

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the)	Application No. NUSF-50
Commission, on its own)	
motion, seeking to make)	
adjustments to the universal)	ORDER APPROVING STIPULATION
service fund mechanism)	
established in NUSF-26.)	Entered: January 23, 2008

BY THE COMMISSION:

In the Commission's Order issued on December 19, 2006, in NUSF-50, the Commission found the NUSF high-cost support mechanism should include a federal universal service fund (FUSF) imputation calculation when determining a Nebraska Eligible Telecommunications Carrier's (NETC) high-cost NUSF support. The Commission adopted an FUSF imputation methodology to be applied to all NETCs.

On October 24, 2007 Cambridge Telephone Company (Cambridge) submitted an application to the Nebraska Telecommunication Infrastructure and Public Safety Department (NTIPS Department) requesting a waiver of the effective date of the FUSF imputation reduction established by the Commission. The application was supplemented on November 28, 2007. Notice of the application was published in The Daily Record, Omaha, Nebraska on October 26, 2007. No protests or interventions were filed.

On January 15, 2007 Cambridge entered into a Stipulation with the NTIPS Department. A hearing was held on this matter on January 15, 2007, at which time a copy of the Stipulation was entered into the record. Commission staff also requested the Commission take official notice of the record of an earlier proceeding where the NTIPS Department recommended criteria for the evaluation of similar waiver requests in the future.

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

The Commission finds that Cambridge experienced a significant reduction in NUSF high-cost support due to the FUSF imputation pursuant to the Commission's Order issued on December 19, 2006 in NUSF-50. Pursuant to the Stipulation, Cambridge states this loss of NUSF support has adversely impacted the ability of Cambridge to aggressively proceed with its planned implementation of a fixed wireless local loop project and its associated goal to expand broadband availability to essentially all of Cambridge's customers. The NTIPS Department Director further stated that Cambridge

experienced a one-time event, which was reflected in its 2005 NUSF-EARN Form.

Based on the statements in the Stipulation, the Commission finds Cambridge has been uniquely impacted by the Commission's finding in its December 19, 2006 Order relative to the FUSF imputation. The Commission finds that the terms of the Stipulation should be approved.

Pursuant to the Stipulation, the Commission further finds that Cambridge shall receive a one-year deferment of the implementation of the FUSF imputation calculation. The NUSF support from this deferment will be spread over the 2007 and 2008 support years. Such deferment, in conjunction with the NUSF high-cost support methodology set forth in NUSF-50, will result in payments of NUSF high-cost support to Cambridge in the amount of One Hundred Fifty-One Thousand Three Hundred and Sixty-Nine Dollars (\$151,369.00) to be spread equally over the 2007 and 2008 payment years.

The Commission further finds that NUSF high-cost support amounts received by Cambridge shall be recorded as revenue in the year of receipt.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Stipulation between the Department and Cambridge is approved.

IT IS FURTHER ORDERED that the opinions and findings herein shall be, and they are hereby, adopted.

MADE AND ENTERED at Lincoln, Nebraska this 23rd day of January, 2008.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Vice-Chair

ATTEST:

Executive Director