

Chair Boyle called the regularly scheduled meeting to order at 1:03 p.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present.

GENERAL ADMINISTRATION

Notice was duly published August 13, 2002, on Page 7 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held on August 20, 2002, at 1:00 p.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

COMMUNICATIONS DEPARTMENT

Gene Hand informed the Commission that Qwest has announced they intend to sell Qwest Dex for \$7.05 billion dollars to private entity firms: The Carlyle Group and Welsh, Carson, Anderson & Stowe.

Gene Hand discussed Nebraska Network Workgroup's final report and recommendations to be presented to the Nebraska Information Technology Commission (NITC) at their September 6, 2002, meeting.

Gene Hand discussed the UNE-P Fact Report published twice annually by the Promoting Active Competition Everywhere (PACE) Coalition.

Gene Hand discussed the letter sent by the eCommerce & Telecommunications Users Group and the Consumers Union to Senators Hollings and McCain regarding Federal Communications Commission (FCC) Accounting/Auditing System reforms, which have reduced the FCC's ability to proactively oversee operations of dominant carriers and eliminated important reporting requirements.

C-2101 In the Matter of the joint application of International Exchange Communications, Inc., dba IE Com, Burlingame, California, and International Telecommunications Corp., a/k/a CTN Telephone Network, San Diego, California, seeking approval of an asset purchase agreement: Gene Hand informed the Commission that a filing was received August 12, 2002, regarding the Joint Chapter 11 plan of liquidation from the United States Bankruptcy Court, Northern District of California, San Francisco Division.

FC-1296/ In the Matter of Cox Nebraska Telcom, L.L.C., Omaha, and
FC-1297 Illuminet, Olympia, Washington, vs. Qwest Communications, Inc., Omaha, alleging violations of state law and policy, as well as tariff obligations and Alltel Nebraska, Inc. and ALLTEL Communications of Nebraska, Inc., Complainant, vs. Qwest Corporation, Respondent, requesting a review of Qwest's Common Channel Switched Access Capability Signaling rate elements as set forth in Qwest's Access Service Catalog: Gene Hand informed the Commission that a motion was filed August 16, 2002, by Cox, ALLTEL Nebraska, Inc.,

COMMUNICATIONS DEPARTMENT (Cont.)

- FC-1296/ ALLTEL Communications of Nebraska, Inc. and Illuminet, Inc.
FC-1297 asking the Commission to compel Qwest Corporation to re-
spond fully to discovery requests. Qwest is expected to
file a response to the motion and the matter will be addressed at a
future meeting.
- C-2754 In the Matter of Choice Telco, LLC, Hartford, Connecticut,
seeking authority to operate as an Interexchange Carrier of
Telecommunications Services within the State of Nebraska: Upon agree-
ment of all Commissioners, the application was withdrawn at appli-
cant's request.
- C-2760 In the Matter of Marvin Saathoff, Randy Saathoff and Lloyd
Lamb, all of Steele City, currently receiving service from
the Steele City exchange of ALLTEL, seeking authority to receive tele-
phone service from the Diller exchange of the Diller Telephone Com-
pany: Upon agreement of all Commissioners, the application was
granted.
- C-2763 In the Matter of Econodial, LLC, Brooklyn, New York, seek-
ing authority to operate as a resale common carrier of
telecommunications services within the state of Nebraska: Upon
agreement of all Commissioners, the application was granted.
- C-2766 In the Matter of Tim and Leigh Anne Hoatson; Mark and Deb
Stickley; and Doug and Danella Campbell, all of Hershey,
seeking authority to receive telephone service from the Hershey
exchange of the Hershey Cooperative Telephone Company, in what is
currently considered Qwest service area: Upon agreement of all
Commissioners, the application was granted.
- C-2761 In the Matter of Qwest Corporation, Denver, Colorado, and
New Edge Networks, Vancouver, Washington, seeking approval
of an amendment to their wireline interconnection agreement previously
approved in Application C-2165: Upon agreement of all Commissioners,
the amendment was approved.
- C-2762 In the Matter of Qwest Corporation, Denver, Colorado, and
Level 3 Communications, LLC, Broomfield, Colorado, seeking
approval of an amendment to their interconnection agreement previously
approved in Application C-2206: Upon agreement of all Commissioners,
the amendment was approved.
- C-2767 In the Matter of United Telephone Company of the West,
d/b/a Sprint, Overland Park, Kansas, and Level 3 Communi-
cations, Broomfield, Colorado, seeking approval of their Master
Interconnection and Resale Agreement: Upon agreement of all Com-
missioners, the agreement was approved.

