

Chairman Rod Johnson called the regularly scheduled meeting to order at 10:01 a.m. with Commissioners Johnson, Landis, Schram and Vap present, and Commissioner Boyle excused. Chairman Johnson invited the public to address the Commission. Chairman Johnson also announced that a copy of the Nebraska Open Meetings Act was available in the meeting room. No comments were made.

GENERAL ADMINISTRATION

Notice was duly published July 17, 2007 on Page 8 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held July 24, 2007 at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

COMMUNICATIONS DEPARTMENT

Motion made by Commissioner Tim Schram, seconded by Commissioner Jerry Vap, to enter orders granting applications AD-385r through AD-387r. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

AD-385r In the Matter of H & R Accounts, Inc., Moline, Illinois, seeking the authority to register the connection of an automatic dialing-announcing device.

AD-386r In the Matter of DCM Services, LLC, Minneapolis, Minnesota, seeking the authority to register the connection of an automatic dialing-announcing device.

AD-387r In the Matter of H & R Accounts, Inc., Moline, Illinois, seeking the authority to register the connection of an automatic dialing-announcing device.

C-3812 In the Matter of My Tel Co, Inc., White Plains, New York, seeking authority to transfer control of operations of Northstar Telecom, Inc., Fremont: Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

C-3814 In the Matter of Qwest Corporation, and its affiliates, Denver, Colorado, seeking approval of a Business Escalation Agreement with Verizon Business Network Services, Inc. and its affiliates MCI Communications Services, Inc. and MCImetro Access Transmission Services, LLC, Ashburn, Virginia: Motion made by Commissioner Tim Schram, seconded by Commissioner Frank Landis, to enter an order withdrawing the application. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3815 In the Matter of ASC Telecom, Inc., Overland Park, Kansas, seeking cancellation of its certificate of service to operate as an interexchange carrier in the State of Nebraska: Motion made by Commissioner Jerry Vap, seconded by Commissioner Tim Schram, to enter an order granting the application. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

C-3816 In the Matter of Smartstop, Inc., Portland, Oregon, seeking withdrawal of its authority as an interexchange carrier in the State of Nebraska: Motion made by Commissioner Tim Schram, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

C-3839 In the Matter of Nebraska Technology & Telecommunications, Inc., Lincoln, seeking mediation of the interconnection rates, terms and conditions with Windstream Nebraska, Inc., Little Rock, Arkansas: Commissioner Landis was appointed as Hearing Officer.

Gene Hand informed the Commission that a transfer of \$1,040.53 was made from the Competitive Market Fund (CMF) to the Nebraska Internet Enhancement Fund (NIEF) per Commission policy. He also recommended that the Commission formally approve participation in the current Regional Oversight Committee (ROC) Qwest Performance Assurance Plan (QPAP) collaborative audit: Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to approve participation in the ROC QPAP collaborative audit. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to enter orders approving applications C-3817 through C-3821. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

C-3817 In the Matter of Qwest Corporation, Denver, Colorado, seeking a Triennial Review Order and Triennial Review Remand Order (TRO/TRRO) Amendment to the Interconnection Agreement with Covista, Inc., Chattanooga, Tennessee, previously granted in Docket C-3231.

C-3818 In the Matter of Qwest Corporation, Denver, Colorado, seeking an Omaha Forbearance Order Amendment to the Interconnection Agreement with Covista, Inc., Chattanooga, Tennessee, previously granted in Docket C-3231.

COMMUNICATIONS DEPARTMENT (Cont.)

- C-3819 In the Matter of Qwest Corporation, Denver, Colorado, seeking a Payment Terms Amendment to Interconnection Agreement with Comtel Telcom Assets LP dba Excel Telecommunications, Irving, Texas, previously granted in Docket C-2769.
- C-3820 In the Matter of Qwest Corporation, Denver, Colorado, seeking a Payment Terms Amendment to Interconnection Agreement with Comtel Telcom Assets LP dba VarTec Telecom, Irving, Texas, previously granted in Docket C-2649.
- C-3821 In the Matter of Qwest Corporation, Denver, Colorado, seeking an Omaha Forbearance Order Amendment to the Interconnection Agreement with MCImetro Access Transmission Services, LLC, Ashburn, Virginia, previously granted in Docket C-3703.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT

