BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. NUSF-50 Public Service Commission, on) Progression Order No. 3 its own motion to make adjustments to the universal service fund mechanism established in NUSF-26. In the Matter of the Nebraska Application No. C-3554/PI-Public Service Commission, on 112 its own motion, seeking to investigate whether the zones ORDER ON MOTIONS established in Docket C-2516 are appropriate in light of NUSF-26) findings and conclusions.) Entered: February 26, 2008

BY THE COMMISSION:

OPINION AND FINDINGS

On December 21, 2007, Qwest Corporation (Qwest), filed a Motion for Clarification, Modification, or Waiver, or to Stay Implementation Pending Resolution of Federal Court Challenge (Motion for Clarification or Stay) in the above-captioned proceeding. In response to questions from the Commission staff, Qwest, on February 8, 2008, filed a Clarifying Statement regarding its Motion for Clarification or Stay. On February 15, 2008, Nebraska Technology and Telecommunications, Inc. (NT&T) filed a Motion for Clarification and Stay of the Commission's October 10, 2007 Order in Docket C-3554. In consideration of these motions, the Commission enters this order to clarify its October 10, 2007 Order in this matter and to address the requests for a stay.

Qwest requests the Commission clarify that the Commission permit it to "use municipal tax information in its existing billing systems to provide a substitute for the methodology proposed by the Commission in its October 10, 2007, Order." See Motion for Clarification or Stay at 1-2. In response to this request, the Commission clarifies that Qwest may use the municipal tax information in its existing billing systems in the implementation of the four zone methodology. The Commission believes Qwest can use the municipal tax information for the implementation in this proceeding and still be consistent with the Commission's October 10, 2007, decision to create a more unified and competitively neutral framework.

Both Qwest and NT&T request a stay of the Commission's October 10, 2007 Order because of the uncertainty created by Owest's federal challenge of that Order. 1 Upon consideration of the requests for a stay, the Commission is of the opinion and finds that the Commission's October 10, 2007 Order should be stayed pending entry of a final order by the United States District Court for the District of Nebraska. In the event the District Court affirms the Commission's decision, within 14 days of such Order, will schedule a Commission, hearing on implementation issues to make a determination of the earliest practical implementation date for all parties affected by this proceeding.

The Commission clarifies that NT&T will continue to receive NUSF support under the porting methodology that existed prior to the adoption of the October 10, 2007 Order until further notice of the Commission.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Qwest's Motion for Clarification or Stay is granted to the extent provided herein.

IT IS FURTHER ORDERED that NT&T's Motion for Clarification or Stay is granted to the extent provided herein.

MADE AND ENTERED at Lincoln, Nebraska, this 26th day of February, 2008.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director

¹ Qwest Communications Corp. v. Vap, et al., Case No. 8:07CV430 (United States District Court for the District of Nebraska).