

Nebraska Public Service Commission

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P.O. Box 94927

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Nebraska Consumer Hot Line 1-800-526-0017

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September 30, 1992

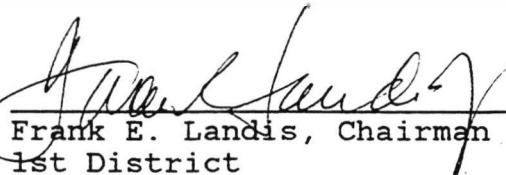
Patrick J. O'Donnell
Clerk of the Legislature
State Capitol Room 2018
Lincoln, Nebraska 68509

Dear Mr. O'Donnell:

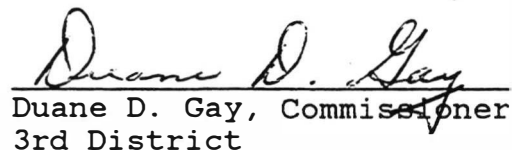
We are pleased to submit to the Legislature the Commission's 1992 Annual Legislative Report on Telecommunications for the period from July 1, 1991 to June 30, 1992.

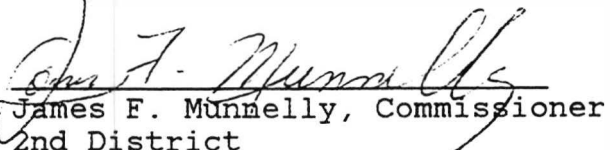
The report is submitted in compliance with the Telecommunications Act of 1986 (L.B. 835) and specifically addresses the items cited in Neb. Rev. Stat. §86-804 (1991 Supp.).

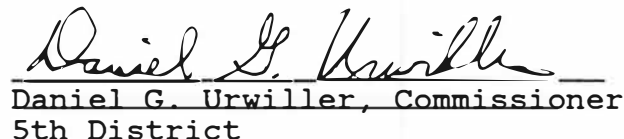
Respectfully submitted,


Frank E. Landis, Chairman
1st District


Eric Rasmussen, Commissioner
4th District


Duane D. Gay, Commissioner
3rd District


James F. Munnelly, Commissioner
2nd District


Daniel G. Urwiller, Commissioner
5th District

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FRANK E. LANDIS
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ANNUAL REPORT TO THE LEGISLATURE
ON THE STATUS OF
THE NEBRASKA TELECOMMUNICATIONS INDUSTRY

NEBRASKA PUBLIC SERVICE COMMISSION

September 30, 1992

Nebraska Public Service Commission
300 The Atrium
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PART I



EXECUTIVE SUMMARY

This is the sixth annual telecommunications report prepared by the Commission since passage of the Telecommunications Act of 1986 (more popularly known as L.B. 835). The report provides information to aid the Legislature in monitoring the consequences of L.B. 835 during the last six years. The report also contains the Commission's legislative proposals.

Although L.B. 835 de-regulated much of the rate regulatory power the Commission used to wield, the Commission still has the duty to regulate the quality of service rendered by the common carriers in the telecommunications field, entry into and exit from the communications field, and to investigate and act upon consumer or departmental complaints against telephone common carriers.

The telecommunications industry continues to be generally a profitable and stable industry in Nebraska. While basic local rates (which are regulated to a limited degree) have increased little, if any, toll charges (which are unregulated) continue to climb. Tariff filings continue to reflect increased costs to subscribers for unregulated "enhanced services." While other state commissions have ordered rate reductions because of overearnings or due to incentive regulation statutes, Nebraska intrastate telecommunication companies are free from Commission-ordered rollbacks.

The number of access lines, both business and residential, continues to grow, but the technology deployed varies tremendously from company to company across the state. Mechanical and electronic switches still serve too many subscribers in Nebraska. After the promised benefits made to justify de-regulation in 1986, the existence of this level of service is not praiseworthy.

Of great importance in the upcoming legislative session will be the Legislature's review of the funding mechanism used to finance operation of the Telecommunications Relay System (formerly known as the Dual Party Relay System). As will be seen later in this report, even at the statutory limit of ten cents per access line, the system will probably be short of funding in 1993.

Part I

1. TELEPHONE COMPLAINTS

Pursuant to the Commission's rules, a subscriber with a telephone complaint makes the complaint initially to the telephone company. If the company does not satisfy the subscriber's complaint, the Commission then works with the subscriber and company to resolve it. Conceivably, such informal complaints could come before the Commission in the form of a formal or departmental complaint against the company, but this is rare.

Subscribers made 379 complaints to the Commission during the twelve month period from July 1, 1991 to June 30, 1992. Table 1 categorizes the complaints and compares 1991 to 1990.

Table 1

<u>Complaints</u>	<u>July 1, 1990 to June 30, 1991</u>	<u>July 1, 1991 to June 30, 1992</u>
Service	99	123
Billing	58	82
Miscellaneous	83	121
900#	43	53
Total	283	379

Of the 379 complaints received, 90.7% were against either a local exchange carrier (LEC) or interexchange carrier (IXC). Table 2 provides further detail.

Table 2

<u>Complaint</u>	<u>Number</u>	<u>Percent of Total</u>
Local Exchange Carriers	255	67.3%
Interexchange Carriers	89	23.4
Automatic Dialers/976 #s	28	7.4
Others	7	1.9

Table 2 categories are explained further in the following section. Examples of complaints are also included.

Local Exchange Carriers:

Thirty seven LECs provide local exchange service in Nebraska. The five largest companies control 93.1 percent of the total number of access lines.

Table 3 shows the number of complaints made against each of the five largest companies and the remaining 32, as well as five telephone cooperatives.

Table 3

LEC	<u>Complaints</u>	Access Lines	Percent of Total Access Lines
US West	127	487,035	54.8%
Lincoln Tel.	80	241,385	27.2%
GTE North	18	48,164	5.4%
Great Plains	9	25,806	2.9%
United	4	24,588	2.8%
Others	17	<u>61,010</u>	<u>6.9%</u>
Total	255	887,988	100.0%

Complaints against LECs are divided into three categories for record-keeping purposes: service, billing, and miscellaneous.

Static, cut-offs during calls, and dead lines are examples of service complaints. The Commission staff does a great deal of service testing (see Part I, 3.) to eliminate service problems. Billing complaints usually come to the Commission's attention after a subscriber has repeatedly asked the company to remove a charge from the subscriber's bill, such as a disputed long-distance call. Another type of billing complaint often reaches the Commission when a disconnection occurs or when the company refuses to provide service because of the subscriber's past history with the company. Usually, the subscriber must repay an outstanding bill and make a deposit for new service. Current subscribers may be notified by the company that disconnection is imminent unless a past due bill incurred by a member of the household is satisfied. A deposit may also follow in this situation. In either of these cases, the company's policies must follow the guidelines established in the Commission Telecommunications rules (Title 291 Neb. Admin. Regs., Ch. 5, Rule 002 et seq.). The rules strike a balance between the consumer who wants telephone service and the companies which are trying to avoid large uncollected bills. These policies also protect the remaining subscribers from footing the bill for uncollectible accounts.

Miscellaneous complaints include dissatisfaction with deposit requirements, harassing or obscene telephone calls, errors in directory listings (both residential, business, and business advertising) or problems with privately owned payphones.

Interexchange Carriers:

IXC complaints usually involve billing disputes such as backbilling for extended lengths of time or bills which accumulate several months worth of charges. "Slamming" is also an occasional problem where a customer is switched from his or her long distance carrier to another long distance carrier without

long distance carrier to another long distance carrier without authorization. Slamming occurs in equal access areas; it is not as prevalent as it used to be and is prohibited by both federal and state authorities.

Automatic Dialing-Announcing Devices (ADADs):

The Commission continues to receive complaints about ADADs. In 1992, the Commission took the unusual step of revoking an ADAD permitholder (see Part VI, 3.). New federal legislation requires the Federal Communications Commission to place additional restrictions on ADADs. The Commission believes matching state law to the federal standards will ensure consistent application of enforcement and perhaps further reduce the intrusion of ADADs into people's homes and businesses. As the Commission's order reflects, ADADs have the potential to wreak havoc.

2. CONSUMER TOLL FREE HOTLINE 800-526-0017

The Commission installed an intrastate toll free consumer hotline several years ago. The hotline is heavily used by consumers.

3. SERVICE TESTING

To ensure telecommunications service is adequate, the Commission has emphasized the importance of service testing all telephone company central offices in Nebraska.

The Commission service evaluation program is designed to test and inspect every central office in the state once every two years. The percentage of local, EAS, and toll completion tests which fail Commission-set levels of performance has declined steadily. The decline is due in part to installation of fiber optic cable, digital switching equipment, and improved central office maintenance procedures recommended by the Communications Department.

Between July 1991 and June 1992, the Department placed 250,000 test calls at 259 central offices throughout the state. The majority of offices tested met the Commission's performance objectives. Department personnel will continue to examine the offices with follow-up tests and trouble report monitoring. A total of 358 local exchange carrier subscriber loops were measured at the subscriber's premises in 26 exchange areas. These tests measure circuit loss, circuit noise, power influence, and loop current. For the most part, problems detected were resolved with the company while staff was still in the field. Remaining deficiencies were corrected shortly thereafter. Other evaluation activities include testing interexchange carrier's facilities and inspection of pay telephones.

The testing program includes placing local, EAS, and toll calls through a Northeast Electronics 41-3A central office analyzer. This equipment enables the operator to simulate subscriber usage by placing both dial pulse and touch tone calls while using different loop and leak conditions. All trouble encountered is documented and the telephone company whose equipment is the subject of the test is informed of the nature of the problem. Follow-up testing occurs when necessary to ensure the problem is corrected and that necessary maintenance has occurred. All tests and inspections are designed to make certain each regulated carrier provides adequate telecommunications service and is complying with the Commission's statutes and regulations.

PART II



Part II

1. CALLER ID

Caller ID has come to Nebraska. US West was the first company to offer the service in August 1990 and Lincoln Telephone subsequently followed with test marketing in 1991. Lincoln Telephone now offers Caller ID to 75 percent of its subscribers. In its simplest form, Caller ID is a small electronic box attached to the telephone. The box has a window displaying the number of the calling party, provided the call originated locally. Elaborate boxes provide the name of the person to whom the calling number is assigned. Caller ID is premised on the theory that display of the number gives the called party control by identifying the caller and helping the called party decide whether to answer or reject the call.

As an "enhanced service" the Commission has no regulatory control over the offering or rates for Caller ID because of deregulation. Privacy issues have come before other state commissions involving privacy rights of both the called and calling parties. Those issues cannot be considered in Nebraska because of L.B. 835. While other states have dealt with or are considering privacy issues, L.B. 835 preempts Nebraska consumers and the Commission from having any input regarding the offering, marketing, and the rates for Caller ID.

The display of a caller's telephone number can be blocked by either using per call or per line blocking. Per call blocking is accomplished by the caller dialing a special code before the telephone number. This type of blocking is offered by both US West and Lincoln Telephone as a free service. Per line blocking is provided by a telephone company at the central office and assures the customer that none of his or her dialed calls will be displayed to the called party. US West offers this service for an additional monthly fee. Lincoln Telephone makes no such offering.

2. CENTRAL OFFICE DATA

Central offices are the mainstay of the telecommunications network and are an essential element for local exchange carriers to establish quality service. The technology used in central offices determines the type of features available to customers such as call waiting, call forwarding, and conference calling and plays a major role in whether equal access is available.

Table 4 shows that more than 83 percent of the central office switches will be either electronic or digital and will serve 97 percent of the access lines by December 31, 1992. These offices are common control and offer most optional services referenced above. On the other hand, 80 switches still employ step, relay, and crossbar technology serving three percent of the state's access lines. Last year, this figure was ten percent.

Table 4

Switching Technology

Technology	Number of Switches	Percent Switches	Percent Access Lines	Age In Years
Step-by-Step	69	14.6%	2.8%	5-41
Leich Relay	6	1.3%	.1%	23-35
Crossbar	5	1.0%	.5%	15-24
Electronic	19	4.0%	19.2%	8-21
Digital	<u>375</u>	<u>79.1%</u>	<u>77.4%</u>	0-15
Total	474	100.0%	100.0%	

Sources: 1991 Telephone Company Annual Reports and Nebraska Public Service Commission 1992 Telephone Surveys.

ACCESS LINES

State of Nebraska

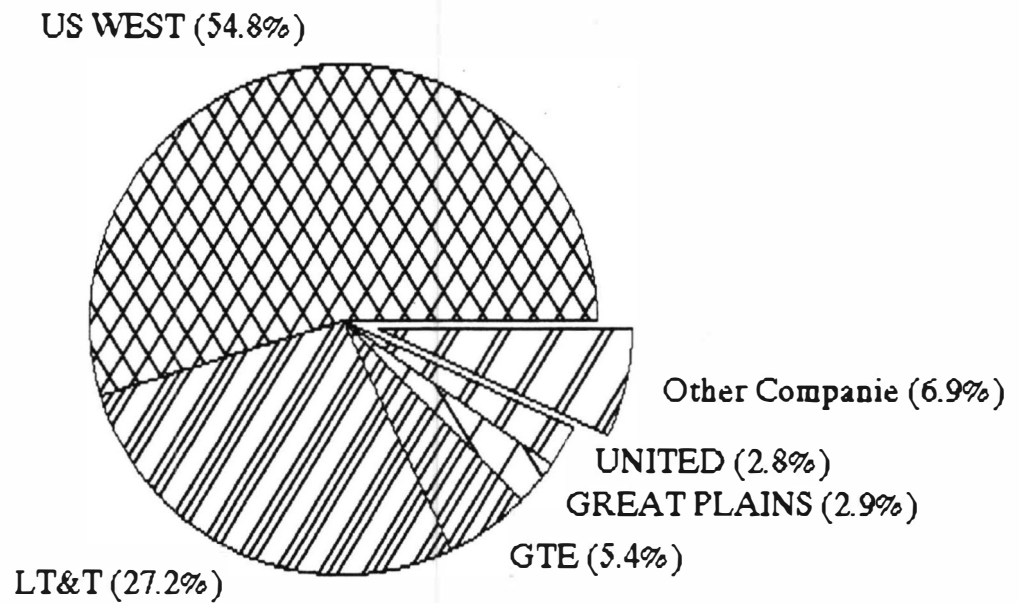


Table 5

ACCESS LINE & EXCHANGE DATA

1/1/92

COMPANY	ACCESS LINES			NUMBER OF EXCHANGES	COMPANY	ACCESS LINES			NUMBER OF EXCHANGES
	BUS.	RES.	TOTAL			BUS.	RES.	TOTAL	
US WEST	127,865	334,107	487,035	95	LT&T	55,395	168,164	241,385	137
LT&T	55,395	168,164	241,385	137	US WEST	127,865	334,107	487,035	95
GTE	11,718	34,713	48,164	37	GREAT PLAINS	4,849	20,426	25,806	51
GREAT PLAINS	4,849	20,426	25,806	51	GTE	11,718	34,713	48,164	37
UNITED	6,047	18,010	24,588	13	CONSOLIDATED	462	2,365	2,879	15
NEBRASKA CENTRAL	1,017	4,941	6,324	12	UNITED	6,047	18,010	24,588	13
BLAIR	1,107	4,392	5,594	3	NEBRASKA CENTRAL	1,017	4,941	6,324	12
HAMILTON	1,100	3,877	5,295	9	NORTHEAST NEBRASKA	464	3,379	3,958	12
SOUTHEAST NEBRASKA	650	3,266	3,975	2	HAMILTON	1,100	3,877	5,295	9
NORTHEAST NEBRASKA	464	3,379	3,958	12	GLENWOOD	415	2,215	2,652	9
CONSOLIDATED	462	2,365	2,879	15	EASTERN NEBRASKA	513	1,892	2,419	8
COZAD	540	2,084	2,709	1	CONSOLIDATED TELCO	280	1,218	1,514	5
GLENWOOD	415	2,215	2,652	9	DALTON	255	943	1,228	5
EASTERN NEBRASKA	513	1,892	2,419	8	THREE RIVER	149	1,021	1,176	5
PIERCE	252	1,440	1,761	2	DILLER	83	778	871	4
CONSOLIDATED TELCO	280	1,218	1,514	5	BLAIR	1,107	4,392	5,594	3
HARTINGTON	454	1,001	1,458	1	ARAPAHOE	192	852	1,058	3
DALTON	255	943	1,228	5	CLARKS	118	841	967	3
CAMBRIDGE	236	976	1,221	2	HARTMAN	0	428	431	3
THREE RIVER	149	1,021	1,176	5	SOUTHEAST NEBRASKA	650	3,266	3,975	2
HOOPER	226	934	1,169	2	PIERCE	252	1,440	1,761	2
PLAINVIEW	212	929	1,160	1	CAMBRIDGE	236	976	1,221	2
BENKELMAN	249	865	1,136	1	HOOPER	226	934	1,169	2
ARAPAHOE	192	852	1,058	3	ROCK COUNTY	219	808	1,042	2
STANTON	197	846	1,054	1	HOME	69	670	752	2
ROCK COUNTY	219	808	1,042	2	K&M	81	531	624	2
CLARKS	118	841	967	3	KEYSTONE-ARTHUR	59	501	617	2
ARLINGTON	127	804	939	1	COZAD	540	2,084	2,709	1
HENDERSON	196	697	907	1	HARTINGTON	454	1,001	1,458	1
DILLER	83	778	871	4	PLAINVIEW	212	929	1,160	1
HEMINGFORD	125	728	865	1	BENKELMAN	249	865	1,136	1
CURTIS	167	587	767	1	STANTON	197	846	1,054	1
HOME	69	670	752	2	ARLINGTON	127	804	939	1
HERSHEY	89	599	693	1	HENDERSON	196	697	907	1
WAUNETA	117	517	645	1	HEMINGFORD	125	728	865	1
K&M	81	531	624	2	CURTIS	167	587	767	1
KEYSTONE-ARTHUR	59	501	617	2	HERSHEY	89	599	693	1
PETERSBURG	51	385	438	1	WAUNETA	117	517	645	1
EUSTIS	62	369	434	1	PETERSBURG	51	385	438	1
HARTMAN	0	428	431	3	EUSTIS	62	369	434	1
ELSIE	28	171	200	1	ELSIE	28	171	200	1
SODTOWN	8	70	78	1	SODTOWN	8	70	78	1
TOTAL	216,443	624,340	887,988	460	TOTAL	216,443	624,340	887,988	460

3. EQUAL ACCESS

Equal access is a coding method which allows a subscriber to choose a particular long distance carrier to route and bill the subscriber's toll calls. In equal access exchanges, the subscriber selects a long distance carrier and accesses that carrier by simply dialing 1+ the called party's number. The local exchange carrier provides ballots for the subscriber to use in choosing his or her long distance carrier. The local exchange carrier codes the subscriber's access line to route toll calls to the selected long distance carrier. In an exchange where equal access is not available, only one long distance carrier can be coded for 1+ dialing and access to other long distance carriers is generally obtained by dialing toll free 800 numbers.

