BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,) Application No. NUSF-4 on its own motion, seeking to) determine the level of the fund)) ORDER SETTING SURCHARGE necessary to carry out the Nebraska Telecommunications) FROM JULY 1, 2012 THROUGH Universal Service Fund Act) JUNE 30, 2013 effective fiscal year beginning) July 1, 1999.) Entered: May 30, 2012

BY THE COMMISSION:

On April 15, 1999, the Commission, on its own motion, opened this docket to determine the level of the fund necessary to carry out the Nebraska Telecommunication Universal Service Fund Act. Neb. Rev. Stat. § 86-328 (2008) states, in pertinent part, that "Annually, the Commission shall hold a public hearing to determine the level of the fund necessary to carry out the Nebraska Universal Service Fund Act." Notice of this hearing appeared in The Daily Record, Omaha, Nebraska on May 9 and May 16, 2011, the Lincoln Journal Star, Lincoln, Nebraska on May 9 and May 16, 2011, and the Omaha World Herald, Omaha, Nebraska on May 9 and May 16, 2011 pursuant to § 86-328. A public hearing on this matter was held in the Commission Hearing Room, Lincoln, Nebraska, on May 24, 2011.

FINDINGS AND CONCLUSIONS

Ms. Sue Vanicek, Director of the Nebraska Telecommunications Infrastructure and Public Safety Department, which administers the Nebraska Universal Service Fund (NUSF), recommended that the surcharge remain at 6.95 percent. The NUSF Advisory Board also recommended that the surcharge remain at the present level of 6.95 percent.

Ms. Vanicek based her recommendation on the lack of growth forecast for NUSF remittances for the upcoming year. Remittances have been declining slightly, about 1 to 2 percent. The Nebraska Broadband Pilot Program is in its first year of implementation. Maintaining the current surcharge level would allow the Commission to continue to provide broadband pilot program support for areas lacking sufficient broadband service.

Upon review of the testimony given, the Commission is of the opinion that the recommendation of Ms. Vanicek and the NUSF Advisory Board should be accepted. Maintaining the surcharge level at 6.95 percent will keep the NUSF specific, sufficient, and predictable pursuant to Neb. Rev. Stat. § 86-323.

Accordingly, the NUSF surcharge should continue to be set at 6.95 percent for the fiscal year of operations beginning July 1, 2012, and extending through June 30, 2013.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that a 6.95 percent surcharge shall fund the Nebraska Universal Service Fund from July 1, 2012 to June 30, 2013.

IT IS FINALLY ORDERED that all affected telecommunications companies are hereby required to collect said surcharge and remit it to the Commission as set forth herein and in Commission Universal Service Rules and Regulations and Commission orders.

MADE AND ENTERED at Lincoln, Nebraska, this $30^{\rm th}$ day of May, 2012.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

//s// Rod Johnson
//s// Frank Landis

chairman

ATTEST:

Executive Direct/o: