

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska) Application No. PI-62/C-2777
Public Service Commission, on)
its own motion, seeking to) ORDER CLOSING DOCKET
investigate the impact of)
telecommunications carrier) Entered: May 11, 2004
bankruptcies.)

BY THE COMMISSION:

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

On August 13, 2002, the Commission opened the above-captioned docket to examine the effects of past and possible future bankruptcy filings by telecommunications carriers in the state of Nebraska and to investigate the impact insolvent carriers have on eligible telecommunications carriers (ETCs) serving high-cost areas of the state, and the actual or potential impact on universal service.

In an effort to complete its review, the Commission requested input from the parties on the following issues:

1. What role should the Commission take when informed of potential or actual bankruptcy proceedings of a certificated telecommunications carrier?

- a. Should this role change depending on the type of telecommunications carrier filing for bankruptcy? If so, please explain.
- b. Should the Commission's role vary based upon the underlying facts or nature of the bankruptcy petition?
- c. Should the Commission take any action when telecommunications carriers are feared insolvent but have not officially filed a bankruptcy petition? If so, what actions should the Commission take? If not, why not?
- d. How should the Commission exercise its jurisdiction over a telecommunications carrier subject to the protection of a bankruptcy court?

2. What action, if any, should the Commission take in ensuring that potential customer migration is handled smoothly and efficiently?

3. What special obligations do carriers of last resort assume? How can the Commission ensure that financially strained carriers of last resort do not cut-off service to consumers?

4. Do the Federal Communications Commission's discontinuance rules as provided in 47 C.F.R. § 63 provide adequate protections for consumers? If not, what other rules are necessary?

Responses to the above-listed requests were filed AT&T Communications of the Midwest, Inc.; ALLTEL Nebraska, Inc.; Nebraska Telecommunications Association; Computer Services, Inc.; Qwest Corporation; Nebraska Independent Telephone Association; Rock County Telephone Company; Arlington Telephone Company; Blair Telephone Company; Cambridge Telephone Company; Consolidated Telco Inc.; Eastern Nebraska Telephone Company; Great Plains Communications, Inc.; Nebcom, Inc.; Nebraska Central Telephone Company; Northeast Nebraska Telephone Company; Intrado, Inc.; WorldCom, Inc.; and Alltel Communications, Inc.

Accordingly, upon review of the comments received, the Commission is of the opinion and finds that the comments regarding the effects of past and possible future bankruptcy filings by telecommunications carriers in the state of Nebraska, the impact insolvent carriers have on ETCs serving high-cost areas of the state, and the impact on universal service are best addressed in a later rulemaking proceeding. Therefore, in light of this finding, the Commission will discontinue any further review at this time. All comments and information received during the course of the present docket shall be incorporated into a later rulemaking proceeding.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the issues identified by Application No. PI-62/C-2777 will be best addressed in a later rulemaking docket.

IT IS FURTHER ORDERED that in consideration thereof, Application No. PI-62/C-2777 should be, and is hereby, closed and the information gathered herein shall be incorporated into a later rulemaking proceeding.

MADE AND ENTERED in Lincoln, Nebraska on this 11th day of
May, 2004.

COMMISSIONERS CONCURRING: NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:

Executive Director