

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska)	Application No. NUSF-69
Public Service Commission, on)	PROGRESSION ORDER NO. 2
its own motion, seeking to)	
implement policies and)	
procedures related to providing)	ORDER SEEKING COMMENT
dedicated universal service)	
support for wireless)	
telecommunications services.)	Entered: July 24, 2007

BY THE COMMISSION:

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

The Commission opened this proceeding to determine the amount of support, the allocation of support, and to implement policies and procedures for the Nebraska universal service fund (NUSF) dedicated wireless program. The Commission anticipates that development of these and other issues relating to the dedicated wireless program will be handled progressively through a series of orders seeking comment and one or more hearings.

In this Order, the Commission seeks comment on the following issues:

Single Wireless Provider Network

The Commission seeks comment on whether it should support a single wireless Nebraska Eligible Telecommunications Carrier (NETC) in a given designation area. Currently, it is the Commission's policy through the NUSF-26 docket that the Commission support a single provider network unless it can be shown that it is in the public interest for the Commission to support more than one provider's network (this policy does not exclude support for a competitive local exchange carrier (CLEC) providing service through unbundled network elements) in a given area. The Commission believes that many of the same reasons for supporting a single network may be applicable as it relates to support in the wireless context. Therefore, the Commission seeks comment on whether to make similar findings as it relates to the establishment of a program which would provide support to a wireless carrier.

Reverse Auctions

The Federal Communications Commission (FCC), through the work of the Federal-State Joint Board on Universal Service (Joint Board) will be considering whether to use reverse

auctions for the distribution of high-cost support in rural service areas. See *In the Matter of High-Cost Universal Service Support; Federal-State Joint Board on Universal Service*, WC Docket Nos. 05-337 and 96-45, Notice of Proposed Rulemaking (rel. May 14, 2007) and Recommended Decision (rel. May 1, 2007). In a similar fashion, the Commission seeks comment on whether to use a reverse auction method for determining the amount and distribution of universal service support to wireless providers.

If the Commission does use reverse auctions, the Commission seeks comment on how a reverse auction procedure should be implemented. What should be required for a wireless carrier to be eligible to bid in the reverse auction process? Should there be a prima facie demonstration of service quality, service area, a commitment to providing service to all within a designated area? Should there be a commitment to provide service to unserved areas within a given period of time? Commenters are free to file proposals or the comments filed, if any, with the FCC regarding the propriety of using reverse auctions. Specifically, the Commission seeks comment on whether the use of reverse auctions would keep the level of the high-cost fund manageable. In addition, would the use of a reverse auction process incent carriers to file bids close to cost of providing service?

Determination of the High-Cost Areas

In addition, the Commission seeks comment on how to determine which areas are high-cost areas which should be supported by the Nebraska universal service fund. The Commission seeks comment on whether to use population density characteristics or some other method for determining high-cost areas. In addition to or in the alternative, should the Commission consider unique geographical barriers which challenge the ability of wireless carriers to provide service in a particular location?

Determination of the Allocation of Support

The Commission seeks comment on whether it should consider the type of wireless technology being deployed in determining the appropriate allocation of universal service fund support. How should that be determined? Further, should the Commission consider collocation when determining the amount of support? Should the Commission provide an incentive for carriers to collocate facilities? How should this incentive be crafted? Should the Commission consider roaming agreements in the process

of determining the appropriate allocation of universal service fund support?

Comment Deadline

Comments on these and other issues germane to this proceeding will be accepted on or before **September 21, 2007**. Reply comments may be filed by interested parties on or before **October 5, 2007**. Commenting persons should file five (5) paper copies along with one (1) copy in a Word or WordPerfect electronic format.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that initial comments shall be filed by persons interested in this proceeding on or before **September 21, 2007**. Reply comments shall be filed by persons interested in this proceeding on or before **October 5, 2007**.

MADE AND ENTERED at Lincoln, Nebraska this 24th day of July, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director