- 911-023.02 In the Matter of Douglas County, Public Safety Answering Point, Omaha, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation: Motion made by Commissioner Tim Schram, seconded by Commissioner Frank Landis, to enter an order scheduling a hearing for August 7, 2007 at 1:30 p.m. in the Commission Hearing Room, Lincoln. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting. Commissioner Boyle was appointed as Hearing Officer.
- 911-023.20 In the Matter of Furnas County, Public Safety Answering Point, Beaver City, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation. Commissioner Vap presiding as Hearing Officer: Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter an order continuing the hearing previously scheduled for July 10, 2007 to August 7, 2007 at 1:30 p.m. in the Commission Hearing Room, Lincoln. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.
- 911-023.45 In the Matter of Johnson County, Public Safety Answering Point, Tecumseh, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation. Commissioner Landis presiding as Hearing Officer: Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to enter an order continuing the hearing previously scheduled for July 10, 2007 to August 7, 2007 at 1:30 p.m. in the Commission Hearing Room, Lincoln. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT (Cont.)

Jeff Pursley discussed the fining policy for non-compliance of 911 testing requirements: Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to approve the fining policy established for non-compliance of 911 testing requirements. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

Jeff Pursley discussed the 911 accessibility of deaf and hard of hearing. The Commission authorized Jeff Pursley to convene a meeting between the Public Safety Answering Points and the Commission for the Deaf and Hard of Hearing.

Jeff Pursley informed the Commission that the next E911 Advisory Board meeting has been scheduled for October 15, 2007, at 10:00 a.m. in the Nebraska State Office Building, Room #207, 1313 Farnam Street, Omaha.

Jeff Pursley reported on carriers that have not complied with Wireless E-911 Testing requirements: Motion made by Commissioner Jerry Vap, seconded by Commissioner Tim Schram, to approve opening a complaint against Verizon Wireless for non-compliance of testing notification. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

Jeff Pursley reported on carriers that have not complied with Wireless E-911 quarterly reporting requirements: Motion made by Commissioner Tim Schram, seconded by Commissioner Frank Landis, to approve opening a complaint against U.S. Cellular for non-compliance of quarterly reporting. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

NUSF-33/ In the Matter of the Commission, on its own motion, seeking
PI-68 to investigate the audit requirements related to the
Nebraska Universal Service Fund: Motion made by Commissioner Tim Schram, seconded by Commissioner Frank Landis, to enter an order amending the previous order entered on April 10, 2007. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

NUSF-68 In the Matter of the Distance Education Council of
Nebraska seeking support from the Nebraska Universal
Service Fund for use in distance education: Commissioner Vap was
appointed as Hearing Officer.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT (Cont.)

NUSF-69 In the Matter of the Commission, on its own motion, seeking to implement policies and procedures related to providing dedicated universal service support for wireless telecommunications services: Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to enter an order opening this docket. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting. Commissioner Landis was appointed as Hearing Officer.

NUSF-69, PO #1 In the Matter of the Commission, on its own motion, seeking to implement policies and procedures related to providing dedicated universal service support for wireless telecommunications services: Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to enter an order seeking initial comments on identifying rural areas for the purpose of cost assistance of tower connectivity, due August 31, 2007, with reply comments due September 14, 2007. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting. Commissioner Landis was appointed as Hearing Officer.

NUSF-69, PO #2 In the Matter of the Commission, on its own motion, seeking to implement policies and procedures related to providing dedicated universal service support for wireless telecommunications services: Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to enter an order seeking comments on single wireless provider network and support allocation, due September 21, 2007, with reply comments due October 5, 2007. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting. Commissioner Landis was appointed as Hearing Officer.

Jeff Pursley discussed Tracfone Wireless' 2006 audit remittance report. Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to approve a surcharge credit to Tracfone Wireless in the amount of \$269,727.18 for data periods the 2006. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

Jeff Pursley discussed the NUSF Late-Filed Carrier Remittances: Motion made by Commissioner Tim Schram, seconded by Commissioner Jerry Vap, to levy a late-fee against Global Tel*Link Corporation and that a Complaint be opened against Budget Phone, Inc.; that current complaints against Ernest Communications, Matrix Telecom, Inc. and Trinsic Communications be amended to include recently late-filed worksheets and the current complaint opened under the revised fining policy against McLeod USA Telecommunications, be amended to include the late-filed May, 2007 worksheet. Additionally, complaints should be opened under the revised fining policy against Budget Call Long

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT (Cont.)

Distance, Inc., Global Crossing Telecommunications, Globalstar USA, LLC. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

NATURAL GAS DEPARTMENT

FC-1326 In the Matter of Ken's Auto Repair & Service, Ravenna vs. SourceGas Distribution LLC, f/k/a Kinder Morgan, Lakewood, Colorado, disputing the February 2007 gas billing: Laura Demman informed the Commission that an answer had been filed by SourceGas and that a hearing will be scheduled. Commissioner Vap was appointed as Hearing Officer.