Equal access in Nebraska is offered in 238 local exchanges which serve 773,112 access lines and it is available to 87 percent of the total access lines. Table 6 lists the local exchanges which have or will have equal access by January 1, 1993, as well as the conversion date and number of access lines affected. The number of long distance carriers which appear on each equal access ballot depends on how many long distance carriers show interest in providing long distance service to the community being balloted.

Equal access is not available in Nebraska for intraLATA calls. For example, a Lincoln subscriber who has selected Sprint as her long distance carrier places a call to Hastings (an intraLATA call) by dialing 1+ a seven digit number. The local telephone company¹ (Lincoln Telephone) will complete and bill this toll call¹, not Sprint. However, a call placed by the same subscriber from Lincoln to Omaha (an interLATA call) would be completed and billed by Sprint. This unavailability of equal access on intraLATA calls confuses subscribers considerably.

¹ In addition, Lincoln Telephone in this example will bill at its rates, not Sprint's.

Table 6

1/1/93 EQUAL ACCESS EXCHANGES

Exchange	Company	Conversion Date	Access Lines	Exchange	Company	Conversion Date	Access Lines
Adams	LT&T	02-Dec-89	382	Chambers	K&M	12-Dec-90	448
* Albion	GTE	15-Feb-92	1629	Clarks	Clarks	15-Nov-89	460
Alexandria	LT&T	01-Dec-90	164	Clarkson	US West	19-Jan-91	631
Allen-Waterbury	US West	11-Feb-89	384	Clatonia	LT&T	01-Dec-90	206
Alliance	US West	18-May-91	5,518	Clay Center	LT&T	12-Dec-87	575
* Alma	GTE	25-Jul-92	829	Colon	LT&T	07-Dec-91	143
Alvo-Eagle	LT&T	02-Dec-89	789	Columbus	GTE	28-Feb-86	12,279
* Arapahoe	Arapahoe	01-May-92	774	Cook	LT&T	12-Dec-87	336
* Arnold	G. Plains	10-Jun-92	657	Cordova	LT&T	10-Nov-87	131
Ashland	LT&T	03-Dec-88	2,064	Cortland	LT&T	20-Jan-87	361
Atkinson	US West	09-Mar-90	1,294	Crab Orchard	LT&T	02-Dec-89	93
Auburn	LT&T	30-Jan-88	2,358	* Crawford	US West	11-Jul-92	1037
Avoca	LT&T	07-Dec-91	223	Crete	LT&T	28-Mar-87	2,929
Barneston	LT&T	28-Mar-87	156	Davenport	LT&T	12-Dec-87	358
Battle Creek	GTE	14-Dec-91	764	Davey	LT&T	02-Dec-89	373
* Bayard	United	13-Nov-92	979	David City	LT&T	30-May-87	1,744
Beatrice	LT&T	28-Mar-87	7,647	* Dawson	LT&T	05-Dec-92	211
Beaver City	GTE	27-Oct-90	505	Daykin	LT&T	01-Dec-90	229
Beaver Crossing	LT&T	02-Dec-89	340	Decatur	US West	31-Dec-89	403
Bellevue	US West	15-Mar-85	20,005	Denton	LT&T	02-Dec-89	320
Bellwood	LT&T	30-May-87	391	Deweese	LT&T	12-Dec-87	128
Benedict	LT&T	30-May-87	241	DeWitt	LT&T	01-Dec-90	471
Bennet	LT&T	02-Dec-89	587	* Dodge	G. Plains	10-Jun-92	599
Bennington	US West	07-Dec-85	846	Dorchester	LT&T	28-Mar-87	427
Big Springs	US West	13-Jul-91	466	Douglas	LT&T	01-Dec-90	173
Bradshaw	LT&T	30-May-87	244	Dubois	LT&T	05-Dec-90	160
Brainard	LT&T	12-Dec-87	382	Dunbar	LT&T	12-Dec-87	262
* Bridgeport	US West	28-Nov-92	1326	Duncan	GTE	24-Feb-90	329
Brock	LT&T	30-Jan-88	147	Dwight	LT&T	02-Dec-89	184
Broken Bow	US West	28-Sep-91	2,731	Edgar	LT&T	12-Dec-87	379
Brownville	LT&T	30-Jan-88	207	Edison	GTE	16-Dec-89	160
Brule	US West	10-Aug-91	333	* Elk Creek	LT&T	05-Dec-92	153
* Bruning	LT&T	05-Dec-92	292	Elkhorn-Waterloo	US West	25-Jan-86	3,786
Bruno	LT&T	30-May-87	223	Elmwood	LT&T	07-Dec-91	456
Brunswick	GTE	17-Nov-90	245	Elwood	US West	28-Sep-91	1,089
* Burchard	LT&T	05-Dec-92	180	Emerson	US West	31-Aug-91	593
Burr	LT&T	07-Dec-91	123	Exeter	LT&T	30-May-87	465
Cairo	US West	12-Mar-88	535	Fairbury	LT&T	01-Dec-90	3,068
* Callaway	G. Plains	10-Jun-92	532	Fairfield	LT&T	01-Dec-90	321
Carleton	LT&T	30-May-87	126	Fairmont	LT&T	30-May-87	433
* Cedar Bluffs	LT&T	05-Dec-92	462	Farnam	US West	21-Dec-91	199
Cedar Rapids	US West	19-Oct-91	654	Filley	LT&T	07-Dec-91	193
* Central City	US West	14-Mar-92	1938	Firth	LT&T	15-Nov-86	401
Ceresco	LT&T	30-May-87	511	Fremont	US West	13-Dec-86	14,475
Chadron	US West	30-Sep-89	3,991	Friend	LT&T	28-Mar-87	764

* 1992 Conversions

1/1/93 EQUAL ACCESS EXCHANGES

Exchange	Company	Conversion Date	Access Lines	Exchange	Company	Conversion Date	Access Lines
Garland	LT&T	02-Dec-89	221	* Louisville	LT&T	12-Dec-87	1,043
Geneva	LT&T	02-Apr-88	1,698	* Loup City	US West	14-Mar-92	961
Gering	United	25-Jun-88	4,395	Lyons	US West	18-May-91	812
Glenvil	LT&T	01-Dec-90	319	Malcolm	LT&T	02-Dec-89	473
Gordon	US West	31-Dec-89	1,721	Martell	LT&T	15-Nov-86	330
Gothenburg	US West	31-Aug-91	2,174	* McCook	US West	18-Jul-92	5170
Grafton	LT&T	07-Dec-91	139	McCool Junction	LT&T	07-Dec-91	381
Grand Island	US West	12-Mar-88	25,175	Mead	LT&T	03-Dec-88	372
Greenwood	LT&T	02-Dec-89	310	Milford	LT&T	02-Dec-89	1,317
Gresham	LT&T	07-Dec-91	256	* Milligan	LT&T	05-Dec-92	296
Gretna	US West	07-Dec-85	1,693	* Minatare	United	14-Feb-92	1121
Guide Rock	LT&T	07-Dec-91	288	* Minden	US West	01-Aug-92	1873
Hallam	LT&T	20-Jan-87	223	Monroe	GTE	24-Feb-90	265
Hansen	LT&T	15-Nov-86	313	Morrill	United	25-Jun-88	1,110
* Hardy	LT&T	05-Dec-92	155	Murdock	LT&T	12-Dec-87	286
Harvard	LT&T	15-Nov-86	547	Murray	LT&T	01-Dec-90	842
* Harrison	US West	30-May-92	345	Nebraska City	LT&T	28-Mar-87	4,055
Hastings	LT&T	15-Nov-86	13,266	Nehawka	LT&T	30-May-87	238
Heartwell	GTE	27-Jan-90	118	Neligh	GTE	26-Jan-91	1,306
Hebron	LT&T	30-May-87	1,293	Nelson	LT&T	12-Dec-87	590
* Hendley	Arapahoe	01-May-92	64	Nemaha	LT&T	30-Jan-88	142
Hickman	LT&T	02-Dec-89	774	Norfolk	US West	11-Feb-89	13,549
* Holbrook	Arapahoe	01-May-92	220	* North Bend	G. Plains	10-Jun-92	968
Holdrege	US West	16-Nov-91	3,671	North Platte	US West	31-Dec-88	14,403
Howells	US West	19-Jan-91	611	Oakland	US West	12-Jan-90	994
Humboldt	LT&T	07-Dec-91	845	* Oconto	G. Plains	10-Jun-92	286
Humphrey-Creston	US West	11-Feb-89	1,006	Octavia	LT&T	30-May-87	122
Inman	K&M	12-Dec-90	176	* Ohioa	LT&T	05-Dec-92	172
Ithica	LT&T	07-Dec-91	148	Omaha-135th St	US West	12-Jul-86	27,975
Jansen	LT&T	01-Dec-90	157	Omaha-156th St	US West	04-May-85	15,801
Johnson	LT&T	02-Dec-89	369	Omaha-78th St	US West	27-Apr-85	14,066
Julian	LT&T	30-Jan-88	86	Omaha-84th St	US West	22-Feb-86	30,826
Juniata	LT&T	03-Dec-88	558	Omaha-90th St	US West	15-Jun-85	37,274
Kearney	GTE	31-Jan-86	17,402	Omaha-Douglas	US West	13-Apr-85	58,747
Kenesaw	LT&T	15-Nov-86	489	Omaha-Fort	US West	15-May-85	22,160
Kimball	United	15-Nov-91	1,982	Omaha-Fowler	US West	07-Dec-85	24,368
Laurel	US West	11-Feb-89	741	Omaha-Izard	US West	29-Jun-85	37,060
Lexington	US West	26-Jan-90	4,527	Omaha-O St	US West	18-Jan-86	23,859
Liberty	LT&T	28-Mar-87	141	* Ong	LT&T	05-Dec-92	88
Lincoln-15th&M	LT&T	15-Nov-86	73,222	Orchard	GTE	29-Jul-89	482
Lincoln-27th&OC	LT&T	15-Nov-86	13,292	Orleans	GTE	23-Jun-90	365
Lincoln-48th&South	LT&T	15-Nov-86	27,086	Osceola	LT&T	12-Dec-87	756
Lincoln-49th&Walker	LT&T	15-Nov-86	22,358	Otoe	LT&T	12-Dec-87	125
Lincoln-Air Park	LT&T	06-Jan-87	1,507	* Overton	US West	18-Apr-92	491
Lindsay	GTE	29-Jul-89	392	* Oxford	US West	14-Nov-92	614

1/1/93 EQUAL ACCESS EXCHANGES

Exchange	Company	Conversion Date	Access Lines	Exchange	Company	Conversion Date	Access Lines
O'Neill	US West	31-Dec-89	2,938				
Palmyra	LT&T	02-Dec-89	412	* St. Paul	US West	25-Apr-92	1376
Panama	LT&T	01-Dec-90	231	Sumner	GTE	23-Feb-91	210
Pawnee City	LT&T	01-Dec-90	782	Superior	LT&T	12-Dec-87	1,606
Pender	US West	12-Jan-90	1,081	Surprise	LT&T	12-Dec-87	96
Peru	LT&T	02-Dec-89	468	* Sutherland	G. Plains	10-Jun-92	754
Pickrell	LT&T	03-Dec-88	281	Sutton	LT&T	01-Dec-90	1,090
Pilger	US West	11-Feb-89	374	Swanton	LT&T	01-Dec-90	114
Platte Center	GTE	28-Feb-86	480	Syracuse	LT&T	02-Dec-89	1,204
Plattsmouth	LT&T	30-May-87	3,942	Table Rock	LT&T	12-Dec-87	265
Pleasant Dale	LT&T	02-Dec-89	284	* Talmage	LT&T	05-Dec-92	227
Pleasanton	GTE	13-Dec-86	366	Tamora	LT&T	02-Dec-89	203
Plymouth	LT&T	28-Mar-87	408	Tecumseh	LT&T	02-Dec-89	1,403
Polk	LT&T	30-May-87	407	Tekamah	US West	17-Nov-90	1,281
Raymond	LT&T	15-Nov-86	339	* Tobias	LT&T	05-Dec-92	150
Republican City	GTE	18-Nov-89	304	* Tryon	G. Plains	10-Jun-92	240
Rising City	LT&T	01-Dec-90	336	Ulysses	Clarks	15-Nov-89	235
Riverdale	GTE	31-Jan-86	240	* Unadilla	LT&T	05-Dec-92	265
Ruskin	LT&T	03-Dec-88	159	Union	LT&T	28-Mar-87	417
Scottsbluff	United	25-Jun-88	10,653	Utica	LT&T	10-Nov-87	510
* Scribner	G. Plains	10-Jun-92	775	* Valentine	US West	10-Oct-92	2224
Seward	LT&T	28-Mar-87	3,598	Valley	US West	26-Mar-88	1,950
Shelby	LT&T	12-Dec-87	550	Valparaiso	LT&T	15-Nov-86	492
* Shickley	LT&T	05-Dec-92	356	* Waco	LT&T	05-Dec-92	321
Sidney	US West	03-Dec-88	4,297	Wahoo	LT&T	30-May-87	2,333
* Snyder	G. Plains	10-Jun-92	315	Wakefield	US West	11-Feb-89	874
So. Sioux-Dak. City	US West	11-Feb-89	6,683	Waverly	LT&T	02-Apr-88	1,156
Springfield	US West	26-Mar-88	1,142	Wayne	US West	21-Apr-90	3,461
Staplehurst	Clarks	15-Nov-89	272	Weeping Water	LT&T	30-May-87	802
* Stapleton	G. Plains	10-Jun-92	413	Western	LT&T	12-Dec-87	235
Steele City	LT&T	05-Dec-90	98	Wilber	LT&T	01-Dec-90	1,080
* Steinauer	LT&T	05-Dec-92	124	Winside	US West	11-Feb-89	368
Sterling	LT&T	12-Dec-87	469	Wood River	US West	12-Mar-88	817
Stromsburg	LT&T	12-Dec-87	855	Wymore	LT&T	01-Dec-90	1,148
Stuart	US West	16-Nov-91	509	York	LT&T	30-May-87	5,120
St. Libory	US West	12-Mar-88	353	Yutan	LT&T	07-Dec-91	675

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773,112

* 1992 Conversions

4. EAS AND LINCOLN TELEPHONE COMPANY ELCA PLAN.

Extended area service (EAS) allows a subscriber in one exchange to place and receive two-way switched telecommunications to and from subscribers in other exchanges without paying toll charges. The Commission approved rules in the spring of 1991 establishing a procedure for a community of interest to petition for EAS. Since the rate was implemented, there has been one attempt to use the petition process; in that case, a 2-way community of interest was not established. Currently, balloting is taking place to determine if one exchange is willing to pay all of the cost for EAS. Local exchange companies may also seek establishment of EAS.

Last year, Lincoln Telephone implemented a new optional extended area service calling package at the Commission's direction. As the result of an investigation pursuant to docket C-801, the Commission ordered Lincoln Telephone to develop a new calling plan which would remove disparities in service and costs between Lincoln Telephone local exchanges. Lincoln Telephone responded initially with a local measured service plan which was subjected to numerous hearings held throughout the company's territory. Public reaction to the local measured service concept was unfavorable. The Commission rejected it and ordered Lincoln Telephone to offer a new plan. In response, Lincoln Telephone designed the Enhanced Local Calling Area (ELCA) plan which allows subscribers to tailor their EAS, long distance service, and rate options to best suit their specific needs. ELCA went into effect in 1991 and the rates implemented were intended to be revenue neutral, meaning no increase in annual revenues was to be realized by the company due to the plan. The Commission's Communications Department is now auditing Lincoln Telephone to determine whether the plan was revenue neutral.

