

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska        ) Application Nos. C-3945/  
Public Service Commission to        )                               NUSF-60.02/  
conduct an investigation of        )                               PI-138  
Qwest Corporation's Proposed        ) ORDER OPENING DOCKET,  
Switched Access Charge Rates.        ) SUSPENDING RATES AND SETTING  
                                          ) PROCEDURAL SCHEDULE  
                                          )  
                                          ) Entered: July 29, 2008

BY THE COMMISSION:

1. On July 9, 2008, Qwest Corporation filed a Notice of Intent to File Catalog with Increased Switched Access Rates. Qwest proposes to increase intrastate switched access rates from the previous weighted average of approximately \$0.021 per minute of use ("mou") to approximately \$0.048 per mou. Qwest filed the catalog page with the rate increase on July 21, 2008, with the new rates to become effective on August 1, 2008. On July 10, 2008, Qwest supplemented that filing with the "Exhibit A" information referenced in its July 9, 2008 pleading.

2. Jurisdiction over this subject matter is proper pursuant to Neb. Rev. Stat. §§ 86-140 and 86-323 (Cum. Supp. 2006).

3. Section 86-140 provides in pertinent part that, "Access charges imposed by telecommunications companies for access to a local exchange network for interexchange service shall be negotiated by the telecommunications companies. Any affected telecommunications company may apply for review of such charges by the commission, or the commission may make a motion to review such charges".

4. On July 16, 2008, MCI Communications Services Inc. d/b/a Verizon Business Services (Verizon) filed a protest and a request for review of Qwest's proposed access rate increase. Verizon also filed a petition of intervention.

5. On July 23, 2008, the Rural Independent Companies filed a Petition for Formal Intervention. On July 24, 2008 AT&T Communications of the Midwest, Inc. and TCG Omaha (collectively AT&T) filed a Protest, Request for Review and Petition for Formal Intervention.

6. The Commission hereby opens this proceeding based on Verizon's and AT&T's request to review such charges filed by Qwest on July 21, 2008, which were to be effective on August 1, 2008, according to that filing. Based on Verizon's and AT&T's request the Commission will open this investigation so that it

can determine whether Qwest's filings comply with the provisions of Neb. Rev. Stat. § 86-140, whether the rates are fair and reasonable, and to determine whether implicit subsidies have been removed from Qwest's intrastate access rates. See § 86-323(7). The Commission will grant the intervention requests of Verizon, AT&T, and the Rural Independent Companies.

7. In addition, the Commission hereby suspends the effective date of Qwest's access rate increase until it has had an opportunity to decide whether 1) the statutory provisions of Neb. Rev. Stat. § 86-140 have been met; 2) whether the rates filed by Qwest on July 21, 2008, are fair and reasonable; 3) to determine whether Qwest's proposed switched access rate increase is consistent with orders entered by the Commission in its NUSF program; and 4) whether Qwest's proposed switched access rate increase should have any impact on its NUSF support calculation.

8. As the Commission has limited time to review access rate changes pursuant to Neb. Rev. Stat. § 86-140, the Commission will require all other persons interested in participating in this investigation to file a statement of such interest or petition for intervention or before August 11, 2008.

9. The Commission hereby schedules a prehearing conference to be held on **August 19, 2008**, at 3:00 p.m. central time, in the Commission Hearing Room, 300 The Atrium Building, 1200 N Street, Lincoln, Nebraska. A conference bridge number will be established and sent via electronic mail to interested parties for the benefit of out-of-town participants.

#### 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.

IT IS FURTHER ORDERED that the switched access rates filed by Qwest in its July 21, 2008, catalog filing be and they are hereby suspended until further Order.

IT IS FURTHER ORDERED that persons interested in participating in this investigation should make a statement of such interest in conformance with this Order.

IT IS FURTHER ORDERED that a prehearing conference will be held in the Commission Hearing Room, 300 The Atrium Building,

1200 N Street, Lincoln, Nebraska on August 19, 2008, at 3:00 p.m. central time.

MADE AND ENTERED at Lincoln, Nebraska, this 29th day of July 2008.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Vice-Chair

ATTEST:

Executive Director