

Chair Anne Boyle called the regularly scheduled meeting to order at 10:00 a.m. with Commissioners Anne Boyle, Frank Landis, Tim Schram and Gerald Vap present, Commissioner Rod Johnson excused. Chair Boyle invited the public to address the Commission and also announced that a copy of the Nebraska Open Meetings Act was posted in the meeting room. No announcements were made.

GENERAL ADMINISTRATION

Notice was duly published September 16, 2008 on Page 9 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held September 23, 2008 at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Tuesday, September 23, 2008:

FC-1331 Commission Hearing Room, Lincoln.
1:00 In the Matter of Kinder Morgan Interstate Gas Transmission, LLC, Lakewood, Colorado vs. Aquila, Inc., Omaha, and Nebraska Resources Company, Tulsa, Oklahoma, alleging violations of the State Natural Gas Regulation Act. Commissioner Frank Landis presiding as Hearing Officer.

Thursday, September 25, 2008:

C-3945/ Commission Hearing Room, Lincoln.
NUSF- Oral Arguments regarding the Discovery Motions.
60.02 In the Matter of the Commission, on its own motion, seeking
PI-138 to conduct an investigation of Qwest Corporation's Proposed
10:30 Switched Access Charge Rates. Commissioner Frank Landis
presiding as Hearing Officer.

COMMUNICATIONS DEPARTMENT

Motion made by Commissioner Tim Schram, seconded by Commissioner Frank Landis, to enter orders granting applications AD-461r and AD-462r. Motion passed with Commissioners Anne Boyle, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Rod Johnson excused not voting.

AD-461r In the Matter of Unique Management Services, Inc., Jeffersonville, Indiana, seeking authority to register the connection of an automatic dialing-announcing device.

COMMUNICATIONS DEPARTMENT (Cont.)

AD-462r In the Matter of CCB Credit Services, Inc., Springfield, Illinois, seeking authority to register the connection of an automatic dialing-announcing device.

Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter orders granting applications E-2196, E-2197 and E-2199. Motion passed with Commissioners Anne Boyle, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Rod Johnson excused not voting.

E-2196 In the Matter of the City of Lexington seeking authority to construct, operate and maintain an electric transmission line in Dawson County.

E-2197 In the Matter of Nebraska Public Power District, Columbus, seeking authority to construct, operate and maintain an electric transmission line in Cheyenne, Deuel and Keith Counties.

E-2199 In the Matter of Niobrara Valley Electric Membership Corporation, O'Neill, seeking authority to construct, operate and maintain an electric transmission line in Holt County.

Gene Hand discussed the Independent Telephone and Telecommunication Alliance (ITTA) proposal to reform Intercarrier Compensation (ICC) filed with the Federal Communications Commission on September 22, 2008.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT

NUSF-32.07 In the Matter of the Commission, on its own motion, seeking to conduct an inquiry into the failure of various companies to comply with Commission Orders and, at its own discretion, impose administrative fines against the named defendants: Ernst Communications and KDDI. Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter an order dismissing the Complaint in part and, canceling the hearing that was continued from August 26, 2008 to a date later to be determined. Motion passed with Commissioners Anne Boyle, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Rod Johnson excused not voting.

NATURAL GAS DEPARTMENT

FC-1331 In the Matter of Kinder Morgan Interstate Gas Transmission, LLC, Lakewood, Colorado vs. Aquila, Inc., Omaha, and Nebraska Resources Company, Tulsa, Oklahoma, alleging violations of the State Natural Gas Regulation Act. Commissioner Frank Landis presiding as Hearing Officer: Laura Demman discussed an order entered by the Hearing Officer on September 16, 2008, setting procedural schedule, scheduling an oral argument for September 23, 2008, at 1:00 p.m. in the Commission Hearing, with hearing on the Objection to the Assessment immediately following, and a hearing on the formal complaint for November 13, 2008, at 1:00 p.m. in the Commission Hearing Room.