COMMUNICATIONS DEPARTMENT (Cont.)

C-2768 In the Matter of Qwest Corporation, Denver, Colorado, and Sprint Spectrum L.P., Overland Park, Kansas, seeking approval of their type 2 wireless interconnection agreement in the state of Nebraska: Upon agreement of all Commissioners, the agreement was approved.

C-2769 In the Matter of Qwest Corporation, Denver, Colorado, and Excel Telecommunications, Inc., Dallas, Texas, seeking approval of their wireline interconnection agreement in the state of Nebraska: Upon agreement of all Commissioners, agreement was approved.

Engineering Division

E-1953 In the Matter of Loup River Public Power District, Columbus, seeking authority to construct, operate and maintain an electric transmission line in Platte County: Upon agreement of all Commissioners, the application was granted.

E-1962 In the Matter of Nebraska Public Power District, Columbus, seeking authority to construct, operate and maintain an electric transmission line in Scotts Bluff County: Upon agreement of all Commissioners, the application was granted.

PIPELINE DEPARTMENT

P-0004 In the Matter of Peoples Natural Gas, Omaha, seeking resolution of a dispute under Neb. Rev. Stat. 57-1306: Laura Davenport reported that Metropolitan Utilities District filed a notice of appeal on August 19, 2002.

UNIVERSAL SERVICE FUND

NUSF-25 In the Matter of the Commission, on its own motion, seeking to establish guidelines for the purpose of certifying the use of federal universal service support: Upon agreement of all Commissioners, an order was entered requiring all rural incumbent local exchange carriers and/or eligible telecommunications carriers to file notarized affidavits on the use of federal high-cost support, on or before September 6, 2002. Beginning in 2003, and all years thereafter, notarized affidavits are to be filed on or before September 1st.

WIRELESS E-911 DEPARTMENT

911-02 In the Matter of the Commission, on its own motion, seeking to determine the surcharge for the Enhanced Wireless 911 Fund: Upon agreement of all Commissioners, a docket was opened and a hearing scheduled for September 19, 2002, at 1:30 p.m. in the Commission Hearing Room, Lincoln.

RULES AND REGULATIONS

Andy Pollock gave a status update on all pending rules and regulations proceedings.

FEDERAL REPORT

Laura Davenport reported on the following issues:

Consumer Protection: The FCC has adopted rules on remand from the U.S. Court of Appeals for the 10th Circuit designed to protect sensitive personal information of customers of telecommunications carriers. Customer proprietary network information (CPNI) includes almost all individually identifiable information regarding customers' phone usage, such as the services to which they subscribe and to whom, when and where they call. The 10th Circuit's 1999 decision vacated the FCC's opt-in approach for a carrier to use, disclose or permit access to CPNI. The FCC rules apply opt-out procedures for carrier use of CPNI and for disclosure of that information to "affiliated entities" providing communications-related services. Carriers are free to use opt-in procedures if they choose. For disclosure of CPNI to unrelated third parties or to carrier affiliates that do not provide communications-related services, opt-in procedures must be used.

Accounting Practices: FCC Chairman Michael Powell said yesterday that the FCC would not weaken its accounting standards, and that the Commission has placed a moratorium on any changes to its accounting rules under the third phase of an ongoing review. This moratorium would not apply, however, to changes stemming from phase 2 of the review. Phase 2 changes would eliminate several accounting requirements that state regulators view as critical to their oversight of carriers.

Apparently there had been a rumor among members of the industry that staff members of the FCC's Wireline Competition Bureau have been drafting an agenda item that would consolidate and stream-streamline certain ILEC accounting requirements. A spokesperson for the Wireline Competition Bureau said yesterday that the FCC had never started drafting such an order.

NARUC approved a resolution calling for a federal-state joint conference to look more closely at accounting rules. The Chairman also said yesterday that the Commission is contemplating such a conference.

LEGISLATION

Andy Pollock presented a draft cash funding report to the Commissioners.