Table 7

1/1/92

EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					TOTAL
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	
ADAMS	LT&T	0	0	46	3	328	0	5	382
AINSWORTH	US WEST	1	1	335	16	1,197	0	29	1,577
ALBION	GTE	1	1	359	13	1,250	0	7	1,629
ALEXANDRIA	LT&T	2	0	7	2	152	0	3	164
ALLEN-WATERBURY	US WEST	1	1	50	4	324	0	6	384
ALLIANCE	US WEST	1	1	1,007	39	4,416	0	56	5,518
ALMA	GTE	3	3	201	11	611	0	6	829
ALVO-EAGLE	LT&T	19	19	47	5	736	0	1	789
AMHERST	GTE	2	2	15	1	279	0	0	295
ANSELMO	CONSOLIDATED	1	1	21	2	200	0	0	223
ANSLEY	NEBRASKA CENTRAL	1	1	66	4	459	0	19	548
ARAPAHOE	ARAPAHOE	2	2	156	3	606	9	0	774
ARCADIA	NEBRASKA CENTRAL	0	0	47	3	286	0	22	358
ARCHER	GREAT PLAINS	3	3	23	0	78	0	0	101
ARLINGTON	ARLINGTON	1	1	127	8	804	0	0	939
ARNOLD	GREAT PLAINS	0	0	131	2	515	0	9	657
ARTHUR	CONSOLIDATED	0	0	37	2	188	0	0	227
ASHBY	CONSOLIDATED	3	3	11	1	70	0	0	82
ASHLAND	LT&T	0	0	268	75	1,702	0	19	2,064
ASETON	US WEST	1	1	15	1	174	0	8	198
ATKINSON	US WEST	2	2	223	8	1,050	0	13	1,294
ATLANTA	US WEST	1	1	9	0	95	0	17	121
AUBURN	LT&T	0	5	424	31	1,875	6	22	2,358
AURORA	HAMILTON	8	8	833	29	1,929	23	56	2,870
AVOCA	LT&T	2	2	16	1	199	0	7	223
AXTELL	US WEST	2	2	71	3	358	0	5	437
BANCROFT	GREAT PLAINS	0	0	86	3	392	0	5	486
BARNESTON	LT&T	3	3	10	3	138	0	5	156
BARTLETT	NORTHEAST NEBRASKA	0	0	35	3	109	0	16	163
BARTLEY	CAMBRIDGE	1	1	34	1	203	0	0	238
BASSETT	ROCK COUNTY	1	1	202	7	623	7	0	839
BATTLE CREEK	GTE	2	2	101	1	661	0	1	764
BAYARD	UNITED	6	6	137	3	839	0	0	979
BEATRICE	LT&T	2	6	1,328	122	6,085	51	61	7,647
BEAVER CITY	GTE	0	0	93	3	407	0	2	505
BEAVER CROSSING	LT&T	1	0	17	2	316	0	5	340
BEEMER	GREAT PLAINS	1	1	126	6	410	0	4	546
BELDEN	EASTERN NEBRASKA	0	0	22	1	100	0	0	123
BELGRADE (SEE CEDAR RAPIDS)	US WEST	2	2						0
BELLWOOD	LT&T	1	0	27	3	359	0	2	391
BENEDICT	LT&T	1	0	22	2	215	0	2	241
BENKELMAN	BENKELMAN	0	0	249	10	865	12	0	1,136
BENNET	LT&T	19	19	42	3	541	0	1	587
BENNINGTON	US WEST	6	6	76	5	752	0	13	846
BERTRAND	GTE	1	1	86	3	520	0	1	610

1/1/92

EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					TOTAL
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	
BIG SPRINGS	US WEST	1	1	72	44	335	0	15	466
BINGHAM	CONSOLIDATED	3	3	3	1	49	0	0	53
BLADEN	GLENWOOD	8	8	20	2	159	0	0	181
BLAIR	BLAIR	3	3	989	28	3,531	62	0	4,610
BLOOMFIELD	GREAT PLAINS	0	0	222	4	923	0	8	1,157
BLOOMINGTON	GTE	2	2	8	2	132	0	0	142
BLUE HILL	GLENWOOD	8	8	189	4	615	7	0	815
BOELUS	US WEST	3	3	10	0	160	0	5	175
BRADSHAW	LT&T	1	0	34	4	204	0	2	244
BRADY	HOME	0	0	33	3	384	0	1	421
BRAINARD	LT&T	1	1	34	6	337	0	5	382
BREWSTER	CONSOLIDATED	3	3	16	2	89	0	0	107
BRIDGEPORT	US WEST	0	0	259	14	1,016	0	37	1,326
BRISTOW (SEE SPENCER)	US WEST	3	3						0
BROADWATER	UNITED	0	0	27	1	152	0	0	180
BROCK	LT&T	1	0	13	1	127	0	6	147
BROKEN BOW	US WEST	0	0	616	24	2,061	0	30	2,731
BROWNLEE	CONSOLIDATED	4	4	3	0	77	0	0	80
BROWNVILLE	LT&T	1	0	77	10	115	0	5	207
BRULE	US WEST	2	2	52	4	266	0	11	333
BRUNING	LT&T	1	0	42	3	246	0	1	292
BRUNO	LT&T	1	0	10	1	210	0	2	223
BRUNSWICK	GTE	2	2	36	1	208	0	0	245
BURCHARD	LT&T	1	0	22	2	153	0	3	180
BURR	LT&T	0	0	13	1	101	0	8	123
BURWELL	NEBRASKA CENTRAL	4	4	285	20	986	23	51	1,365
BUSHNELL	DALTON	0	0	39	4	139	0	0	182
BUTTE	US WEST	3	3	65	2	304	0	5	376
BYRON	GREAT PLAINS	1	1	24	1	189	0	0	214
CAIRO	US WEST	2	2	52	4	471	0	8	535
CALLAWAY	GREAT PLAINS	0	0	99	1	423	0	9	532
CAMBRIDGE	CAMBRIDGE	1	1	202	8	773	0	0	983
CAMPBELL	GLENWOOD	8	8	50	3	239	0	0	292
CARLETON	LT&T	1	0	18	2	104	0	2	126
CARROLL	EASTERN NEBRASKA	0	0	27	1	255	0	0	283
CEDAR BLUFFS	LT&T	1	0	36	4	421	0	1	462
CEDAR RAPIDS-PRIMROSE-BELGRADE	US WEST	2	2	88	3	543	0	20	654
CENTER	GREAT PLAINS	0	0	47	2	83	0	5	137
CENTRAL CITY	US WEST	2	2	367	15	1,538	0	18	1,938
CERESCO	LT&T	20	19	52	4	449	0	6	511
CHADRON	US WEST	2	2	1,394	49	2,441	0	107	3,991
CHAMBERS	K&M	2	2	64	4	378	1	1	448
CHAPMAN	GREAT PLAINS	2	2	35	2	279	0	0	316
CHAPPELL	UNITED	0	0	161	8	599	0	0	768
CHESTER-HUBBELL-REYNOLDS	GREAT PLAINS	0	0	82	8	370	0	0	460

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EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					TOTAL
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	
CLARKS	CLARKS	0	0	70	3	384	3	0	460
CLARKSON	US WEST	0	0	71	1	550	0	9	631
CLATONIA	LT&T	1	1	24	2	176	0	4	206
CLAY CENTER	LT&T	0	5	143	9	412	0	11	575
CLEARWATER	NORTHEAST NEBRASKA	0	0	72	1	398	12	9	492
CODY	US WEST	0	0	27	2	171	0	7	207
COLERIDGE	NORTHEAST NEBRASKA	0	0	74	3	426	0	28	531
COLON	LT&T	1	0	6	1	132	0	4	143
COLUMBUS	GTE	3	3	2,817	103	9,091	2	266	12,279
COMSTOCK	NEBRASKA CENTRAL	1	1	11	1	144	0	5	161
COOK	LT&T	1	0	33	2	295	0	6	336
CORDOVA	LT&T	1	0	13	3	111	0	4	131
CORTLAND	LT&T	19	19	11	4	345	0	1	361
COTESFIELD	GREAT PLAINS	2	2	12	1	77	0	0	90
COZAD	COZAD	0	0	540	17	2,084	0	68	2,709
CRAB ORCHARD	LT&T	1	0	5	1	80	0	7	93
CRAIG	NORTHEAST NEBRASKA	0	0	15	3	270	0	5	293
CRAWFORD-WHITNEY	US WEST	3	3	142	10	871	0	14	1,037
CREIGHTON	GREAT PLAINS	1	1	189	5	800	0	24	1,018
CRESTON (SEE HUMPHREY)	US WEST	2	2						0
CRETE	LT&T	0	1	480	69	2,366	0	14	2,929
CROFTON	GREAT PLAINS	0	0	127	8	771	0	5	911
CROOKSTON	US WEST	1	1	7	0	133	0	5	145
CULBERTSON	US WEST	1	1	61	4	500	0	6	571
CURTIS	CURTIS	1	1	84	8	383	0	5	480
CURTIS	CURTIS	1	1	83	0	204	0	0	287
DAKOTA CITY (SEE S. SIOUX CITY)	US WEST	2	2						0
DALTON	DALTON	0	0	67	10	264	0	0	341
DANBURY	HARTMAN	1	1	0	1	72	0	0	73
DANNEBROG	US WEST	3	3	27	1	292	0	4	324
DAVENPORT	LT&T	0	0	59	2	295	0	2	358
DAVEY	LT&T	19	19	25	3	344	0	1	373
DAVID CITY	LT&T	1	6	310	37	1,373	2	22	1,744
DAWSON	LT&T	1	0	23	3	183	0	2	211
DAYKIN	LT&T	1	0	24	3	198	0	4	229
DECATUR	US WEST	2	2	43	4	348	0	8	403
DENTON	LT&T	19	19	10	3	306	0	1	320
DESHLER	GREAT PLAINS	1	1	106	3	560	0	8	677
DEWEESE	LT&T	2	0	9	2	116	0	1	128
DEWITT	LT&T	2	1	57	4	403	0	7	471
DILLER	DILLER	2	2	27	3	253	0	0	283
DIX	DALTON	0	0	43	3	126	0	0	172
DIXON	NORTHEAST NEBRASKA	0	0	38	2	259	0	1	300
DODGE	GREAT PLAINS	3	3	110	2	486	0	1	599
DONIPHAN	HAMILTON	7	7	122	5	473	6	2	608
DORCHESTER	LT&T	1	0	36	3	383	0	5	427

1/1/92

EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	TOTAL
DOUGLAS	LT&T	1	1	13	2	157	0	1	173
DUBOIS	LT&T	1	1	12	1	144	0	3	160
DUNBAR	LT&T	1	1	14	2	242	0	4	262
DUNCAN	GTE	1	1	29	3	296	0	1	329
DUNNING	CONSOLIDATED	3	3	20	6	155	0	0	181
DWIGHT	LT&T	2	1	11	2	166	0	5	184
EDGAR	LT&T	1	0	66	4	307	0	2	379
EDISON	GTE	1	1	28	1	130	0	1	160
ELBA	US WEST	3	3	17	1	135	0	4	157
ELGIN	GREAT PLAINS	1	1	135	4	623	0	5	767
ELK CREEK	LT&T	1	0	16	0	134	0	3	153
ELKHORN-WATERLOO	US WEST	6	6	520	28	3,202	0	36	3,786
ELM CREEK	US WEST	2	2	79	9	581	0	8	677
ELMWOOD	LT&T	1	1	44	3	404	0	5	456
ELSIE	ELSIE MUTUAL	0	0	28	1	171	0	0	200
ELWOOD	US WEST	1	1	128	6	944	0	11	1,089
EMERSON	US WEST	0	0	70	2	511	0	10	593
ERICSON	NEBRASKA CENTRAL	2	2	30	3	162	0	2	197
EUSTIS	EUSTIS	0	0	62	1	371	0	0	434
EWING	GREAT PLAINS	2	2	79	4	296	0	16	395
EXETER	LT&T	0	1	64	3	396	0	2	465
FAIRBURY	LT&T	0	4	502	39	2,490	14	23	3,068
FAIRFIELD	LT&T	1	1	46	1	261	0	13	321
FAIRMONT	LT&T	1	0	65	5	361	0	2	433
FALLS CITY	SOUTHEAST NEBRASKA	1	1	606	22	2,733	14	15	3,390
FARNAM	US WEST	0	0	25	1	166	0	7	199
FARWELL	US WEST	3	3	13	1	130	0	4	148
FILLEY	LT&T	1	0	18	2	168	0	5	193
FIRTH	LT&T	19	19	37	5	358	0	1	401
FORT CALHOUN	BLAIR	2	2	92	4	593	0	0	689
FRANKLIN	GTE	3	3	194	5	634	0	2	835
FREMONT	US WEST	0	0	2,901	146	11,288	0	140	14,475
FRIEND	LT&T	0	0	116	9	634	0	5	764
FULLERTON	US WEST	1	1	158	9	789	0	11	967
FUNK	GLENWOOD	3	3	27	1	255	0	0	283
GARLAND	LT&T	1	0	12	3	203	0	3	221
GENEVA	LT&T	0	4	409	19	1,244	10	16	1,698
GENOA	GTE	1	1	111	6	586	0	0	703
GERING	UNITED	6	6	933	15	3,441	0	6	4,395
GIBBON	NEBRASKA CENTRAL	1	1	181	12	897	0	54	1,144
GILTNER	HAMILTON	5	5	54	3	270	0	1	328
GLENVIL	LT&T	1	1	25	2	278	0	14	319
GORDON	US WEST	1	1	342	19	1,330	0	30	1,721
GO THENBURG	US WEST	0	0	424	21	1,714	0	15	2,174
GRAFTON	LT&T	1	0	22	2	111	0	4	139

1/1/92

EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	TOTAL
GRAND ISLAND	US WEST	6	6	6,763	206	16,852	0	1,354	25,175
GRANT	GREAT PLAINS	0	0	267	9	745	0	45	1,066
GREELEY	GTE	3	3	76	1	278	0	3	358
GREENWOOD	LT&T	19	19	25	2	283	0	0	310
GRESHAM	LT&T	1	1	22	1	230	0	3	256
GREYNA	US WEST	6	6	224	21	1,437	0	11	1,693
GUIDE ROCK	LT&T	0	0	27	2	255	0	4	288
GURLEY	DALTON	0	0	46	4	138	0	0	188
HAIGLER	HARTMAN	0	0	0	1	198	0	0	199
HALLAM	LT&T	19	19	18	4	198	0	3	223
HALSEY	CONSOLIDATED	5	5	28	3	76	0	0	107
HAMPTON	HAMILTON	4	4	88	5	290	0	8	391
HANSEN	LT&T	5	5	37	1	261	0	14	313
HARBINE	DILLER	2	2	6	1	110	0	0	117
HARDY	LT&T	1	1	24	2	125	0	4	155
HARRISON	US WEST	2	2	53	4	279	0	9	345
HARTINGTON	HARTINGTON	0	0	454	0	1,001	2	1	1,458
HARVARD	LT&T	1	0	62	4	471	0	10	547
HASTINGS	LT&T	4	4	2,675	210	10,058	161	162	13,266
HAY SPRINGS	GREAT PLAINS	1	1	91	3	457	0	18	569
HAYES CENTER	GREAT PLAINS	1	1	56	2	239	0	8	305
HEARTWELL	GTE	1	1	21	1	94	0	2	118
HEBRON	LT&T	0	3	270	17	983	1	22	1,293
HEMINGFORD	HEMINGFORD COOP	1	1	125	12	728	0	0	865
HENDERSON	HENDERSON COOP	0	0	196	9	697	5	0	907
HENDLEY	ARAPAHOE	2	2	9	1	54	0	0	64
HERMAN	GREAT PLAINS	1	1	80	2	335	0	0	417
HERSHEY	HERSHEY COOP	0	0	89	5	599	0	0	693
HICKMAN	LT&T	19	19	49	5	719	0	1	774
HILDRETH	GTE	1	1	45	1	304	0	0	350
HOLBROOK	ARAPAHOE	2	2	27	1	192	0	0	220
HOLDREGE	US WEST	3	3	839	31	2,753	0	48	3,671
HOLSTEIN	GLENWOOD	8	8	21	1	194	0	0	216
HOMER	US WEST	2	2	41	2	355	0	10	408
HOOPER	HOOPER	1	1	173	2	727	0	5	907
HORDVILLE	HAMILTON	5	5	21	1	124	0	0	146
HOSKINS	PIERCE	1	1	34	3	303	0	5	345
HOWELLS	US WEST	0	0	72	2	526	0	11	611
HUBBELL (SEE CHESTER)	GREAT PLAINS	0	0						
HUMBOLDT	LT&T	0	1	124	10	703	0	8	845
HUMPHREY-CRESTON	US WEST	2	2	137	6	854	0	9	1,006
HYANNIS	CONSOLIDATED	3	3	70	7	263	0	0	340
IMPERIAL	GREAT PLAINS	0	0	440	10	1,298	0	27	1,775
INDIANOLA	GREAT PLAINS	0	0	91	4	445	0	10	550
INMAN	K&M	2	2	17	0	153	0	6	176

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EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					TOTAL
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	
ITHACA	LT&T	1	0	16	1	128	0	3	148
JACKSON	NORTHEAST NEBRASKA	0	0	71	4	396	0	1	472
JANSEN	LT&T	1	0	17	2	135	0	3	157
JOHNSON	LT&T	1	0	33	3	328	0	5	369
JOHNSTOWN	THREE RIVER	0	0	14	0	106	0	0	120
JULIAN	LT&T	1	0	6	1	75	0	4	86
JUNIATA	LT&T	4	4	49	3	492	0	14	558
KEARNEY	GTE	4	4	5,610	141	10,667	5	979	17,402
KENESAW	LT&T	4	4	53	6	418	0	12	489
KENNARD	BLAIR	3	3	26	1	268	0	0	295
KEYSTONE	KEYSTONE-ARTHEUR	1	1	39	16	149	41	0	245
KILGORE	GREAT PLAINS	0	0	17	1	82	0	0	100
KIMBALL	UNITED	0	0	549	20	1,397	0	16	1,982
LAUREL	US WEST	0	0	111	8	617	0	5	741
LAWRENCE	GLENWOOD	8	8	40	1	300	0	0	341
LEBANON	HARTMAN	1	1	0	1	158	0	0	159
LEIGH	GTE	0	0	62	2	442	0	1	507
LEMOYNE	KEYSTONE-ARTHEUR	1	1	20	0	352	0	0	372
LEWELLEN	UNITED	1	1	61	2	279	0	0	342
LEXINGTON	US WEST	2	2	1,012	66	3,404	0	45	4,527
LIBERTY	LT&T	3	3	5	2	129	0	5	141
LINCOLN 27TH & OLD CHENEY(421)	LT&T	19	19	610	51	4,118	0	9	4,788
LINCOLN 27TH & OLD CHENEY(423)	LT&T	19	19	1,154	30	7,306	0	14	8,504
LINCOLN 400 SOUTH 84TH(48X)	LT&T	19	19	SEE 48TH & SOUTH					0
LINCOLN 48TH & SOUTH(48X)	LT&T	19	19	3,665	217	23,199	0	5	27,086
LINCOLN 49TH & WALKER(46X)	LT&T	19	19	4,616	359	17,382	0	1	22,358
LINCOLN 84TH & OLD CHENEY(48X)	LT&T	19	19	SEE 48TH & SOUTH					0
LINCOLN AIR PARK(470)	LT&T	19	19	148	23	1,336	0	0	1,507
LINCOLN COD & ARL(435/476/477)	LT&T	19	19	SEE M STREET					0
LINCOLN FLETCHER(435/476/477)	LT&T	19	19	SEE M STREET					0
LINCOLN M STREET	LT&T	19	19	11,533	906	22,528	4,788	9,013	48,768
LINCOLN M STREET(471/472)	LT&T	19	19	12,540	0	0	0	44	12,584
LINCOLN M STREET(474/475)	LT&T	19	19	4,507	31	7,321	0	11	11,870
LINDSAY	GTE	2	2	70	12	284	0	26	392
LINWOOD-MORSE BLUFFS	NORTHEAST NEBRASKA	2	2	25	4	276	0	2	307
LITCHFIELD	US WEST	0	0	27	2	235	0	5	269
LODGEPOLE	DALTON	0	0	60	9	276	0	0	345
LONG PINE	US WEST	1	1	30	2	277	0	5	314
LOOMIS	US WEST	2	2	48	3	294	0	5	350
LOUISVILLE	LT&T	0	0	105	22	906	0	10	1,043
LOUP CITY	US WEST	1	1	168	12	768	0	13	961
LYMAN	UNITED	6	6	55	1	320	0	0	376
LYNCH	THREE RIVER	0	0	45	2	267	0	0	314
LYONS	US WEST	3	3	123	4	670	0	15	812
MACY	EASTERN NEBRASKA	3	3	69	1	83	0	0	153