NG-0036 In the Matter of Kinder Morgan, Inc., Lakewood, Colorado,
NG-0039 seeking approval of a general rate increase; In the Matter
NG-0040 of the joint application of Kinder Morgan, Inc., Houston, Texas; KM Retail Utilities Holdco LLC, Houston, Texas; Source Gas Distribution LLC, Lakewood, Colorado, Source Gas Holdings LLC, Stamford, Connecticut; and Source Gas LLC, Stamford, Connecticut; seeking approval of (1) the proposed transfer of Kinder Morgan, Inc.'s Nebraska Certificate of Convenience and utility assets to Source Gas Distribution LLC; and (2) the proposed change of control of Source Gas Distribution LLC from Kinder Morgan, Inc. to Source Gas LLC; and In the Matter of Kinder Morgan, Inc., Houston, Texas; KM Retail Utilities Holdco LLC, Houston, Texas; Source Gas Distribution LLC, Lakewood, Colorado, seeking approval of asset transfer of jurisdictional utility assets: Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to enter an order overruling the objections and upholding assessments. Motion passed with Commissioners Anne Boyle, Frank Landis, Tim Schram and Jerry Vap voting AYE, and Commissioner Rod Johnson excused not voting.

Motion made by Commissioner Frank Landis, seconded by Commissioner Tim Schram, to enter Assessment Orders in Dockets FC-1327, NG-0041, NG-0046/PI-128, and NG-0053. Motion passed with Commissioners Anne Boyle, Frank Landis, Tim Schram and Jerry Vap voting AYE.

FC-1327 In the Matter of the Formal Complaint of the Nebraska
HS-0018 Public Advocate, seeking a determination that Kinder
HS-0019 Morgan, Inc. and/or its successor in interest, SourceGas Distribution, LLC improperly implemented, billed and received payment for interim and final rates in NG 0036 for which customers are entitled to a credit or refund from Kinder Morgan, Inc. and/or SourceGas Distribution, LLC. Commissioner Vap presiding as Hearing Officer.

NG-0041 In the Matter of Aquila, Inc., d/b/a Aquila Networks
HS-0033 (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.

NATURAL GAS DEPARTMENT (Cont.)

NG-0046/
PI-128
HS-006 In the Matter of the Commission, on its own motion, seeking to investigate certain customer service issues and plans relating to SourceGas Distribution LLC, f/k/a Kinder Morgan, Inc., Lakewood, Colorado. Commissioner Vap presiding as Hearing Officer.

NG-0053
HS-0011
HS-0012 In the Matter of Nebraska Resources Company, LLC, Tulsa, Oklahoma, seeking a Certificate of Public Convenience and Necessity authorizing it to operate as a jurisdictional utility in Nebraska and approval of tariff. Commissioner Landis presiding as Hearing Officer.

TRANSPORTATION DEPARTMENT

M-14203 In the Matter of Patt's Moving Center, LLC, Omaha, seeking to remove the one truck restriction in Certificate M-14203 as follows: Transportation of household goods within a 75-mile radius of Fremont, Nebraska. RESTRICTION: The transportation of household goods is restricted to the use of one truck: Motion made by Commissioner Tim Schram, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Frank Landis, Tim Schram and Jerry Vap voting AYE.

Rate Division

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 Goods Tariff 7F and Tariff 22: The Tariff 74 fuel surcharge was retained at \$1.12 per mile, and the Tariff 22 fuel surcharge was decreased to \$7.22 per truck per trip.

HOUSING AND RECREATIONAL VEHICLE DEPARTMENT

Mark Luttich, Director, Housing and Recreational Vehicles, provided an update of the financial status of the department. He also informed the Commission regarding his meeting with the members of the Nebraska Manufactured Home Association.

GENERAL ADMINISTRATION

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

Aamco Transmissions	\$	1,594.95
Gerald Vap		406.50

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

Alternative Hearing	944.39
Associated Hearing Health Care	274.00
B Hear	3,792.48
Beltone	1,527.19
Glassman's Hearing Aid Service	76.95
Grand Island Hearing Aid Center	1,685.31
Hamilton Telecommunications	354.85
Harris Communications	348.95
Carl A. Johnson	416.03
Johnson Hearing Aid Service Inc	146.63
K-D Communications	982.85
Professional Hearing Aid Services	1,680.50
Sherard Hearing Aid Center	1,984.25
U-Save Pharmacy & Medical Supply	604.75
Weitbrecht Communications Inc.	651.35
White's Hearing Aid Specialists	127.52

The meeting adjourned at 10:18 a.m. with Commissioners Anne Boyle, Frank Landis, Tim Schram and Gerald Vap present, with Commissioner Rod Johnson excused. The next regularly scheduled meeting will be held on September 30, 2008, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on September 29, 2008.

Chair

Executive Director