GRAIN WAREHOUSE DEPARTMENT

GW-1930 In the Matter of Mueller Grain, Inc., Emerson, seeking a \$25,000.00 deductible on its stock insurance: An Order was entered granting the application.

TRANSPORTATION DEPARTMENT

B-1543 In the Matter of James Santana, dba Lexington Taxi Cab, Lexington, seeking a suspension of the Certificate of Public Convenience and Necessity issued in Application B-1543 until August 15, 2003: Upon agreement of all Commissioners, the application was granted and Certificate B-1543 was suspended.

B-1573 In the Matter of K & B Coach, Inc., Kearney, seeking authority as a common carrier in Nebraska intrastate commerce for the transportation of passengers in vans in open class service including clients of the Nebraska Department of Health and Human Services between points in Nebraska over irregular routes: Upon agreement of all Commissioners, the Motion for Rehearing and/or Reconsideration was denied.

B-1588 In the Matter of Platte County Ambulance Co., dba Midwest Medical Transport Co., Columbus, seeking authority as a common carrier in Nebraska intrastate commerce in the transportation of handicapped or incapacitated passengers between points in Columbus, Fremont, Grand Island, and Lincoln, and between points in said cities, on the one hand, and, on the other hand, points in Nebraska over irregular routes: Upon agreement of all Commissioners, the application was granted as amended.

FC-1300 In the Matter of Abbott Transportation, Inc., Omaha, vs. Easy Car Rental Car Co., Inc., dba Budget Car & Truck Rental, Omaha, for operations by Defendant in violation of Neb. Rev. Stat. Section 75-309: A hearing was scheduled for September 11, 2002, at 3:00 p.m. in the Commission Hearing Room, Lincoln.

Rate Division

LR-233 In the Matter of DJW, Inc., dba Luxury Limousine Service, Syracuse, seeking to amend its rates by increasing the rates for the ten (10) passenger limousine and adding rates for a fourteen (14) passenger limousine: Upon agreement of all Commissioners, the application was granted.

MR-1000 In the Matter of Movers and Warehouse Division, Nebraska Trucking Association, Lincoln, seeking authority to amend Official Intracity Household Goods Tariff 7-F: Upon agreement of all Commissioners, an Order Nunc Pro Tunc was entered.

TRANSPORTATION DEPARTMENT (Cont.)

MR-1001 In the Matter of Movers and Warehouse Division, Nebraska Trucking Association, Lincoln, seeking authority to amend Official Intracity Household Goods Tariff 22: Upon agreement of all Commissioners, an Order Nunc Pro Tunc was entered.

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-E: The fuel surcharge was increased to 12 cents per mile and the taxi surcharge was retained at 15 cents per trip.

GENERAL ADMINISTRATION

Upon agreement of all Commissioners, authorization was granted for Robert Bowman to travel to Clay Center, Kansas, on August 28, 2002, to perform a modular housing unit factory inspection of Wardcraft Homes with all expenses, including time, to be reimbursed by Wardcraft Homes.

Upon agreement of all Commissioners, authorization was granted for Commissioner Boyle to attend the Consumers and Utilities Conference sponsored by the Consumer Federation of America e held in Washington, DC from October 2-6, 2002.

Upon agreement of all Commissioners, authorization was granted for Commissioners and Gene Hand to attend the Qwest Regional Oversight Committee meetings to be held in Denver, Colorado, from September 22-24, 2002.

Commissioner Vap moved that the Commission go into closed session to discuss personnel issues and Commissioner Landis seconded the motion. The Commission went into closed session at 2:15 p.m.

Commissioner Rod Johnson moved that the Commission return to open session and Commissioner Vap seconded the motion. The Commission returned to open session at 3:42 p.m.

Upon agreement of all Commissioners, a salary increase was approved for the law clerk.

Upon agreement of all Commissioners, authorization was granted to hire an Assistant Consumer Advocate and to advertise the position.

Upon agreement of all Commissioners, authorization was granted to approve offer to an intern to work part-time for the Commission during the school year.

The meeting adjourned at 2:45 p.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on August 27, 2002, at 1:00 p.m. with an agenda to be available in the office of the Executive Director at 1:00 p.m. on August 26, 2002.

Chair

Executive Director