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EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					TOTAL
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	
MADISON	GTE	0	0	232	17	1,063	0	16	1,328
MADRID	CONSOLIDATED TELCO	0	0	51	3	180	0	0	234
MALCOLM	LT&T	19	19	19	7	445	0	2	473
MARQUETTE	HAMILTON	5	5	40	1	268	0	0	309
MARTELL	LT&T	19	19	22	4	304	0	0	330
MARTINSBURG	NORTHEAST NEBRASKA	2	2	5	1	83	0	0	89
MASON CITY	US WEST	1	1	16	1	174	0	5	196
MAXWELL	HOME	0	0	36	8	286	0	1	331
MAYWOOD	CONSOLIDATED TELCO	2	2	52	2	246	0	0	300
McCOOK	US WEST	1	1	1,215	55	3,823	0	77	5,170
McCOOL JUNCTION	LT&T	1	0	49	3	324	0	5	381
MEAD	LT&T	1	1	66	8	295	0	3	372
MEADOW GROVE	EASTERN NEBRASKA	2	2	30	2	285	0	0	317
MERNA	CONSOLIDATED	1	1	45	2	298	0	0	345
MERRIMAN	GREAT PLAINS	0	0	37	2	128	0	5	172
MILFORD	LT&T	1	0	158	29	1,100	0	30	1,317
MILLER	GTE	2	2	11	2	126	0	0	139
MILLIGAN	LT&T	0	0	35	1	258	0	2	296
MINATARE	UNITED	6	6	119	8	994	0	0	1,121
MINDEN	US WEST	3	3	331	15	1,507	0	20	1,873
MIRAGE FLATS	GREAT PLAINS	1	1	21	0	134	0	0	155
MITCHELL	UNITED	6	6	218	3	1,221	0	0	1,442
MONROE	GTE	3	3	48	0	217	0	0	265
MORRILL	UNITED	6	6	218	8	883	0	1	1,110
MULLEN	CONSOLIDATED	0	0	98	5	418	0	0	521
MURDOCK	LT&T	1	1	19	2	259	0	6	286
MURRAY	LT&T	1	0	51	6	775	0	10	842
NAPER	THREE RIVER	0	0	19	1	199	0	0	219
NAPONEE	GTE	2	2	11	1	110	0	0	122
NEBRASKA CITY	LT&T	0	5	771	68	3,147	12	57	4,055
NEHAWKA	LT&T	0	0	26	5	204	0	3	238
NELIGH	GTE	2	2	359	7	932	0	8	1,306
NELSON	LT&T	0	1	77	8	503	0	2	590
	LT&T	1	0	6	1	130	0	5	142
NEWCASTLE	NORTHEAST NEBRASKA	2	2	45	1	285	0	4	335
NEWMAN GROVE	GTE	2	2	104	5	550	0	1	660
NEWPORT	ROCK COUNTY	1	1	17	1	185	0	0	203
NIOBRARA	GREAT PLAINS	0	0	89	6	306	0	9	410
NORFOLK	US WEST	1	1	3,225	185	10,825	0	314	14,549
NORMAN	GLENWOOD	9	9	10	0	100	0	0	110
NORTH BEND	GREAT PLAINS	3	3	219	10	733	0	6	968
NORTH BURWELL	NEBRASKA CENTRAL	3	3	13	0	104	0	6	123
NORTH LOUP	NEBRASKA CENTRAL	2	2	66	2	280	17	9	374
NORTH PLATTE	US WEST	0	0	3,306	176	10,681	0	240	14,403
OAKDALE	GREAT PLAINS	1	1	32	1	173	0	0	206

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EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					TOTAL
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	
OAKLAND	US WEST	3	3	142	8	833	0	11	994
OBERT	NORTHEAST NEBRASKA	2	2	8	0	112	0	1	121
OCONTO	GREAT PLAINS	0	0	43	3	239	0	1	286
OCTAVIA	LT&T	1	0	3	0	117	0	2	122
ODELL	DILLER	2	2	40	5	341	0	0	386
OGALLALA	US WEST	1	1	908	100	2,515	0	35	3,558
OHIOWA	LT&T	1	0	16	1	150	0	5	172
OMAHA-135TH STREET	US WEST	6	6	10,130	215	17,483	0	147	27,975
OMAHA-156TH STREET	US WEST	6	6	2,719	144	11,921	0	1,017	15,801
OMAHA-78TH STREET	US WEST	6	6	1,685	144	11,529	0	708	14,066
OMAHA-84TH STREET	US WEST	6	6	9,241	281	20,498	0	806	30,826
OMAHA-90TH STREET	US WEST	6	6	17,140	240	19,498	0	396	37,274
OMAHA-BELLEVUE	US WEST	6	6	3,887	137	15,886	0	95	20,005
OMAHA-DOUGLAS	US WEST	6	6	28,537	346	18,783	2	11,079	58,747
OMAHA-FORT STREET	US WEST	6	6	4,516	102	16,482	0	1,060	22,160
OMAHA-FOWLER ST.	US WEST	6	6	2,333	197	21,150	0	688	24,368
OMAHA-IZARD STREET	US WEST	6	6	7,156	353	28,921	0	630	37,060
OMAHA-O STREET	US WEST	6	6	3,863	258	19,222	0	516	23,859
O'NEILL	US WEST	8	8	676	30	2,167	0	65	2,938
ONG	LT&T	1	0	5	1	80	0	2	88
ORCHARD	GTE	2	2	86	2	390	0	4	482
ORD	GTE	2	2	443	10	1,466	0	23	1,942
ORLEANS	GTE	3	3	58	1	306	0	0	365
OSCEOLA	LT&T	0	1	147	4	600	0	5	756
OSHKOSH	UNITED	1	1	195	7	725	0	0	927
OSMOND	EASTERN NEBRASKA	0	0	136	3	447	0	0	586
OTOE	LT&T	2	0	7	1	112	0	5	125
OVERTON	US WEST	2	2	63	14	406	0	8	491
OXFORD	US WEST	1	1	121	4	475	0	14	614
PAGE	GREAT PLAINS	2	2	33	1	189	0	2	225
PALISADE	GREAT PLAINS	1	1	71	2	292	0	8	373
PALMER	GTE	1	1	60	3	379	0	0	442
PALMYRA	LT&T	19	19	42	5	361	0	4	412
PANAMA	LT&T	19	19	24	1	206	0	0	231
PAWNEE CITY	LT&T	1	4	123	8	635	0	16	782
PAXTON	CONSOLIDATED TELCO	0	0	88	6	410	0	0	504
PENDER	US WEST	0	0	199	9	865	0	8	1,081
PERU	LT&T	1	0	48	21	394	0	5	468
PETERSBURG	PETERSBURG	0	0	51	2	385	0	0	438
PHILLIPS	HAMILTON	6	6	70	3	329	0	2	404
PICKRELL	LT&T	1	0	24	4	248	0	5	281
PIERCE	PIERCE	1	1	218	15	1,143	0	40	1,416
PILGER	US WEST	0	0	42	2	322	0	8	374
PLAINVIEW	PLAINVIEW	0	0	212	15	929	2	2	1,160
PLATTE CENTER	GTE	2	2	57	2	420	0	1	480

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EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	ACCESS LINES							
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	TOTAL
PLATTSMOUTH	LT&T	0	1	480	48	3,376	2	36	3,942
PLEASANT DALE	LT&T	19	19	13	5	265	0	1	284
PLEASANTON	GTE	1	1	47	1	316	0	2	366
PLYMOUTH	LT&T	1	0	61	3	339	0	5	408
POLK	LT&T	1	0	44	2	358	0	3	407
PONCA	GREAT PLAINS	0	0	127	4	529	0	7	667
POTTER	UNITED	0	0	44	3	266	0	0	313
PRAGUE	NORTHEAST NEBRASKA	2	2	38	1	357	0	5	401
PRIMROSE (SEE CEDAR RAPIDS)	US WEST	2	2						0
PURDUM	CONSOLIDATED	5	5	10	1	95	0	0	106
RAGAN-HUNTLEY	GREAT PLAINS	1	1	13	1	127	0	0	141
RANDOLPH	US WEST	0	0	94	8	727	0	11	840
RAVENNA	US WEST	1	1	139	9	921	0	6	1,075
RAYMOND	LT&T	19	19	13	8	317	0	1	339
RED CLOUD-RIVERTON	GREAT PLAINS	0	0	233	9	899	0	14	1,155
REPUBLICAN CITY	GTE	2	2	31	4	268	0	1	304
REYNOLDS (SEE CHESTER)	GREAT PLAINS	0	0						
RISING CITY	LT&T	1	0	29	2	301	0	4	336
RIVERDALE	GTE	1	1	20	1	219	0	0	240
RIVERTON (SEE RED CLOUD)	GREAT PLAINS	0	0						
ROCKVILLE	US WEST	1	1	5	1	73	0	4	83
ROSALIE	EASTERN NEBRASKA	3	3	15	2	136	0	0	153
ROSELAND	GLENWOOD	8	8	41	2	240	0	0	283
RUSHVILLE	US WEST	1	1	156	11	652	0	12	831
RUSKIN	LT&T	1	0	21	4	130	0	4	159
SARGENT	NEBRASKA CENTRAL	2	2	90	6	495	0	29	620
SCHUYLER	US WEST	0	0	393	33	2,131	0	15	2,572
SCOTIA	NEBRASKA CENTRAL	2	2	59	1	264	0	7	331
SCOTTSBLUFF	UNITED	6	6	3,330	79	7,182	0	62	10,653
SCRIBNER	GREAT PLAINS	3	3	168	7	593	0	7	775
SENECA	CONSOLIDATED	2	2	7	1	66	0	0	74
SEWARD	LT&T	1	6	748	79	2,694	43	34	3,598
SHELBY	LT&T	1	0	71	6	471	0	2	550
SHELTON	NEBRASKA CENTRAL	1	1	120	7	618	0	31	776
SHICKLEY	LT&T	1	1	58	2	294	0	2	356
SIDNEY	US WEST	0	0	1,124	59	2,943	0	171	4,297
SILVER CREEK	US WEST	0	0	49	6	329	0	6	390
SNYDER	GREAT PLAINS	3	3	65	3	246	0	1	315
SODTOWN	SODTOWN	1	1	8	0	70	0	0	78
SOUTH SIOUX CITY-DAKOTA CITY	US WEST	2	2	1,484	98	5,042	0	59	6,683
SPALDING	US WEST	2	2	77	3	417	0	5	502
SPENCER-BRISTOW	US WEST	3	3	78	5	475	0	11	569
SPRINGFIELD	US WEST	6	6	105	9	1,015	0	13	1,142
SPRINGVIEW	THREE RIVER	0	0	66	2	354	0	0	422
STAMFORD	GTE	2	2	19	1	176	0	0	196

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EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					TOTAL
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	
STANTON	STANTON	0	0	197	8	846	0	3	1,054
STAPLEHURST	CLARKS	2	1	21	1	250	0	0	272
STAPLETON	GREAT PLAINS	0	0	72	1	334	0	6	413
STEELE CITY	LT&T	1	0	4	1	88	0	5	98
STEINAUER	LT&T	1	0	10	1	110	0	3	124
STERLING	LT&T	1	0	41	2	421	0	5	469
STOCKHAM	HAMILTON	8	8	11	0	57	0	0	68
STRATTON	US WEST	1	1	55	3	297	0	6	361
STROMSBURG	LT&T	0	1	124	9	716	0	6	855
STUART	US WEST	2	2	61	4	433	0	11	509
ST. EDWARD	GREAT PLAINS	0	0	93	1	526	0	8	628
ST. LIBORY	US WEST	2	2	17	0	326	0	10	353
ST. PAUL	US WEST	6	6	237	9	1,111	0	19	1,376
SUMNER	GTE	1	1	27	5	178	0	0	210
SUPERIOR	LT&T	1	1	327	19	1,246	0	14	1,606
SURPRISE	LT&T	2	0	4	1	89	0	2	96
SUTHERLAND	GREAT PLAINS	0	0	143	12	590	0	9	754
SUTTON	LT&T	1	0	185	7	886	0	12	1,090
SWANTON	LT&T	1	1	13	2	94	0	5	114
SYRACUSE	LT&T	2	2	221	21	958	0	4	1,204
TABLE ROCK	LT&T	1	0	31	1	226	0	7	265
TALMAGE	LT&T	1	0	19	3	201	0	4	227
TAMORA	LT&T	1	0	21	3	174	0	5	203
TAYLOR	NEBRASKA CENTRAL	3	3	49	2	246	0	30	327
TECUMSEH	LT&T	0	4	240	23	1,092	10	38	1,403
TEKAMAH	US WEST	3	3	229	11	1,031	0	10	1,281
THEDFORD	CONSOLIDATED	4	4	81	8	207	10	0	306
TILDEN	GTE	1	1	117	5	594	0	0	716
TOBIAS	LT&T	0	0	16	1	131	0	2	150
TRENTON	US WEST	1	1	82	5	407	0	7	501
TRI-CITY	SOUTHEAST NEBRASKA	1	1	44	8	533	0	0	585
TRUMBULL	HAMILTON	4	4	32	0	137	0	2	171
TRYON	GREAT PLAINS	0	0	32	1	207	0	0	240
UEHLING	HOOPER	1	1	53	1	207	0	1	262
ULYSSES	CLARKS	1	1	27	1	207	0	0	235
UNADILLA	LT&T	1	1	25	3	233	0	4	265
UNION	LT&T	1	0	21	4	386	0	6	417
UPLAND	GLENWOOD	9	9	17	1	113	0	0	131
UTICA	LT&T	2	1	63	8	435	0	4	510
VALENTINE	US WEST	1	1	503	24	1,673	0	24	2,224
VALLEY	US WEST	6	6	326	25	1,577	0	22	1,950
VALPARAISO	LT&T	19	19	41	5	446	0	0	492
VENANGO	GREAT PLAINS	0	0	34	2	123	0	16	175
VERDEL	THREE RIVER	0	0	5	1	95	0	0	101
VERDIGRE	GREAT PLAINS	2	2	72	2	438	0	7	519

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EAS-ACCESS LINE DATA

EXCHANGE	COMPANY	EAS		ACCESS LINES					TOTAL
		TO	FROM	BUS.	COIN	RES.	MOBILE	OTHER	
VIRGINIA	DILLER	0	0	10	1	74	0	0	85
WACO	LT&T	1	1	34	13	273	0	1	321
WAHOO	LT&T	0	6	453	29	1,825	3	23	2,333
WAKEFIELD	US WEST	0	0	127	5	735	0	7	874
WALLACE	CONSOLIDATED TELCO	0	0	65	3	239	0	0	307
WALNUT	GREAT PLAINS	2	2	6	0	71	0	0	77
WALTHILL	EASTERN NEBRASKA	3	3	88	2	369	0	0	459
WATERBURY (SEE ALLEN)	US WEST	1	1						0
WATERLOO (SEE ELKHORN)	US WEST	6	6						0
WAUNETA	WAUNETA	0	0	117	4	517	7	0	645
WAUSA	GREAT PLAINS	0	0	115	2	544	0	6	667
WAVERLY	LT&T	19	19	162	16	978	0	0	1,156
WAYNE	US WEST	0	0	968	90	2,382	0	21	3,461
WEeping WATER	LT&T	1	1	154	14	630	0	4	802
WELLFLEET	CONSOLIDATED TELCO	1	1	24	2	143	0	0	169
WEST POINT	US WEST	0	0	511	25	1,948	0	23	2,507
WESTERN	LT&T	1	1	20	3	205	0	7	235
WESTON	NORTHEAST NEBRASKA	2	2	38	3	408	0	5	454
WHITMAN	CONSOLIDATED	3	3	12	1	114	0	0	127
WHITNEY (SEE CRAWFORD)	US WEST	3	3						0
WILBER	LT&T	0	0	155	16	904	0	5	1,080
WILCOX	GREAT PLAINS	2	2	42	1	233	0	6	282
WILSONVILLE	GTE	0	0	26	1	122	0	0	149
WINNEBAGO	EASTERN NEBRASKA	3	3	126	2	217	0	0	345
WINNETOON	GREAT PLAINS	2	2	16	0	126	0	1	143
WINSIDE	US WEST	0	0	30	1	330	0	7	368
WISNER	GREAT PLAINS	1	1	275	12	865	0	15	1,167
WOLBACH	GREAT PLAINS	1	1	35	3	221	0	2	261
WOOD LAKE	GREAT PLAINS	0	0	12	1	97	0	2	112
WOOD RIVER	US WEST	2	2	100	10	689	0	18	817
WYMORE	LT&T	2	2	124	16	1,002	0	6	1,148
WYNOT	GREAT PLAINS	0	0	76	4	587	0	8	675
YORK	LT&T	0	5	1,155	118	3,716	79	52	5,120
YUTAN	LT&T	1	0	53	9	609	0	4	675

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TOTAL 215,966 8,721 624,507 5,454 33,340 887,988

42 - COMPANIES
 460 - EXCHANGES
 474 - CENTRAL OFFICES

Source: 1991 Form M Annual Report to Nebraska Public Service Commission
 1992 Telephone Surveys

5. LINK-UP NEBRASKA

As common as the telephone has become, there are still families and individuals who have difficulty affording telephone service. The initial installation charge can be difficult to surmount for some people. Nebraska participates in a program called "Link-Up America" which contributes one half of the installation charge, up to \$30.00. Link-Up America is a federally-sponsored program funded by revenues generated by long distance carriers. No state matching funds are required for this program. Nebraska joined the program in 1988 under the moniker "Link-Up Nebraska."