NG-0013 In the Matter of the Commission, on its own motion, seeking to evaluate and establish, on a quarterly basis, an assessment for jurisdictional utilities pursuant to the State Natural Gas Regulation Act [LB 790, 2003]. Commissioner Landis presiding as Hearing Officer: Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter Progression Order 16. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

NG-0048 In the Matter of NorthWestern Corporation, d/b/a NorthWestern Energy, Sioux Falls, South Dakota, seeking approval of a natural gas general rate increase for Nebraska. Commissioner Vap presiding as Hearing Officer: Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter an order certifying for negotiations. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

Laura Demman discussed a letter filed July 16, 2007, on behalf of Nebraska Resources Company, LLC requesting the Commission open an investigation.

NG-0051/ In the Matter of the Commission, on its own motion, seeking
PI-130 to investigate jurisdictional issues pertaining to construction and operation of a natural gas pipeline within the state of Nebraska by Nebraska Resources Company, LLC, or any other entity. Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to enter an order opening the docket and scheduling a hearing for September 25, 2007, at 1:30 p.m. in the Commission Hearing Room, Lincoln. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting. Commissioner Johnson was appointed as Hearing Officer.

LEGISLATIVE REPORT

Nichole Underhill reported on the Interim Study Hearing on LB 181 regarding municipal wireless networks.

HOUSING AND RECREATIONAL VEHICLE DEPARTMENT

Mark Luttich reported on the following:

The Commission's modular housing unit program has been accepted by four (4) additional out-of-state local jurisdictions: Miami County, Kansas; Yankton, South Dakota; Pinedale, Wyoming; and Coalville, Utah. Continuing to obtain this type of acceptance is a great assistance to the modular housing unit manufacturers in Nebraska.

The State of Nevada performed a plant certification at Wardcraft Homes in Minden for future shipment of homes into Nevada. Mark joined in on the certification and Nevada is very pleased with Wardcraft's construction process. We can extend our appreciation to the work done by Wardcraft Homes' staff and the Commission staff for making the Nevada certification possible.

All of the department's staff participated in energy code training and took the examination, with Steve Rowell and Mark Luttich passing the exam. Even though the training and exam is intended for building designers, the inspectors participated for the educational benefit of the exercise.

Mark Luttich took part in his first Federal Manufactured Home Consensus Committee meeting held in Washington, D.C. the week of May 21st. This committee was passed by Congress in 2000 and has been operating for approximately five years. The committee is delegated with the responsibility of reviewing current standards and regulations of the Federal Manufactured Home Act, making proposals to Housing and Urban Development (HUD) for their final review and consideration and then forwarding the standards through the Federal Register process. Mark was asked to chair the committee but declined because of other pressing matters.

The revised modular housing unit label fee structure to be implemented Monday, July 30, 2007 was met with some hesitation by the industry because of the high production facilities' need to have labels in a timely fashion. The Commission staff diligently researched the issue and eventually arrived upon a method that dispelled the industry's concerns.

TRANSPORTATION DEPARTMENT

B-1434, In the Matter of Yellow Cab & Limo, Inc., Beatrice, seeking Supp. 6 to extend the authority in B-1434 in the transportation of passengers and their baggage in open class service for Advance Services, Beatrice, by vans between points in Gage County and Lancaster County and between points in said counties: Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to enter an order granting the application as amended. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

B-1641 In the Matter of VIP Limobus, LLC, Omaha, seeking to extend the authority in Certificate B-1641 by the following changes: (1) to remove the restriction in open class service by deleting the limitation of 14 passenger bus and allow transportation by 12 or larger passenger bus, and by deleting the restrictions against transportation in Douglas and Sarpy counties except as part of a round trip that originates outside of said counties; (2) to remove the restriction in the certificate limiting charter bus service to the use of vehicles having a passenger capacity rating of 20 or more in the transportation of passengers by bus in charter service: Motion made by Commissioner Jerry Vap, seconded by Commissioner Tim Schram, to enter an order granting the application as amended. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

B-1682 In the Matter of Standfast Medical Transportation, Omaha, seeking authority as a common carrier of passengers and their baggage between points in Douglas and Sarpy counties, on the one hand, and, on the other hand, points in Nebraska over irregular routes. The transportation of Health and Human Services clients is authorized. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized: Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to enter an order dismissing the application. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

Rate Division

BR-327 In the Matter of National Arbor Day Foundation, Nebraska City, seeking authority to adjust its rates and charges: Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to enter an order granting the application. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

TRANSPORTATION DEPARTMENT (Cont.)

