BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the application) Application No. NUSF-27 of Nebraska Technology & Tele-) communications, Inc. of Lincoln,) PREHEARING CONFERENCE ORDER requesting Universal Service) AND ORDER SETTING HEARING support for supported Services) provided in Qwest and Citizens) exchanges.) Entered: January 29, 2002

By the Hearing Officer:

I. Background

By application filed November 6, 2001, Nebraska Technology & Telecommunications, Inc., (NT&T) of Lincoln, Nebraska requests universal service support for supported services provided in and Citizens exchanges. Notice of the application appeared in the Daily Record, Omaha, Nebraska on November 8, 2001. Petitions of formal intervention were filed on December 2001, by ALLTEL and a coalition of rural independent companies. On January 9, 2002, Cox Nebraska Telecom, LLC filed a petition for informal intervention. On January 9, 2002, a prehearing conference was held in the Commission Hearing Room, Mr. Mark Fahleson appeared on behalf of the Lincoln, Nebraska. applicant. Mr. Paul Schudel appeared on behalf of ALLTEL and the Rural Independent Companies. Mr. Jon Bruning appeared on behalf of Cox Nebraska Telcom LLC. Mr. Charlie Cooper appeared on behalf of TELEC. Mr. Jeff Pursley appeared on behalf of the Nebraska Universal Service Fund Department of the Commission.

II. Motions

At the prehearing conference the applicant orally moved to stipulate that no precedential value would be attached to the Commission's order should the Commission decide to grant the application. An objection to that motion was raised and the motion was withdrawn by the applicant. No further prehearing motions were offered.

III. Discussion of Issues

Mr. Jeff Pursley, Director of the NUSF, offered a preliminary statement to frame the issues that he believed the Commission should decide in the hearing. Mr. Pursley stated that he believed the applicant's request for support should be limited to the transitional period only and that the Commission findings in NUSF-26 should supercede any findings in the present application. Mr. Pursley further stated that the support for non-rural companies is determined at the exchange level. As for

other issues, Mr. Pursley stated that the Commission needs to determine three issues, namely, 1) how support should be calculated for competitive eligible telecommunications carriers (CETCs); 2) what the threshold requirements are for CETCs to receive support; and 3) whether any reduction in the support received by the incumbent carrier should be made. Any reduction in support would need to justified in light of the Commission's findings in Application No. C-1628. The applicant agreed with Mr. Pursley's statement and list of issues.

Mr. Schudel, representing ALLTEL and the Rural Independent Companies, submitted written discussion points, as a summary for the Commission to consider. Mr. Schudel distributed this document at the prehearing conference for the parties to review. In this document six issues were presented by the formal intervenors. With respect to Mr. Schudel's set of issues, I that these six issues should not be adopted and incorporated into the record, at least for the present time. Mr. Schudel may ask questions related to the issues he presented at the hearing, however, the Commission should not formally adopt the issues as part of the record at this point.

Discovery

No party identified at the prehearing conference wished to engage in discovery.

Exchange of witness lists, exhibits and testimony

The deadline for the exchange of witness lists, exhibits and prefiled testimony is February 11, 2002.

Hearing

A hearing on this matter was scheduled for February 25, 2002, at 9:00 a.m., in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln, Nebraska.

ORDER

IT IS THEREFORE ORDERED by the Hearing Officer in the above-captioned matter that the issues set forth and the procedural schedule described herein, be and they are hereby adopted.

MADE AND ENTERED at Lincoln, Nebraska this 29th day of January, 2002.

BY:

Hearing Officer