Link-Up will also pay up to \$200 in interest on deferred payments when applicable. Telephone companies are encouraged to work with individual customers and to waive or reduce the deposit necessary to establish service.

Each year, state commissions report to the Federal Communications Commission the number of households served by Link-Up. The Commission reported that in 1991, there were 1241 such households. Of these, 603 participants were new customers. In 1990, 697 households used Link-Up.

Sample service connection charges to establish telephone service for a new Link-Up customer as of August 1, 1992:

Table 8

	US West		Lincoln Tel.		Great Plains	
	Res.	Bus.	Res.	Bus.	Res.	Bus.
Service Order	\$31.50	40.00	15.00	24.00	6.50	6.50
Central Office	10.50	26.00	14.00	17.00	8.50	8.50
Travel Charge	<u>21.50</u>	<u>21.50</u>	<u>11.00</u>	<u>11.00</u>	<u>9.00</u>	<u>9.00</u>
Total	\$63.50	87.50	40.00	52.00	24.00	24.00

	GTE		United	
	Res.	Bus.	Res.	Bus.
Service Order	\$11.00	14.30	16.40	17.85
Central Office	11.00	11.00	5.65	5.65
Travel Charge	<u>12.10</u>	<u>12.10</u>	<u>9.80</u>	<u>9.80</u>
Total	\$34.10	37.40	31.85	33.30

6. SANDHILLS STEP PROJECT

In March, 1992 Consolidated Telephone Company ("Consolidated") and The Nebraska Central Telephone Co. ("Central") filed a joint application (C-923) seeking certificates of public convenience and necessity allowing them to construct a fiber optic telecommunications facility ("facility") and provide "Distance Learning" to the Anselmo-Merna, Ansley, Broken Bow, Loup City, and Sandhills School Districts in connection with a program referred to as the "Sandhills Technology/Telecommunications Educational Project ("STEP"). Construction of this network by the applicants will be, at least in part, within several US West local exchanges. Distance Learning, as generally understood, and as used specifically in the application, means communications which provide any student who is physically separated from the instructor with the capacity to interact with that instructor or with mediated instructional programs.

The school districts, through their school administrators, informed Consolidated and Central of their desire to implement Distance Learning between their schools with implementation coordinated through STEP. STEP and the school districts therefore requested Consolidated and Central to construct the facility for the transmission of audio and video signals for the provision of Distance Learning.

Consolidated, as a local exchange carrier ("LEC"), provides telecommunications services to subscribers in the Anselmo, Arthur, Ashby, Bingham, Brewster, Brownlee, Dunning, Halsey, Hyannis, Merna, Mullen, Purdum, Seneca, Thedford, and Whitman exchanges. Central provides telecommunications services to subscribers in the Ansley, Arcadia, Burwell, Comstock, Ericson, Gibbon, North Burwell, North Loup, Sargent, Scotia, Shelton, and Taylor exchanges.

The facility will proceed generally along a route with a northernmost point at the Sandhills High School building in Dunning, then proceed to the Anselmo-Merna High School building in Merna. Thereafter, it will enter US West's Broken Bow exchange area at the meet point with Consolidated's Merna exchange and proceed to the Broken Bow High School building, then to Central's Ansley exchange to the Ansley High School building. From there, it will cross portions of US West's Mason City and Litchfield exchanges to US West's Loup City exchange and through that exchange to the Loup City High School building. US West consented to the construction of the facility in and through its exchanges as described in the preceding paragraph for the purposes of providing Distance Learning services. The facility will not be connected to US West's central offices without US West's concurrence.

Consolidated and Central intend to install a multi-fiber optical cable as the facility (to be jointly owned by both

companies on an equal basis) with sufficient capacity to carry Distance Learning traffic for STEP and the school districts. The installation of the fiber cable was completed, as scheduled, during July 1992. Consolidated and Central intend to lease a portion of the capacity of the facility between Broken Bow and Loup City to US West for the purpose of providing diverse routing for the exchanges as well as other US West exchanges. The facility will be used pursuant to contractual arrangements with STEP, the school districts, and US West.

Absent construction of the facility, adequate transmission facilities do not exist which can meet the specific requirements of STEP and the school districts, nor does transmission capacity exist to allow diverse routing of telecommunications traffic to US West's Broken Bow and Loup City exchanges. Duplication of facilities will not occur with this application's approval. Further, the application is agreeable to the subscribers (the school districts) and to all the affected telecommunications companies. Approving the application is in the interest of the public and the subscribers. Based on all these factors, the application satisfied the requirements established by Neb. Rev. Stat. §75-604(c) (1990 Reissue). The evidence before the Commission demonstrated that the public convenience and necessity required approval of the application.

The Nebraska Public Service Commission therefore ordered that Application No. C-923 be granted. Consolidated Telephone Company and The Nebraska Central Telephone Co. were authorized to construct, operate, and maintain the facility over the route generally described previously to provide transmission for Distance Learning services for STEP and the school districts, and to provide transmission capacity for diverse routing of telecommunications traffic of US West.

7. NEBRASKA TELECOMMUNICATIONS RELAY SYSTEM (L.B. 240)

The Commission's recent activities in the communications field include administration of the telecommunications relay system (TRS) (L.B. 240, LAWS 1990) which provides a method for a person with a hearing or speech disability to access the telecommunications system through a relay center. This service provides communications assistants (CAs) who relay conversations between users of a Text Telephone (TT) and persons using standard telephones. The CA reads typewritten communications relayed over the TT to the hearing caller and in turn types and relays the spoken words of the hearing caller to the TT user.

The relay system has operated since January 1, 1991. Because of federal law (the Americans With Disabilities Act or ADA), provision of telecommunications relay services is mandatory no later than July 26, 1993. Some members of the public misunderstand the surcharge funding for the system and erroneously believe it pays the disabled party's telephone bill.

Actually, the monthly surcharge paid by all subscribers funds the relay center located in Aurora, Nebraska.

Current law sets a limit of ten cents per access line surcharge to fund the relay center. The Commission originally set the surcharge at seven cents and moved it to eight cents on January 1, 1992 based on increased usage of the service. Most other state surcharges are higher in both the current rate and the capped amount. Only a handful, for example Nevada (at five cents for both cap and current surcharge) and Utah (ten cent cap and seven cent current surcharge), are lower. Maryland has the highest cap at 45 cents and its surcharge is currently 17 cents. Massachusetts has the highest surcharge at 34 cents.

The volume of usage in Nebraska has continued to grow since the relay system's inception (Table 10). At the date of this writing, the Commission has held a hearing to determine the surcharge necessary to be assessed January 1, 1993 to pay for the increased usage and is also recommending a statutory change to increase the ten cent cap.

As part of the audit of Hamilton Telephone Company (the center's provider), a sampling of the records for the TRS was taken. The center had operated 11 months at the time of the audit. The performance standards were specified in the original Request For Proposal (RFP) as follows:

- (1) An average of not more than five in 100 calls should receive a "busy" signal.

Result: The center was much better than the minimum requirement. Only .26 percent of the calls attempted received a busy signal, well below the five percent standard.

- (2) At least 85% of the calls received by the center must be answered by the center within 20 seconds.

Result: A sampling of four months was taken. To determine whether the standard was reached, the average answer time (seconds) was multiplied by the incoming call attempts. This established the number of seconds the calling parties waited.

Table 9

Month	Incoming Calls	Calls Exceeding 20 Seconds	% Completed Within 20 Seconds
March 1991	5,530	240	95.66%
May 1991	6,119	316	94.83%
July 1991	5,790	358	93.82%
October 1991 (six days)	1,397	77	94.49%
Average			94.70%

Table 10

Nebraska Relay System
Usage Statistics

Month	Calls	Minutes	Converted Minutes	Average Minutes Per Call	Monthly Cost	Surcharge Revenue at \$.07	Surcharge Revenue at \$.08
Jan 91	5,243	33,453	33,453	6.38	\$43,431	\$51,213	
Feb	5,112	36,197	40,075	7.08	46,730	52,678	
Mar	5,530	38,219	38,219	6.91	49,118	52,849	
Apr	5,260	40,144	41,482	7.63	50,064	53,182	
May	6,119	42,362	42,362	6.92	47,173	53,414	
Jun	5,758	41,066	42,435	7.13	52,608	53,439	
Jul	5,931	42,505	42,505	7.17	47,167	53,761	
Aug	6,639	45,908	45,908	6.91	50,565	53,689	
Sep	6,472	47,169	48,741	7.29	51,953	54,052	
Oct	7,178	50,058	50,058	6.97	54,755	54,163	
Nov	7,628	50,684	52,373	6.64	55,135	54,291	
Dec	6,954	43,785	43,785	6.30	48,287	54,454	
Jan 92	7,514	53,218	53,218	7.08	54,922		60,829
Feb	7,310	50,862	54,370	6.96	52,450		62,177
Mar	8,665	57,264	57,264	6.61	60,178		62,535
Apr	8,635	56,624	58,511	6.56	59,734		62,803
May	9,085	58,115	58,115	6.40	61,255		62,919
Jun	9,321	63,053	65,155	6.76	66,340		62,909
Jul	9,618	62,667	62,667	6.52	66,129		0

Average growth in usage for the period 7-91 to 7-92 was 3.67% per month.

The method Hamilton Telephone Company uses to bill calls using the relay center is to do a "toll dump" on all calls and select the relay calls. Hamilton removes the incompletes and local calls and then rates the remaining relay calls. Due to the large volume of calls involved, a two hour period was selected as a sample. For this period, the Communications Department staff checked the billings and verified all the calls. A total of 102 TT calls were made during the period from both the 308 and 402 area codes. Exchanges making calls included Kearney, Cairo, Scottsbluff, Omaha, Lincoln, Fremont, Valparaiso, Springfield, Gretna, and DeWitt.

8. FRAME RELAY

High-speed data service has become an important part of the communications system depended upon by many different entities in both the private and public sectors. Such a "frame relay service" (FRS) is now a reality in Nebraska. Initially the idea of the Nebraska Department of Administrative Service's Division of Communications, Nebraska's local telephone companies and the Commission coordinated with the Division to design and implement the FRS.

A cooperative venture of this type is a much different approach than other states are taking. Iowa's state government, for example, is building its own state network which is paid for by Iowa's taxpayers. The Nebraska system, since it can meet the needs of both private and public users, will spread the cost among both types of telephone users. The lack of duplication will reduce the initial investment and operating expenses will be much lower.

In order for state government to make use of FRS, a large degree of protection must be built into the system to assure successful and dependable transmission. The ultimate goal is a "loop" or "ring" around the state with central office locations in places such as Fremont, Norfolk, Chadron, Scottsbluff, Sidney, North Platte, Grand Island, Lincoln, and Omaha. Should a transmission failure occur at one of these particular points, the transmission would reverse itself and travel the other direction over the link to its destination.

State government is expected to begin use of the service in September, 1992. US West has deployed frame relay switches in Omaha and Grand Island while Lincoln Telephone has done so in Lincoln. US West is also expected to provide switch points in Norfolk, Alliance, and North Platte. Lincoln Telephone is expected to add Hastings and United Telephone of the West is expected to add Scottsbluff to the ring in a few months. State departments making early use of FRS include the Library Commission, the Department of Education, and the University of Nebraska Medical Center.

PART III



Part III

1. BASIC LOCAL RATE CHANGES

This section reports the level of rates for local exchange and interexchange companies and the financial status of the Nebraska local exchange telephone companies.

Local rates remained at 1990 levels in the industry except for the Lincoln Telephone Company. In August of 1991, the Commission authorized LT&T to implement an Enhanced Local Calling Area (ELCA) plan which caused local rate increases for basic local service and toll rate reductions within the Lincoln Telephone serving area. This application (C-882) resulted from a Commission investigation into the extended area service (EAS) plans offered throughout Lincoln Telephone's 137 exchanges (C-801).

Since the last report, the Communication Department's accounting and audit section performed audits of the Hamilton Telephone Company, the Nebraska Relay System, Northeast Nebraska Telephone Company and Dalton Telephone Company. Additionally, depreciation reviews were completed in 1991 for AT&T and United Telephone Company of the West. The staff is in the process of reviewing the revenue neutrality of the Lincoln Telephone Company plan approved in docket C-882 and it continues to work with the entire industry on the property tax issue pursuant to LB 286 (LAWS 1991).

The audits have raised the following issues:

(1) Some companies are recording the cost of their fixed asset purchases at fair market value rather than original cost. Federal Communications Commission rules (Title 47) require assets be recorded at original cost. Title 47 also requires telecommunications companies to keep their records in accordance with Generally Accepted Accounting Principles (GAAP). Mark-up of fixed asset values to other than original cost is a departure from GAAP.

(2) Some companies which use a group method of accounting for depreciation are recovering the value of the fixed assets at a faster rate than allowed by the Commission in Docket C-763 (which established the guideline depreciation rates). Companies failing to do a complete depreciation study, which takes the useful lives of assets into consideration, run the risk of recovering the asset value over a faster period than allowed. In some instances the rate of recovery was much faster than allowed by C-763.

(3) Many companies appear to have transactions accounted for in the current period which are in fact transactions that should have affected earnings in prior years.

As part of the Commission's triennial review of depreciation rates, AT&T and United Telephone Company proposed revised depreciation rates in 1991. The staff analyzed the proposals and the depreciation studies, made recommendations to the Commission on proposed rate changes, and the new prescribed depreciation rates became effective January 1, 1991.

Because of a stipulation entered into by United Telephone Company as part of its review, the Company agreed to:

- (1) Accelerate the modernization of three central offices and a radio transmission facility;
- (2) Reduce monthly charges for touch tone service for residential and business subscribers;
- (3) Forego any rate increases resulting from increased expenses due to Line Information DataBase (LIDB), DEM/Gross Allocator cost shifts; and post retirement benefits through December 31, 1993.

Table 11 lists the local rate increases which occurred between 1981 and 1991. If a company did not increase rates during this period, its most recent rate change is listed in the final column. Tables 12 and 13 provide information on current basic local rates being charged in Nebraska.

The Federal Communications Commission adopted a national program in 1986 called the Universal Service Fund (USF) with the goal of insuring that local telephone rates remain affordable to the average subscriber. The fund allows a company with higher than average costs to recover more of its costs from the USF. This means less costs are recovered from intrastate rates.

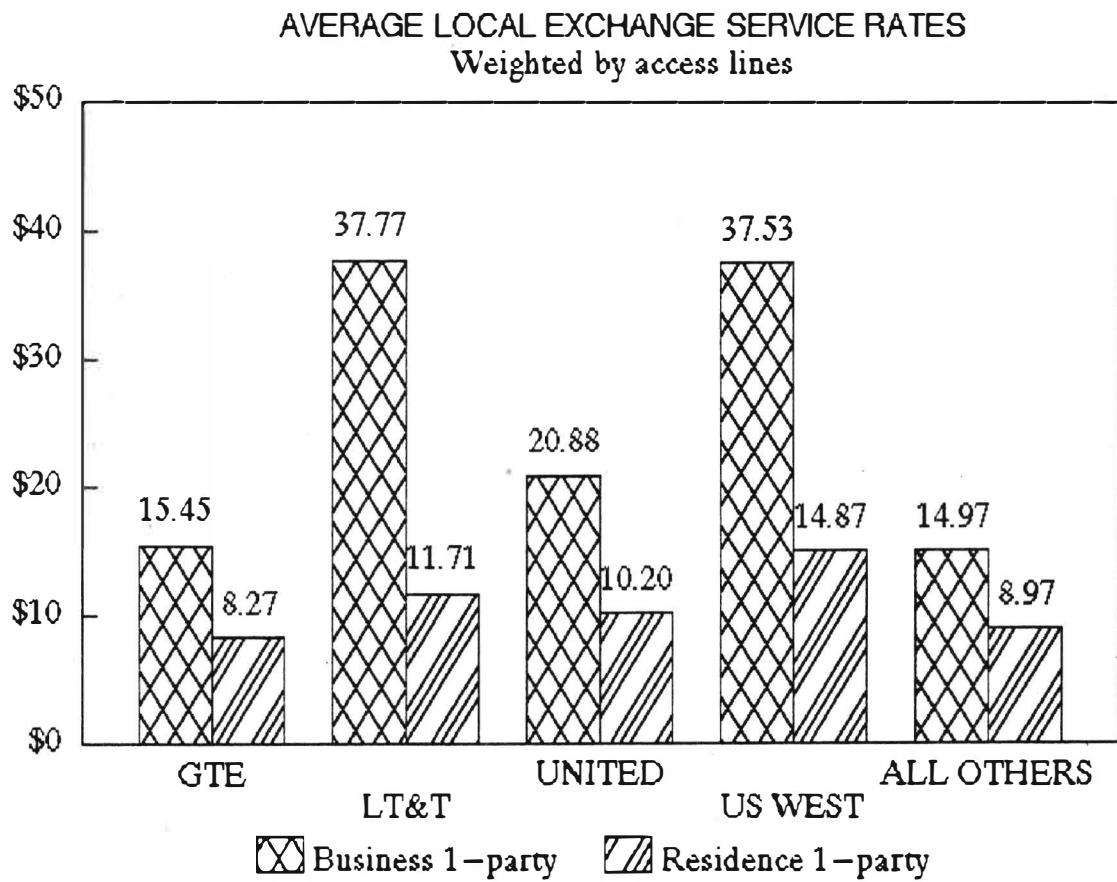
USF's funding is provided by each interexchange carrier which has at least five percent of the nation's presubscribed access lines (approximately 20 companies in 1991). Effective July, 1991, these carriers paid 31.85 cents per access line per month to fund the USF. Table 14 lists the Nebraska local companies which received USF assistance in 1990 and 1991 and the amount received per month, both in total dollars as well as the amount per access line. Also listed is the projected recovery from the fund for 1992; however, no access line data is available for this period.