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-F: The fuel surcharge was increased to 80 cents per mile.

GENERAL ADMINISTRATION

Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to approve the Executive Director's recommendation for approval of the following Commission invoices. Motion passed with Commissioners Rod Johnson, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Anne Boyle excused not voting.

Gene Hand	\$	1,736.86
Anne Boyle		1,105.87
Rod Johnson		1,321.84
Tim Schram		1,019.37

The following invoices were paid between July 11 and 23, 2007 and should be ratified:

DAS-Risk Management	\$	24,870.00
DAS-Risk Management		4,932.00
NARUC-TR Daily Subscription		1,631.00
NARUC-Membership Dues FY 08		8,968.00
Thomson West		591.14

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

Associated Hearing Health Care		394.05
Audiology Services & HAC, P.C.		339.80
B Hear Inc.		584.80
B Hear Inc.		910.85
Beltone		1,006.45
Beltone		1,127.35
Glassman's Hearing Aid Service		87.98
Grand Island Hearing Aid		760.00
Harris Communications		423.95
Hearing Aid Center of Columbus		569.90
Hearing Aid Specialists		646.85
Carl A. Johnson		463.80
Carl A. Johnson		629.95
K-D Communications		825.85
Professional Hearing Aid Services		364.90
Professional Hearing Aid Services		159.95
Sherard Hearing Aid Center		228.00
Sherard Hearing Aid Center		352.90
Teltex		818.75
The Hearing Clinic		1,205.00
Talk To Me Technologies		898.43
Weitbrecht Communications	\$	1,086.90

GENERAL ADMINISTRATION (Cont.)

Weitbrecht Communications	406.50
Western ENT Associates	329.90
Western ENT Associates	219.90

Motion made by Commissioner Landis, seconded by Commissioner Schram, to approve the Executive Director's recommendation for approval of Commission minutes for the month of June 2007. Motion passed with Commissioners Johnson, Landis, Schram and Vap voting AYE, and Commissioner Boyle excused not voting.

Motion made by Commissioner Vap, seconded by Commissioner Schram, to approve the Executive Director's recommendation to authorize Steve Stovall to travel to and attend the National Association for State Relay Administration Conference in Missoula, Montana, from September 3 through 7, 2007. Motion passed with Commissioners Johnson, Landis, Schram and Vap voting AYE, and Commissioner Boyle excused not voting.

Motion made by Commissioner Vap, seconded by Commissioner Landis, to approve the Executive Director's recommendation to authorize Scott Elston to travel to and attend the Motive Power and Equipment Workshop in Oklahoma City, Oklahoma, from August 27 through 31, 2007, with all expenses to be paid by the Federal Railroad Administration (FRA). Motion passed with Commissioners Johnson, Landis, Schram and Vap voting AYE, and Commissioner Boyle excused not voting.

Motion made by Commissioner Landis, seconded by Commissioner Vap, to approve the Executive Director's recommendation to accept the resignation of a Nebraska Telecommunications Infrastructure and Public Safety Department employee and open the position for hire. Motion passed with Commissioners Johnson, Landis, Schram and Vap voting AYE, and Commissioner Boyle excused not voting.

Chairman Johnson recessed the Commission until 1:15 p.m. The Commission went into recess at 10:45 a.m.

The Commission reconvened at 1:16 p.m. with Commissioners Johnson, Landis, Schram and Vap present and Commissioner Boyle excused.

NG-0041 In the Matter of Aquila, Inc., d/b/a Aquila Networks (Aquila), Omaha, seeking individual general rate increases for Aquila's Rate Area One, Rate Area Two, and Rate Area Three. Commissioner Landis presiding as Hearing Officer: Motion made by Commissioner Vap, seconded by Commissioner Landis, to enter an order granting in part and denying in part. Motion passed with Commissioners Landis, Schram and Vap voting AYE, Commissioner Johnson voting NAY, and Commissioner Boyle excused not voting. Commissioners Johnson and Landis praised the Commission staff on their hard work and for the manner in which deliberations were conducted.

The meeting adjourned at 1:20 p.m. with Commissioners Johnson, Landis, Schram and Vap present, and Commissioner Boyle excused. The next regularly scheduled meeting will be held on Wednesday, August 1, 2007, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on Tuesday, July 31, 2007.

Chairman

Executive Director