

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. C-1633
Public Service Commission, on its)
own motion, seeking to conduct an)
investigation to determine which) Prehearing Conference Order
cost study model should be recom-)
mended to the FCC for determining)
federal universal service support.) Entered: March 16, 1998

APPEARANCES:

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BY THE COMMISSION

On September 23, 1997, the Commission opened Docket C-1633 to determine which cost study model should be recommended to the FCC for determining federal universal service support. All certificated carriers were made a party to this docket. Notice of the docket was sent by first class mail to all certificated interexchange and local exchange carriers on September 25, 1997. A petition of formal intervention was filed by the Nebraska Independent Telephone Association (NITA).

The order opening the docket requested any party which proposed a specific cost model file such model by October 3, 1997. Two cost models, Hatfield and Benchmark Cost Proxy Model (BCPM), were supported by various parties. GTE filed a letter with the Commission indicating it was developing its own

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company-specific cost study model and would like to file it as soon as it became available. To date, no model has been filed.

On October 3, 1997, the NITA filed a motion for clarification asking that this docket apply only to non-rural carriers and that any actions taken herein effect only non-rural carriers. The motion was sustained and the Commission clarified that the purpose of this docket is to select a cost study model for non-rural carriers only.

On October 9 and 10, 1997, workshops were held in the Commission Hearing Room to discuss the models which had been submitted. Demonstrations were given at the workshop by Hatfield and BCPM proponents.

A prehearing conference was scheduled for March 9, 1998, and a hearing was scheduled for March 30, 1998. The prehearing was scheduled in order to establish the format to be followed at the March 30, 1998, hearing and to develop a process on how the docket will be handled.

The prehearing conference was conducted as scheduled; however, because of the weather, the conference was not finally concluded until March 11, 1998. Appearances were made as shown above.

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

Based upon the comments received at the prehearing conference, we make the following findings:

1. On March 24, 1998, the staff's economist, Dr. David Rosenbaum, will file his written recommendation regarding the selection of a cost model for determining federal universal service support for the State of Nebraska. Copies of the recommendation will be available at the Commission and may be downloaded from the Commission's web site. (The Commission's Internet address is www.nol.org/home/NPSC)
2. A hearing will be opened March 31, 1998, at 9:00 a.m. in the Commission Hearing Room for the purpose of receiving oral testimony from Dr. Rosenbaum, as well as to provide an opportunity for interested parties to question Dr. Rosenbaum. This date replaces the hearing date that was previously scheduled. The hearing will continue on April 14, 1998.
3. Parties are allowed to file comments and/or prefiled testimony responding to the recommended decision on or before April 8, 1998. Parties intending to have witnesses testify at

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the April 14, 1998, hearing shall file prefiled testimony. All other filings are optional. Filings shall be in writing, as well as on disk in Word Perfect format.

4. On April 14, 1998, at 9:00 a.m., the hearing will reconvene in the Commission Hearing Room for the purpose of receiving testimony from interested parties regarding the recommended decision. If necessary, the hearing will continue to April 15, 1998, at 9:00 a.m. Presentation of evidence will be as follows: proponents of the recommended cost model, opponents of the recommended model, and rebuttal comments by Dr. Rosenbaum.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the schedule and format set forth herein be, and it is hereby, approved.

MADE AND ENTERED at Lincoln, Nebraska, this 16th day of March, 1998.

COMMISSIONERS CONCURRING:

//s//Lowell C. Johnson
//s//Frank E. Landis
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION


Chairman

ATTEST:


Executive Director