Table 11

Basic Local Rate Changes
Local Exchange Companies

	1991	1990	1989	1988	1987	1986	1985	1984	1983	1982	1981	Previous Rate Change
Arapahoe												1979
Arlington												1976
Benkelman												1978
Blair												1978
Cambridge		X										
Clarks							X					
Consolidated												1974
Consolidated Telco												1973
Cozad									X			
Curtis							X					
Dalton												1973
Diller												1980
Eastern					X							
Eustis												1971
General					X	X				X		
Glenwood												1979
Great Plains		X					X					
Hamilton												1976
Hartington									X			
Hartman												1978
Home												1959
Hooper												1979
K & M								X				
Keystone-Arthur												1978
L T & T	X		X						X			1980
Nebraska Central					X						X	
Northeast												1974
Petersburg								X				
Pierce					X			X				
Plainview			X			X		X		X		
Rock County												1976
Rodeo									X			
Southeast Nebraska											X	
Stanton							X					1980
Three River												1978
United			X			X			X			
US West					X			XX	XX		X	1980
Wauneta												1980

Table 11



NEBRASKA LOCAL EXCHANGE CARRIERS
Basic Local Exchange Rates

Table 13

COMPANY	EXCHANGE	B-1	B-2	R-1	R-2	R-4	RR-1	RB-1	S-S
Arapahoe Tel. Co.	Arapahoe	\$13.25		\$8.25					
	Hendley	13.25		8.25					
	Holbrook	13.25		8.25					
Arlington Tel. Co.	Arlington	12.80	11.75	8.60	7.50		*7.20	*8.60	
Benkelman Tel. Co.	Benkelman	10.50		7.50					
Blair Tel. Co.	Blair	20.80		10.15					
	Fort Calhoun	20.80		10.15					
	Kennard	20.80		10.15					
Cambridge Tel. Co.	Bartley	14.50		10.65					
	Cambridge	14.50		10.65					
Clarks Tel. Co.	Clarks	11.50		7.50					
	Staplehurst	12.50		9.00					
	Ulysses	11.50		7.50					
Consolidated Telco	Dickens	15.75		10.00					
	Madrid	9.75		7.50					
	Maywood	15.75		11.50					
	Paxton	9.75		7.50					
	Wallace	9.75		7.50					
	Wellfleet	15.75		11.50					
Consolidated Tel. Co.	Anselmo	6.50		4.00			12.00		
	Arthur	14.50		7.50			17.00		
	Ashby						17.00		
	Bingham						17.00		
	Brewster	6.50		4.00			12.00		
	Brownlee						17.00		
	Dunning	6.50		4.00			12.00		
	Halsey	6.50		4.00			12.00		
	Hyannis	6.25		5.25			17.00		
	Merna	6.50		4.00			12.00		
	Mullen	6.50		4.00			17.00		
	Purdom	6.50		4.00			7.00		
	Seneca	6.50		4.00			17.00		
	Thedford	6.50		4.00			17.00		
	Whitman						17.00		
Cozad Tel. Co.	Cozad	8.50		5.50	5.00				
Curtis Tel. Co.	Curtis	17.50		13.50					
Dalton Tel. Co.	Bushnell	11.50		10.00					
	Dalton	7.00		5.00					
	Dix	11.50		10.00					

NEBRASKA LOCAL EXCHANGE CARRIERS

Basic Local Exchange Rates

COMPANY	EXCHANGE	B-1	B-2	R-1	R-2	R-4	RR-1	RB-1	S-S
	Gurley	7.00		5.00					
	Lodgepole	7.00		5.00					
Diller Tel. Co.	Diller	8.50		7.50					
	Harbine	8.50		7.50					
	Odell	8.50		7.50					
	Virginia	8.50		7.50					
Eastern Neb. Tel. Co.	Belden	16.95		10.95					
	Carroll	16.95		10.95					
	Meadow Grove	16.95		10.95					
	Osmond	16.95		10.95					
	Rosalie	16.95		10.95					
	Walthill	16.95		10.95					
	Winnebago	16.95		10.95					
	Macy	16.95		10.95					
Eustis Tel. Exchange	Eustis	8.00		5.00	4.25		7.00		2.50
GTE North Inc.	Group I	13.49		7.48			**7.56		
	Group II	16.22		8.99			**9.09		
Glenwood Tel. Memb. Corp.	Bladen	12.00		8.00					
	Blue Hill	12.00		8.00					
	Campbell	12.00		8.00					
	Funk	13.50		10.00					
	Holstein	12.00		8.00					
	Lawrence	12.00		8.00					
	Norman	12.00		8.00					
	Roseland	12.00		8.00					
	Upland	12.00		8.00					
Great Plains Comm.	All exchanges	18.55		10.75					
Hamilton Tel. Co.	Aurora	9.50		7.00					
	Doniphan	7.00		6.00					
	Giltner	7.00		6.00					
	Hampton	7.00		6.00					
	Hordville	7.00		6.00					
	Marquette	7.00		6.00					
	Phillips	7.00		6.00					
	Stockham	9.50		7.00					
	Trumbull	7.00		6.00					
Hartington Tel. Co.	Hartington	12.00		7.50					
Hartman Tel. Exchanges	Danbury	9.50		9.50					
	Haigler	9.50		9.50					
	Lebanon	9.50		9.50					

NEBRASKA LOCAL EXCHANGE CARRIERS

Basic Local Exchange Rates

COMPANY	EXCHANGE	B-1	B-2	R-1	R-2	R-4	RR-1	RB-1	S-S
Home Tel. Co. of Neb.	Brady	7.25		4.50	4.00		*4.50	*6.25	
	Maxwell	7.25		4.50	4.00		*4.50	*6.25	1.50
Hooper Tel. Co.	Hooper	8.35	7.85	6.35	5.85				
	Uehling	8.35	7.85	6.35	5.85				
K & M Tel. Co.	Chambers	15.50		12.25					
	Inman	15.50		12.25					
Keystone-Arthur Tel. Co.	Keystone	14.50	13.00	11.50	10.00	11.50			
	Lemoyne	14.50	13.00	11.50	10.00	11.50			
Lincoln Tel. & Tel. Co.	Group A	39.00		12.50					
	Group B	37.00		11.50					
	Group C	35.00		11.00					
	Group D	33.00		10.00					
Neb. Central Tel. Co.	Ansley	16.25		9.25					
	Arcadia	16.25		9.25					
	Comstock	16.25		9.25					
	Gibbon	16.25		9.25					
	Sargent	16.25		9.25					
	Shelton	16.25		9.25					
	Burwell	17.05		11.20					
	Erickson	17.05		11.20					
	North Loup	17.05		11.20					
	Scotia	17.05		11.20					
	Taylor	17.05		11.20					
	N. Burwell	17.05		11.20					
Northeast Neb. Tel. Co.	Bartlett	7.75		5.25					
	Clearwater	7.75		5.25					
	Coleridge	7.75		5.25					
	Craig	8.00		6.25					
	Dixon	7.75		5.25					
	Jackson	7.75		5.25					
	Linwood/Morse Bluffs	9.25		6.25					
	Martinsburg	7.75		5.25					
	Mewcastle	7.75		5.25					
	Obert	7.75		5.25					
	Prague	9.25		6.25					
	Weston	9.25		6.25					
Petersburg Tel. Co.	Petersburg	17.50		15.00					
Pierce Tel. Co., Inc.	Hoskins	14.60		10.10					

NEBRASKA LOCAL EXCHANGE CARRIERS
Basic Local Exchange Rates

COMPANY	EXCHANGE	B-1	B-2	R-1	R-2	R-4	RR-1	RB-1	S-S
	Pierce	14.60		10.10					
Plainview Tel. Co.	Plainview	16.00		12.00					
Rock County Tel. Co.	Bassett	15.65		9.65	9.15		*8.65	*13.65	
	Newport	15.65		9.65	9.15		*8.65	*13.65	
Southeast Neb. Tel. Co.	Falls City	27.50		10.50	9.75		**9.50		
	Tri-City	27.50		10.50	9.75		**9.50		
Stanton Tel. Co., Inc.	Stanton	17.50		13.50					
Three River Telco	Johnstown	13.25		9.00					
	Lynch	13.25		9.00					
	Naper	13.25		9.00					
	Springview	13.25		9.00					
	Verdel	13.25		9.00					
United Tel. Co. of the West	Group 1	18.15		9.07			**11.74		
	Group 2	18.92		9.46			**12.25		
	Group 3	21.93		10.96			**14.20		
US West	Group A	37.55		14.90	12.90		20.65	43.30	
	Group B	36.40		14.10	12.10		19.85	42.15	
Wauneta Tel. Co.	Wauneta	10.50		7.50					

Great Plains Communications:

Archer, Arnold, Bancroft, Beemer, Bloomfield, Byron, Callaway, Center,
Chapman, Chester/Hubbell/Reynolds, Cotesfield, Creighton, Crofton, Deshler,
Dodge, Elgin, Ewing, Grant, Hay Springs, Hayes Center, Herman, Huntley/Ragan
Imperial, Indianola, Kilgore, Merriman, Mirage Flats, Niobrara, North Bend,
Oakdale, Oconto, Page, Palisade, Ponca, Red Cloud/Riverton, St. Edward,
Scribner, Snyder, Stapleton, Sutherland, Tryon, Venango, Verdigre, Walnut,
Wausa, Wilcox, Winnetoon, Wisner, Wolbach, Wood Lake, Wynot

GTE North:

Group I

Albion, Alma, Amherst, Battle Creek, Beaver City, Bertrand, Bloomington
Brunswick, Duncan, Edison, Franklin, Genoa, Greeley, Heartwell, Hildreth,
Leigh, Lindsay, Madison, Miller, Monroe, Naponee, Neligh, Newman Grove,
Orchard, Ord, Orleans, Palmer, Platte Center, Pleasanton, Republican City
Riverdale, Stamford, Sumner, Tilden, Wilsonville

Group II

Columbus, Kearney

The Lincoln Telephone & Telegraph Company:

Group A

Alvo-Eagle, Bennet, Ceresco, Clatonia, Cortland, Davey, Denton, Dorchester, Douglas,
Dwight, Elmwood, Firth, Garland, Greenwood, Hallam, Hickman, Ithaca, Lincoln,
Malcolm, Martell, Milford, Murdock, Palmyra, Panama, Pleasant Dale, Raymond,
Seward, Unadilla, Valparaiso, Waverly

NEBRASKA LOCAL EXCHANGE CARRIERS

Basic Local Exchange Rates

COMPANY	EXCHANGE	B-1	B-2	R-1	R-2	R-4	RR-1	RB-1	S-S
Group B	Ashland, Crete								
Group C	Alexandria, Avoca, Barneston, Beatrice, Beaver Crossing, Bellwood, Benedict, Bradshaw, Brainard, Brock, Brownville, Bruning, Bruno, Burchard, Carleton, Cedar Bluffs, Colon, Cook, Cordova, Crab Orchard, David City, Dawson, Daykin, Deweese, DeWitt, DuBois, Dunbar, Edgar, Elk Creek, Fairfield, Fairmont, Filley, Glenvil, Grafton, Gresham, Hansen, Hardy, Harvard, Hastings, Jansen, Johnson, Julian, Juniata, Kenesaw, Liberty, McCool, Mead, Murray, Nemaha, Octavia, Ohioa, Ong, Otoe, Pawnee City, Peru, Pickrell, Plymouth, Polk, Rising City, Ruskin, Shelby, Shickley, Steele City, Steinauer, Sterling, Superior, Surprise, Sutton, Swanton, Syracuse, Table Rock, Talmage, Tamora, Union, Utica, Waco, Weeping Water, Western, Wymore, Yutan								
Group D	Adams, Auburn, Burr, Clay Center, Davenport, Exeter, Fairbury, Friend, Geneva, Guide Rock, Hebron, Humboldt, Louisville, Milligan, Nebraska City, Nehawka, Nelson, Osceola, Plattsmouth, Stromsburg, Tecumseh, Tobias, Wahoo, Wilber, York								
US West:									
Group A	Allen, Alliance, Atkinson, Belgrade, Bennington, Big Springs, Broken Bow, Brule, Cairo, Cedar Rapids, Central City, Chadron, Clarkson, Crawford, Creston, Dakota City, Decatur, Elkhorn, Elwood, Emerson, Farnam, Fremont, Gordon, Gothenburg, Grand Island, Gretna, Harrison, Holdrege, Howells, Humphrey, Laurel, Lexington, Loup City, Lyons, McCook, Minden, Norfolk, North Platte, Oakland, Ogallala, Omaha, O'Neill, Overton, Pender, Pilger, Primrose, St. Libory, St. Paul, Schuyler, Sidney, South Sioux City, Springfield, Stuart, Tekamah, Valentine, Valley, Wakefield, Waterbury, Waterloo, Wayne, West Point, Winside, Wood River								
Group B	Ainsworth, Ashton, Atlanta, Axtell, Boelus, Bridgeport, Bristow, Butte, Cody, Crookston, Culbertson, Dannebrog, Elba, Elm Creek, Farwell, Fullerton, Homer, Litchfield, Long Pine, Loomis, Mason City, Oxford, Randolph, Ravenna, Rockville, Rushville, Silver Creek, Spalding, Spencer, Stratton, Trenton, Whitney								
United Telephone Company of the West:									
Group 1	Bayard, Broadwater, Chappell, Lewellen, Lyman, Minatare, Mitchell, Morrill, Oshkosh, Potter								
Group 2	Kimball								
Group 3	Gering, Scottsbluff								

* Multi-party

** 4-party

Table 14

Universal Service Fund
January 1990, 1991, and 1992

Company	Universal			USF			Projected		
	Access	Service Fund	Recovery	Access	Service Fund	Recovery	Access	Service Fund	Recovery
	Lines	1990	Per Line Monthly	Lines	1991	Per Line Monthly	Lines	1992	Per Line Monthly
Arapahoe	1,004	62,173	\$5.16	1,019	101,373	\$8.29	N/A	106,967	N/A
Arlington	899	81,629	\$7.57	926	115,717	\$10.41	N/A	103,249	N/A
Benkelman	1,185	142,126	\$9.99	1,173	181,395	\$12.89	N/A	166,616	N/A
Blair	5,178	13,269	\$0.21	5,320	49,728	\$0.78	N/A	51,509	N/A
Cambridge	1,154	0	\$0.00	1,150	121,877	\$8.83	N/A	197,104	N/A
Clarks	968	3,691	\$0.32	956	59,378	\$5.18	N/A	90,946	N/A
Consolidated Telco	1,479	10,750	\$0.61	1,471	42,062	\$2.38	N/A	51,278	N/A
Consolidated Tel.	2,814	47,469	\$1.41	2,827	173,678	\$5.12	N/A	191,204	N/A
Cozad	2,548	0	\$0.00	2,638	0	\$0.00	N/A	0	N/A
Curtis	731	46,327	\$5.28	725	77,941	\$8.96	N/A	123,963	N/A
Dalton	1,254	126,043	\$8.38	1,250	110,762	\$7.38	N/A	220,626	N/A
Diller	889	36,082	\$3.38	873	26,771	\$2.56	N/A	29,914	N/A
Eastern Nebraska	2,358	98,004	\$3.46	2,376	130,548	\$4.58	N/A	159,038	N/A
Elsie Mutual	204	4,665	\$1.91	197	11,391	\$4.82	N/A	12,630	N/A
Eustis	457	0	\$0.00	439	776	\$0.15	N/A	3,889	N/A
GTE North	42,385	0	\$0.00	43,658	0	\$0.00	N/A	0	N/A
Glenwood	2,551	0	\$0.00	2,577	0	\$0.00	N/A	0	N/A
Great Plains	24,746	496,621	\$1.67	24,965	575,954	\$1.92	N/A	700,181	N/A
Hamilton	4,802	0	\$0.00	4,883	0	\$0.00	N/A	0	N/A
Hartington	1,360	0	\$0.00	1,424	0	\$0.00	N/A	0	N/A
Hartman	437	89,503	\$17.07	442	111,095	\$20.95	N/A	103,470	N/A
Hemingford Co-op	834	16,388	\$1.64	845	15,812	\$1.56	N/A	22,732	N/A
Henderson Co-op	917	0	\$0.00	902	0	\$0.00	N/A	0	N/A
Hershey	689	0	\$0.00	689	0	\$0.00	N/A	0	N/A
Home	681	1,200	\$0.15	686	12,596	\$1.53	N/A	16,698	N/A
Hooper	1,160	0	\$0.00	1,161	0	\$0.00	N/A	0	N/A
K & M	629	3,035	\$0.40	630	15,118	\$2.00	N/A	20,141	N/A
Keystone-Arthur	554	63,198	\$9.51	574	81,219	\$11.79	N/A	108,728	N/A
L T & T	224,786	0	\$0.00	241,564	0	\$0.00	N/A	0	N/A
Nebraska Central	5,796	130,990	\$1.88	5,924	93,899	\$1.32	N/A	169,092	N/A
Northeast Nebraska	3,810	17,002	\$0.37	3,781	90,805	\$2.00	N/A	116,626	N/A
Petersburg	446	60,600	\$11.32	422	88,647	\$17.51	N/A	110,158	N/A
Pierce	1,654	0	\$0.00	1,665	0	\$0.00	N/A	0	N/A
Plainview	1,163	0	\$0.00	1,151	0	\$0.00	N/A	0	N/A
Rock County	980	196,876	\$16.74	1,002	249,274	\$20.73	N/A	298,687	N/A
Sodtoun	80	5,959	\$6.21	81	10,284	\$10.58	N/A	10,504	N/A
Southeast Nebraska	3,828	440,459	\$9.59	3,713	506,578	\$11.37	N/A	560,960	N/A
Stanton	1,004	90,096	\$7.48	1,038	137,163	\$11.01	N/A	146,027	N/A
Three River	1,207	95,708	\$6.61	1,221	123,268	\$8.41	N/A	135,913	N/A
U.S. West	434,258	0	\$0.00	441,564	0	\$0.00	N/A	0	N/A
United Telephone	23,216	0	\$0.00	23,399	0	\$0.00	N/A	0	N/A
Wauneta	621	150,899	\$20.25	621	173,136	\$23.23	N/A	174,563	N/A
Total	807,716	2,530,762	\$0.26	833,922	3,488,245	\$0.35		4,203,413	

