

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska ) Application No. C-4459/PI-185  
Public Service Commission, on ) Progression Order No. 7  
its own motion, to investigate )  
and monitor compliance with ) ORDER  
federally mandated )  
intercarrier compensation )  
reform. ) Entered: June 6, 2013

BY THE HEARING OFFICER:

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

On November 18, 2011, the Federal Communications Commission (FCC) released a Report and Order and Further Notice of Proposed Rulemaking ("Report and Order")<sup>1</sup> and therein adopted an intercarrier compensation framework for both intrastate and interstate telecommunications traffic which will transition carriers to a bill and keep regime. In response to the FCC's Report and Order, the Commission opened this docket to assist carriers with the implementation of the transitions mandated by the FCC and for monitoring compliance with the Report and Order.

In paragraph 853 of the FCC's Report and Order, the FCC recognized that some areas are uneconomic to serve absent implicit or explicit support. Intercarrier compensation revenues have traditionally been a means to support the costs of the local network.<sup>2</sup> Consequently, the FCC found in conjunction with the reduction of intercarrier compensation revenues, that it would permit carriers to recover a limited portion of their lost revenues from their end users through a fixed charge called an Access Recovery Charge (ARC).<sup>3</sup> In addition, the FCC found a certain level of transitional recovery should be made available from the Connect America Fund (CAF) to the extent the carriers' eligible recovery as defined in the FCC's rules exceeds their permitted ARC support.<sup>4</sup>

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<sup>1</sup> See *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 F.C.C.R. 17663, 26 FCC Rcd 17663 (rel. Nov. 18, 2011)("Report and Order") pets. for review pending, *Direct Commc'ns Cedar Valley, LLC v FCC*, No. 11-9581 (10<sup>th</sup> Cir. filed Dec. 18, 2011) (and consolidated cases).

<sup>2</sup> See Report and Order ¶ 853.

<sup>3</sup> See *id.*

<sup>4</sup> See *id.*; see also 47 C.F.R. § 54.304(2012)(CAF ICC support).

Last year, in addition to the intrastate tariffs and supporting documentation, the Commission received certifications from carriers and other information documenting carriers' ARC and CAF ICC support. This information was filed with the Commission pursuant to 47 C.F.R. §§ 51.915 and 51.917 (2012).<sup>5</sup>

In response to informal inquiries received from carriers this year, I enter this order to clarify that a carrier seeking revenue recovery pursuant to 47 C.F.R. § 51.915 or § 51.917 must certify that the carrier is not seeking duplicative recovery in Nebraska for any eligible recovery provided by the FCC in its recovery mechanism. Carriers seeking CAF ICC support shall also file data with the Commission establishing the amount of the carrier's eligible CAF ICC funding during the upcoming funding period pursuant to 47 C.F.R. § 54.304. The information required pursuant to these rules must be filed on or before July 2, 2013 or the date filed with the FCC, whichever is later. All confidential information must be clearly marked.

O R D E R

IT IS THEREFORE ORDERED by the Hearing Officer in the above-captioned proceeding that the findings described herein be, and they are hereby, adopted.

MADE AND ENTERED at Lincoln, Nebraska, this 6th day of June 2013.

NEBRASKA PUBLIC SERVICE COMMISSION

By: \_\_\_\_\_  
Frank E. Landis  
Hearing Officer

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<sup>5</sup> See also 47 C.F.R. § 54.304 (2012).

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