shall have the opportunity to submit testimony in support of, or in opposition to, the Commission's initial recommendations.

Application No. C-2256/PI-38

Page 2

## ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the *Initial Recommendations of the Nebraska Public Service Commission on Interim and Permanent Geographic Deaveraging* be, and it is hereby made a part of the record in Application No. C-2256/PI-38 and subject to comment by all parties interested in this matter.

IT IS FURTHER ORDERED that all interested parties are invited to comment on the issues, concerns and recommendations they have on the Initial Recommendations of the Nebraska Public Service Commission on Interim and Permanent Geographic Deaveraging. Comments shall be received on or before November 21, 2000, at 5:00 p.m. Parties commenting shall file five hard copies and one electronic copy on disk in WordPerfect 5.0 or later format. Filings will not be accepted via facsimile.

IT IS FURTHER ORDERED that a hearing shall be held on the above captioned matter on December 5, 2000, at 1:30 p.m., in the Commission Hearing Room, at Lincoln.

MADE AND ENTERED in Lincoln, Nebraska, this 31st day of October, 2000.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS, CONCURRING.

ATTEST:

Chairman

//s//Frank E. Landis
//s//Daniel G. Urwiller

Executive Director