2. RATE OF RETURN STATISTICS

Financial Information:

Statistics reflecting the financial status of local exchange carriers for 1991 are shown below. This information is compiled from the F.C.C Report Form M filed by each company (Table 19). The 1991 results for the 37 companies reflect an increase over 1990 levels for gross investment in property devoted to Nebraska operations. Investment levels for individual companies are:

	Table 15		
	1990	1991	Increase (Decrease)
US West *	\$857,492,250	\$872,894,649	1.80%
United Telephone*	26,597,729	27,553,525	3.59
Great Plains*	45,802,432	46,950,241	2.51
Lincoln Telephone**	409,240,000	427,028,000	4.35
GTE North**	87,143,000	85,588,000	-1.78
Remaining 32 Companies**	147,163,013	150,854,446	2.50

* Intrastate only

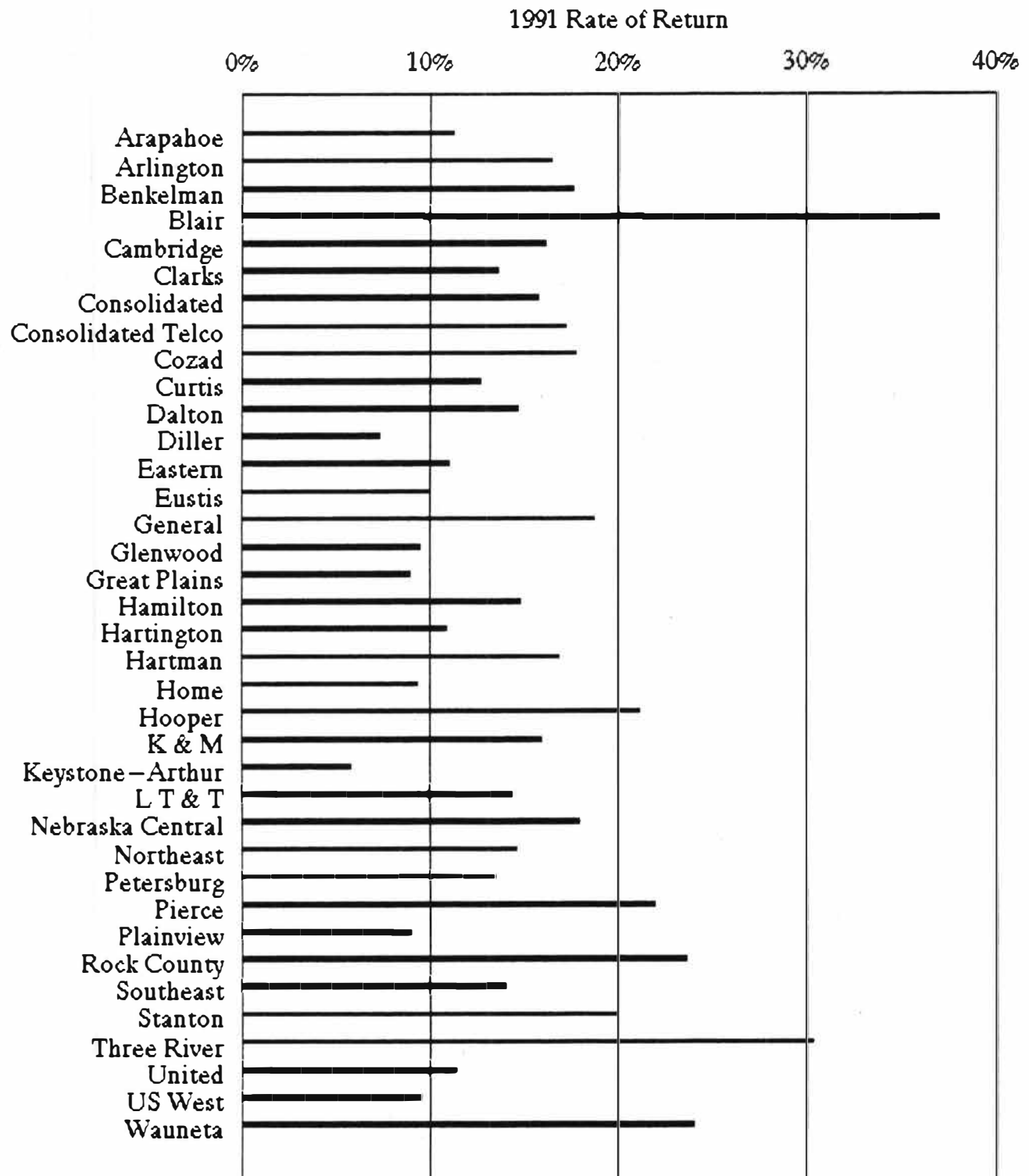
** Combined

As plant investment rose, net operating income for US West and United Telephone decreased from 1990 levels. Lincoln Telephone, Great Plains, and GTE North experienced increases in net operating income for the same period. Of the 37 local exchange companies, 30 earned rates of return in excess of ten percent and the remaining seven's earnings ranged from five to ten percent (Tables 17,18). Dividends were paid out for 23 of the 37 companies.

	Table 16	
	1991 Net Income	Dividends Paid
US West (14 States)	\$954,309,000	\$798,455,000
United Telephone	2,626,724	2,069,372
Great Plains	3,086,366	776,874
Lincoln Telephone	24,202,000	19,469,000
GTE North	280,623,000	228,037,000
Remaining Companies	14,282,985	3,645,661

Table 17

NEBRASKA LOCAL EXCHANGE CARRIERS



State Average = 11.007%

All rates of return are combined.

Table 18

Comparative Rates of Return

	1991 (%)	1990 (%)	1989 (%)
Arapahoe	11.22	9.31	9.56
Arlington	16.46	7.33	15.95
Benkelman	17.62	19.15	7.11
Blair	37.03	18.54	20.08
Cambridge	16.11	13.52	5.36
Clarks	13.58	14.68	6.75
Consolidated	15.74	18.43	19.66
Consolidated Telco	17.19	20.45	28.51
Cozad	17.72	14.92	28.49
Curtis	12.67	9.95	11.97
Dalton	14.66	15.11	18.33
Diller	7.34	2.88	6.41
Eastern	11.01	10.77	8.41
Eustis	10.01	9.61	7.13
General	18.76	12.46	12.22
Glenwood	9.47	5.83	6.36
Great Plains	12.75	11.97	12.39
Hamilton	14.78	14.62	13.95
Hartington	10.86	12.55	15.68
Hartman	16.85	22.21	12.61
Home	9.32	12.05	21.61
Hooper	21.13	13.39	13.28
K & M	15.93	8.88	23.21
Keystone-Arthur	5.80	7.04	9.17
L T & T	14.41	12.75	13.03
Nebraska Central	17.92	11.87	11.03
Northeast	14.61	16.51	12.03
Petersburg	13.49	13.31	22.33
Pierce	21.93	59.42	48.75
Plainview	9.02	9.76	5.83
Rock County	23.60	12.65	8.41
Southeast	14.01	11.01	11.35
Stanton	19.87	11.53	13.61
Three River	30.34	23.78	18.00
United	13.72	13.69	9.48
US West	10.88	9.98	8.72
Wauneta	23.98	20.46	15.92

* All rates of return are combined.

Table 19

TELEPHONE ANNUAL REPORT, 1991

		ARAPAHOE TEL.CO.	ARLINGTON TEL.CO.	BENKELMAN TEL.CO.	BLAIR TEL.CO.	CAMBRIDGE TEL.CO.
=====						
	PLANT IN SERVICE	4,040,831	2,193,498	4,429,190	9,532,758	3,440,572
1220	Material & Supplies	20,560	605	16,266	51,496	33,344
2003	Short Term PUC	0	0	49,010	90,372	0

	TOTAL	4,061,391	2,194,103	4,494,466	9,674,626	3,473,916
Less:	Deprec. Reserve (3100,3400-3500)	1,950,377	772,787	2,189,858	5,988,430	593,041
	Def. Income Taxes (4100,4340)	271,491	0	315,746	569,560	0

	RATE BASE	\$1,839,523	\$1,421,316	\$1,988,862	\$3,116,636	\$2,880,875
=====						
INCOME STATEMENT						
5000-5069	Local Network Service	129,431	149,062	138,929	1,194,266	182,895
5080-5084	Network Access	990,196	744,674	702,444	2,689,881	1,082,320
5100-5169	Long Distance Network Service	12,273	(5,703)	437,139	(27,042)	0
5200-5270	Miscellaneous	84,880	33,842	69,484	639,648	75,696
5280	Non Reg. Operating Revenue	0	50,544	0	304,016	0
5300-5302	Less Uncollectible - Net	(3,837)	3,672	(683)	15,622	1,324
	TOTAL OPERATING REVENUES	1,220,617	968,747	1,348,679	4,785,147	1,339,587
6110	Network Support	30,791	7,701	5,917	47,675	0
6120	General Support	41,153	23,187	44,364	374,852	14,406
6210	CO Switching	73,444	36,334	34,124	168,225	57,251
6220	Operators System	0	0	0	17,622	0
6230	CO Transmission	2,400	9,623	12,586	50,045	712
6310	Origination/Termination	448	657	1,729	4,516	1,032
6410	Cable/Wire Facilities	51,003	42,859	26,069	222,287	109,649
	TOTAL PLANT SPECIFIC OPERATIONS	199,239	120,361	124,789	885,222	183,050
6510	Other Property, Plant and Equipment	0	0	0	90	0
6530	Network Operations	10,016	33,946	13,577	199,783	12,062
6540	Access Expense	0	0	0	0	0
6560	Depreciation/Amortization	248,017	110,324	205,799	590,033	180,120
	TOTAL PLANT NONSPECIFIC OPERATIONS	258,033	144,270	219,376	789,906	192,182
6610	Marketing	0	12,468	0	63,085	0
6620	Service	51,696	33,938	43,748	377,735	45,251
	TOTAL CUSTOMER OPERATIONS	51,696	46,406	43,748	440,820	45,251
6710	Executive/Planning	171,299	135,259	135,464	718,789	120,439
6720	General/Administrative	224,074	108,467	174,794	565,916	142,294
6790	Provision for Uncollectible Notes	0	0	0	0	0
	TOTAL CORPORATE OPERATIONS	395,373	243,726	310,258	1,284,705	262,733
	TOTAL OPERATING EXPENSE	904,341	554,763	698,171	3,400,653	683,216
Operating Taxes:						
7210	Operating Investment Tax Credit	(12,910)	0		0	0
7220	Operating Federal Income Taxes	77,165	150,000		144,000	124,342
7230	Operating State and Local Income Taxes	27,963	27,500		72,000	29,652
7240	Operating Other Taxes	8,913	2,475		14,532	13,874
7250	Prov. for Defer. Operating Taxes-Net	8,768	0		0	24,353
	TOTAL OPERATING TAXES	109,899	179,975	300,038	230,532	192,221
	TOTAL OPER. EXP. & TAXES	1,014,240	734,738	998,209	3,631,185	875,437
	NET OPERATING INCOME	206,377	234,009	350,470	1,153,962	464,150
	RATE BASE	1,839,523	1,421,316	1,988,862	3,116,636	2,880,875
	RATE OF RETURN	11.22%	16.46%	17.62%	37.03%	16.11%

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	CLARKS TEL.CO.	CONSOLIDATED TEL.CO.	CONSOLIDATED TELCO INC.	COZAD TEL.CO.	CURTIS TEL.CO.
=====	=====	=====	=====	=====	=====
PLANT IN SERVICE	2,967,873	9,386,249	3,710,642	4,590,796	3,499,660
1220 Material & Supplies	14,092	2,660	14,024	9,169	28,422
2003 Short Term PUC	0	0	101,307	0	148,278
TOTAL	2,981,965	9,388,909	3,825,973	4,599,965	3,676,360
Less: Deprec. Reserve (3100,3400-3500)	955,767	5,197,793	2,143,726	2,741,296	1,755,903
Def. Income Taxes (4100,4340)	59,294	556,000	68,400	0	71,906
RATE BASE	\$1,966,904	\$3,635,116	\$1,613,847	\$1,858,669	\$1,848,551
INCOME STATEMENT					
5000-5069 Local Network Service	138,948	351,535	180,382	248,662	138,674
5080-5084 Network Access	806,000	1,784,441	648,487	728,036	900,311
5100-5169 Long Distance Network Service	5,017	424,260	108,207	115,862	9,294
5200-5270 Miscellaneous	56,915	80,299	18,589	208,679	70,601
5280 Non Reg. Operating Revenue	0	0	0	0	0
5300-5302 Less Uncollectible - Net	156	(4)	805	461	2,269
TOTAL OPERATING REVENUES	1,006,724	2,640,539	954,860	1,300,778	1,116,611
6110 Network Support	0	8,224	10,617	926	0
6120 General Support	29,624	145,500	39,507	20,944	11,461
6210 CO Switching	24,345	244,148	39,249	76,517	35,237
6220 Operators System	0	0	0	0	0
6230 CO Transmission	3,240	149,580	13,533	3,383	2,771
6310 Origination/Termination	1,240	4,407	2,233	28,616	674
6410 Cable/Wire Facilities	51,075	144,797	56,562	55,197	72,944
TOTAL PLANT SPECIFIC OPERATIONS	109,524	696,656	161,701	185,583	123,087
6510 Other Property, Plant and Equipment	0	207	0	0	0
6530 Network Operations	43,167	280,053	23,856	41,328	25,111
6540 Access Expense	0	0	0	0	0
6560 Depreciation/Amortization	171,478	456,055	150,202	175,175	254,817
TOTAL PLANT NONSPECIFIC OPERATIONS	214,645	736,315	174,058	216,503	279,928
6610 Marketing	0	35	120	236	0
6620 Service	41,980	67,830	39,557	129,024	72,506
TOTAL CUSTOMER OPERATIONS	41,980	67,865	39,677	129,260	72,506
6710 Executive/Planning	79,114	97,652	35,663	90,452	69,852
6720 General/Administrative	180,923	127,412	115,942	167,086	212,653
6790 Provision for Uncollectible Notes	0	0	0	0	0
TOTAL CORPORATE OPERATIONS	260,037	225,064	151,605	257,538	282,505
TOTAL OPERATING EXPENSE	626,186	1,725,900	527,041	788,884	758,026
Operating Taxes:					
7210 Operating Investment Tax Credit	(7,323)	(29,751)	(4,662)	(11,554)	(10,999)
7220 Operating Federal Income Taxes	90,080	277,704	100,443	142,766	127,988
7230 Operating State and Local Income Taxes	0	88,047	31,719	43,395	38,707
7240 Operating Other Taxes	13,729	5,388	1,320	7,965	4,846
7250 Prov. for Defer. Operating Taxes-Net	17,002	1,000	21,500	0	(36,227)
TOTAL OPERATING TAXES	113,488	342,388	150,320	182,572	124,315
TOTAL OPER. EXP. & TAXES	739,674	2,068,288	677,361	971,456	882,341
NET OPERATING INCOME	267,050	572,251	277,499	329,322	234,270
RATE BASE	1,966,904	3,635,116	1,613,847	1,858,669	1,848,551
RATE OF RETURN	13.58%	15.74%	17.19%	17.72%	12.67%

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		EASTERN				
		DALTON	DILLER	NEBRASKA	EUSTIS	GTE NORTH
		TEL.CO.	TEL.CO.	TEL.CO.	TEL.EXCH.	INC.
=====						
PLANT IN SERVICE		4,674,925	2,610,271	6,353,076	945,154	85,588,000
1220	Material & Supplies	13,821	6,890	13,637	1,631	769,582
2003	Short Term PUC	26,127	0	858,393	0	1,568,000

TOTAL		4,714,873	2,617,161	7,225,106	946,785	87,925,582
Less: Deprec. Reserve (3100,3400-3500)		1,814,097	1,590,895	3,725,240	317,568	38,859,815
Def. Income Taxes (4100,4340)		428,270	0	191,358	0	7,537,000

RATE BASE		\$2,472,506	\$1,026,266	\$3,308,508	\$629,217	\$41,528,767
INCOME STATEMENT						
5000-5069	Local Network Service	261,723	85,596	436,761	35,752	7,822,000
5080-5084	Network Access	1,066,538	235,993	1,476,719	204,918	16,166,000
5100-5169	Long Distance Network Service	0	405,330	1,845	3,756	180,000
5200-5270	Miscellaneous	110,174	8,705	106,037	36,455	1,911,000
5280	Non Reg. Operating Revenue	7,355	0	98,466	0	1,647,000
5300-5302	Less Uncollectible - Net	(15,238)	1,610	7,168	190	194,000
TOTAL OPERATING REVENUES		1,461,028	734,014	2,112,660	280,691	27,532,000
6110	Network Support	0	2,539	22,465	3,024	175,000
6120	General Support	41,536	19,347	76,599	4,704	2,023,000
6210	CO Switching	202,622	42,225	106,731	4,041	1,390,000
6220	Operators System	0	0	0	0	0
6230	CO Transmission	30,104	0	5,107	4,122	151,000
6310	Origination/Termination	17,107	0	1,647	28	391,000
6410	Cable/Wire Facilities	79,959	59,957	106,212	18,868	1,702,000
TOTAL PLANT SPECIFIC OPERATIONS		371,328	124,068	318,761	34,787	5,832,000
6510	Other Property, Plant and Equipment	0	0	0	1,676	2,000
6530	Network Operations	5,972	8,375	79,831	4,845	1,291,000
6540	Access Expense	0	0	0	0	10,000
6560	Depreciation/Amortization	293,156	155,658	312,846	68,084	5,186,000
TOTAL PLANT NONSPECIFIC OPERATIONS		299,128	164,033	392,677	74,605	6,489,000
6610	Marketing	576	0	26,872	2,119	725,000
6620	Service	42,505	53,260	92,779	33,373	1,486,000
TOTAL CUSTOMER OPERATIONS		43,081	53,260	119,651	35,492	2,211,000
6710	Executive/Planning	1,541	99,963	380,883	14,429	133,000
6720	General/Administrative	232,423	108,381	301,380	23,972	2,991,000
6790	Provision for Uncollectible Notes	0	0	0	0	0
TOTAL CORPORATE OPERATIONS		233,964	208,344	682,263	38,401	3,124,000
TOTAL OPERATING EXPENSE		947,501	549,705	1,513,352	183,285	17,656,000
Operating Taxes:						
7210	Operating Investment Tax Credit	(20,347)	0	0	0	(24,000)
7220	Operating Federal Income Taxes	27,437	81,080	180,000	26,311	2,834,000
7230	Operating State and Local Income Taxes	(20,719)	23,903	48,000	7,125	171,000
7240	Operating Other Taxes	25,570	3,956	7,120	987	24,000
7250	Prov. for Defer. Operating Taxes-Net	139,135	0	0	0	(918,000)
TOTAL OPERATING TAXES		151,076	108,939	235,120	34,423	2,087,000
TOTAL OPER. EXP. & TAXES		1,098,577	658,644	1,748,472	217,708	19,743,000
NET OPERATING INCOME		362,451	75,370	364,188	62,983	7,789,000
RATE BASE		2,472,506	1,026,266	3,308,508	629,217	41,528,767
RATE OF RETURN		14.66%	7.34%	11.01%	10.01%	18.76%

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		GLENWOOD TEL.MEMB. CORP.	GREAT PLAINS INTRASTATE	HAMILTON TEL.CO	HARTINGTON TEL.CO	HARTMAN TEL.EXCH.
PLANT IN SERVICE		7,223,952	46,950,241	8,996,321	3,188,380	2,089,023
1220	Material & Supplies	18,165	224,905	1,163	25,233	13,455
2003	Short Term PUC	146,476	734,031	0	13,959	0
TOTAL		7,388,593	47,909,177	8,997,484	3,227,572	2,102,478
Less: Deprec. Reserve (3100,3400-3500)		4,294,852	21,537,969	4,221,551	1,083,952	1,314,042
Def. Income Taxes (4100,4340)		0	2,967,583	1,124,800	54,814	0
RATE BASE		\$3,093,741	\$23,403,625	\$3,651,133	\$2,088,806	\$788,436
INCOME STATEMENT						
5000-5069	Local Network Service	284,006	3,979,992	518,333	173,775	51,035
5080-5084	Network Access	1,116,917	6,122,318	1,848,560	701,623	640,489
5100-5169	Long Distance Network Service	1,992	288,046	0	85,490	1,482
5200-5270	Miscellaneous	36,181	1,325,938	736,785	31,554	34,428
5280	Non Reg. Operating Revenue	0	0	0	0	15,099
5300-5302	Less Uncollectible - Net	5,173	(1,779)	4,291	1,734	(1,413)
TOTAL OPERATING REVENUES		1,433,923	11,718,073	3,099,387	990,708	743,946
6110	Network Support	0	0	1,619	324	5,522
6120	General Support	24,446	0	69,806	25,081	29,291
6210	CO Switching	121,865	0	141,752	11,652	46,990
6220	Operators System	0	0	2,281	0	0
6230	CO Transmission	6,121	0	15,103	5,443	4,277
6310	Origination/Termination	1,113	0	11,400	434	0
6410	Cable/Wire Facilities	109,976	0	149,036	58,570	78,417
TOTAL PLANT SPECIFIC OPERATIONS		263,521	1,877,994	390,997	101,504	164,497
6510	Other Property, Plant and Equipment	0	0	0	0	0
6530	Network Operations	98,624	0	89,140	78,785	6,041
6540	Access Expense	0	0	2,159	0	0
6560	Depreciation/Amortization	432,670	0	494,747	167,515	120,323
TOTAL PLANT NONSPECIFIC OPERATIONS		531,294	3,776,917	586,046	246,300	126,364
6610	Marketing	4,873	0	2,361	821	0
6620	Service	104,649	0	817,616	106,864	50,162
TOTAL CUSTOMER OPERATIONS		109,522	928,374	819,977	107,685	50,162
6710	Executive/Planning	52,462	0	179,174	19,009	103,044
6720	General/Administrative	171,106	0	299,787	114,494	92,438
6790	Provision for Uncollectible Notes	0	0	0	0	0
TOTAL CORPORATE OPERATIONS		223,568	2,008,954	478,961	133,503	195,482
TOTAL OPERATING EXPENSE		1,127,905	8,592,239	2,275,981	588,992	536,505
Operating Taxes:						
7210	Operating Investment Tax Credit	0	0	(41,420)	(6,119)	(6,966)
7220	Operating Federal Income Taxes	0	674,296	241,520	139,197	64,250
7230	Operating State and Local Income Taxes	0	315,019	75,950	30,169	15,408
7240	Operating Other Taxes	13,190	44,631	(12,550)	(7,944)	1,931
7250	Prov. for Defer. Operating Taxes-Net	0	0	20,240	19,477	0
TOTAL OPERATING TAXES		13,190	1,033,946	283,740	174,780	74,623
TOTAL OPER. EXP. & TAXES		1,141,095	9,626,185	2,559,721	763,772	611,128
NET OPERATING INCOME		292,828	2,091,888	539,666	226,936	132,818
RATE BASE		3,093,741	23,403,625	3,651,133	2,088,806	788,436
RATE OF RETURN		9.47%	8.94%	14.78%	10.86%	16.85%

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		HOME TEL.CO. OF NEB.	HOOPER TEL.CO.	K & M TEL.CO.	KEYSTONE -ARTHUR TEL.CO.	LINCOLN TEL. & TEL.CO.
=====						
PLANT IN SERVICE		1,479,332	1,981,451	1,868,491	2,781,187	427,028,000
1220	Material & Supplies	15,702	6,529	10,841	23,727	3,992,000
2003	Short Term PUC	0	0	0	0	6,673,000

TOTAL		1,495,034	1,987,979	1,879,332	2,804,914	437,693,000
Less:	Deprec. Reserve (3100,3400-3500)	486,420	829,024	938,749	1,331,176	181,076,000
	Def. Income Taxes (4100,4340)	0	197,845	76,726	157,657	31,018,000

RATE BASE		\$1,008,614	\$961,111	\$863,857	\$1,316,081	\$225,599,000
INCOME STATEMENT						
5000-5069	Local Network Service	61,411	120,003	100,850	84,453	56,005,000
5080-5084	Network Access	348,471	457,553	409,436	654,762	43,620,000
5100-5169	Long Distance Network Service	11,993	0	75	24,619	20,777,000
5200-5270	Miscellaneous	56,844	156,305	4,213	88,700	15,851,000
5280	Non Reg. Operating Revenue	0	0	0	111,811	14,083,000
5300-5302	Less Uncollectible - Net	736	(85)	494	5,890	112,000
TOTAL OPERATING REVENUES		477,983	733,947	514,080	958,455	150,224,000
6110	Network Support	1,421	1,542	0	3,193	384,000
6120	General Support	10,457	19,041	9,336	36,919	8,306,000
6210	CO Switching	8,012	26,322	26,284	33,697	9,085,000
6220	Operators System	0	0	0	0	46,000
6230	CO Transmission	22,192	2,095	3,574	17,258	2,239,000
6310	Origination/Termination	227	93	0	124,947	4,277,000
6410	Cable/Wire Facilities	30,954	33,484	20,325	32,755	7,308,000
TOTAL PLANT SPECIFIC OPERATIONS		73,263	82,577	59,519	248,769	31,645,000
6510	Other Property, Plant and Equipment	4,928	0	0	1,928	567,000
6530	Network Operations	10,730	21,688	5,027	26,892	6,305,000
6540	Access Expense	0	0	0	0	0
6560	Depreciation/Amortization	96,410	114,423	92,058	200,407	28,484,000
TOTAL PLANT NONSPECIFIC OPERATIONS		112,068	136,111	97,085	229,227	35,356,000
6610	Marketing	688	1,447	0	852	2,967,000
6620	Service	61,387	79,610	21,220	69,425	17,761,000
TOTAL CUSTOMER OPERATIONS		62,075	81,057	21,220	70,277	20,728,000
6710	Executive/Planning	27,774	28,740	40,610	99,363	2,961,000
6720	General/Administrative	40,876	76,795	67,128	221,029	12,426,000
6790	Provision for Uncollectible Notes	0	0	0	0	0
TOTAL CORPORATE OPERATIONS		68,650	105,535	107,738	320,392	15,387,000
TOTAL OPERATING EXPENSE		316,056	405,280	285,562	868,665	103,116,000
Operating Taxes:						
7210	Operating Investment Tax Credit	0	(3,594)	(4,133)	(13,494)	(1,821,000)
7220	Operating Federal Income Taxes	46,816	96,359	36,484	(5,294)	11,413,000
7230	Operating State and Local Income Taxes	19,562	29,405	16,416	(8,143)	4,193,000
7240	Operating Other Taxes	1,580	3,390	0	12,340	345,000
7250	Prov. for Defer. Operating Taxes-Net	0	0	42,126	28,050	471,000
TOTAL OPERATING TAXES		67,958	125,561	90,893	13,459	14,601,000
TOTAL OPER. EXP. & TAXES		384,014	530,840	376,455	882,124	117,717,000
NET OPERATING INCOME		93,969	203,106	137,625	76,331	32,507,000
RATE BASE		1,008,614	961,111	863,857	1,316,081	225,599,000
RATE OF RETURN		9.32%	21.13%	15.93%	5.80%	14.41%

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		NEBRASKA	NORTHEAST		
		CENTRAL	NEBRASKA	PETERSBURG	PIERCE PLAINVIEW
		TEL.CO.	TEL.CO.	TEL.CO.	TEL.CO. TEL.CO.
=====					
PLANT IN SERVICE		16,241,145	9,995,339	1,925,691	2,645,915 2,455,091
1220	Material & Supplies	67,914	55,722	13,182	7,072 9,853
2003	Short Term PUC	38,926	464,032	0	684,856 0
TOTAL		16,347,985	10,515,093	1,938,873	3,337,843 2,464,944
Less: Deprec. Reserve (3100,3400-3500)		7,520,001	5,296,562	715,529	2,099,998 449,610
Def. Income Taxes (4100,4340)		1,154,832	0	0	0 0
RATE BASE		\$7,673,152	\$5,218,531	\$1,223,344	\$1,237,845 \$2,015,334
=====					
INCOME STATEMENT					
5000-5069	Local Network Service	881,897	279,098	89,889	254,191 196,549
5080-5084	Network Access	3,183,241	1,615,705	600,029	535,373 430,490
5100-5169	Long Distance Network Service	50,667	200,389	0	24,360 23,973
5200-5270	Miscellaneous	414,368	287,456	49,272	96,564 132,134
5280	Non Reg. Operating Revenue	0	0	0	0 0
5300-5302	Less Uncollectible - Net	(13,464)	0	(1,954)	150 64
TOTAL OPERATING REVENUES		4,543,637	2,382,648	741,144	910,338 783,082
6110	Network Support	24,411	494	279	0 6,253
6120	General Support	86,651	27,075	20,201	33,353 19,863
6210	CO Switching	126,752	81,316	35,814	29,196 70,915
6220	Operators System	0	0	0	0 0
6230	CO Transmission	20,221	4,540	8,376	884 1,964
6310	Origination/Termination	122,544	44,284	545	762 350
6410	Cable/Wire Facilities	194,056	175,202	45,599	27,105 11,763
TOTAL PLANT SPECIFIC OPERATIONS		574,635	332,912	110,814	91,300 111,108
6510	Other Property, Plant and Equipment	0	0	0	0 0
6530	Network Operations	166,699	96,859	21,545	12,948 1,997
6540	Access Expense	0	0	0	0 0
6560	Depreciation/Amortization	926,204	512,484	120,115	97,515 137,727
TOTAL PLANT NONSPECIFIC OPERATIONS		1,092,903	609,343	141,660	110,463 139,724
6610	Marketing	0	1,330	54	1,957 0
6620	Service	195,458	248,020	20,322	79,937 103,357
TOTAL CUSTOMER OPERATIONS		195,458	249,350	20,376	81,894 103,357
6710	Executive/Planning	206,332	114,525	88,033	222,224 104,234
6720	General/Administrative	459,268	269,118	117,322	138,613 62,836
6790	Provision for Uncollectible Notes	0	0	0	0 0
TOTAL CORPORATE OPERATIONS		665,600	383,643	205,355	360,837 167,070
TOTAL OPERATING EXPENSE		2,528,596	1,575,248	478,205	644,494 521,259
Operating Taxes:					
7210	Operating Investment Tax Credit	0	0	(241)	(8,451)
7220	Operating Federal Income Taxes	347,924	15,033	74,486	0 52,996
7230	Operating State and Local Income Taxes	178,000	25,247	16,702	0 24,513
7240	Operating Other Taxes	748	4,952	6,904	2,834 2,479
7250	Prov. for Defer. Operating Taxes-Net	113,000	0	0	0
TOTAL OPERATING TAXES		639,672	45,232	97,851	(5,617) 79,988
TOTAL OPER. EXP. & TAXES		3,168,268	1,620,480	576,056	638,877 601,247
NET OPERATING INCOME		1,375,369	762,168	165,088	271,461 181,835
RATE BASE		7,673,152	5,218,531	1,223,344	1,237,845 2,015,334
RATE OF RETURN		17.92%	14.61%	13.49%	21.93% 9.02%

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	ROCK COUNTY TEL.CO.	SOUTHEAST NEBRASKA TEL.CO.	STANTON TEL.CO.	THREE RIVER TELCO	UNITED TELCO OF THE WEST INTRASTATE
PLANT IN SERVICE	3,870,207	10,428,090	2,869,041	5,137,032	26,597,729
1220 Material & Supplies	13,494	5,749	40,790	16,900	110,058
2003 Short Term PUC	14,917	0	0	0	473,734
TOTAL	3,898,618	10,433,839	2,909,831	5,153,932	27,181,521
Less: Deprec. Reserve (3100,3400-3500)	2,028,327	3,797,746	1,335,081	3,010,512	13,187,533
Def. Income Taxes (4100,4340)	264,277	519,542	150,771	0	1,658,645
RATE BASE	\$1,606,014	\$6,116,551	\$1,423,979	\$2,143,420	\$12,335,343
INCOME STATEMENT					
5000-5069 Local Network Service	172,254	728,468	184,572	149,494	5,079,951
5080-5084 Network Access	1,058,393	256,750	977,215	1,267,334	2,834,265
5100-5169 Long Distance Network Service	(3,242)	2,662,813	0	1,040	40,102
5200-5270 Miscellaneous	40,321	71,160	91,258	3,888	957,972
5280 Non Reg. Operating Revenue	36,114	0	0	0	0
5300-5302 Less Uncollectible - Net	(1,663)	0	(7,329)	(7,938)	4,456
TOTAL OPERATING REVENUES	1,305,503	3,719,191	1,260,374	1,429,694	8,907,834
6110 Network Support	11,314	4,768	0	467	9,411
6120 General Support	34,208	134,530	21,154	27,457	674,769
6210 CO Switching	51,310	254,964	58,560	85,116	644,766
6220 Operators System	0	0	0	0	0
6230 CO Transmission	16,404	13,930	3,364	16,160	126,763
6310 Origination/Termination	0	8,817	270	268	55,774
6410 Cable/Wire Facilities	28,216	370,065	42,260	41,723	841,436
TOTAL PLANT SPECIFIC OPERATIONS	141,452	787,074	125,608	171,191	2,352,919
6510 Other Property, Plant and Equipment	0	0	0	0	3,387
6530 Network Operations	55,086	54,223	172,217	54,037	869,302
6540 Access Expense	0	0	0	0	0
6560 Depreciation/Amortization	166,207	650,875	187,615	289,472	1,703,804
TOTAL PLANT NONSPECIFIC OPERATIONS	221,293	705,098	359,832	343,509	2,576,493
6610 Marketing	13,105	11,560	137	0	108,968
6620 Service	42,933	193,808	100,248	54,080	842,773
TOTAL CUSTOMER OPERATIONS	56,038	205,368	100,385	54,080	951,741
6710 Executive/Planning	172,086	395,405	49,416	36,326	62,721
6720 General/Administrative	136,705	401,758	207,544	136,041	1,396,110
6790 Provision for Uncollectible Notes	0	0	0	0	0
TOTAL CORPORATE OPERATIONS	308,791	797,163	256,960	172,367	1,458,831
TOTAL OPERATING EXPENSE	727,574	2,494,703	842,785	741,147	7,339,984
Operating Taxes:					
7210 Operating Investment Tax Credit	0	0	(13,792)	0	(70,065)
7220 Operating Federal Income Taxes	168,000	168,500	73,496	0	515,530
7230 Operating State and Local Income Taxes	30,000	79,500	18,374	0	157,996
7240 Operating Other Taxes	921	14,839	15,163	38,269	(195,022)
7250 Prov. for Defer. Operating Taxes-Net	0	104,500	41,463	0	(243,256)
TOTAL OPERATING TAXES	198,921	367,339	134,704	38,269	165,183
TOTAL OPER. EXP. & TAXES	926,495	2,862,042	977,489	779,416	7,505,167
NET OPERATING INCOME	379,008	857,149	282,885	650,278	1,402,667
RATE BASE	1,606,014	6,116,551	1,423,979	2,143,420	12,335,343
RATE OF RETURN	23.60%	14.01%	19.87%	30.34%	11.37%

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		US WEST INTRASTATE	WAUNETA TEL.CO.
=====			
PLANT IN SERVICE		872,894,649	3,303,263
1220 Material & Supplies		4,239,752	0
2003 Short Term PUC		11,231,862	0

TOTAL		888,366,263	3,303,263
Less: Deprec. Reserve (3100,3400-3500)		350,647,131	1,339,228
Def. Income Taxes (4100,4340)		105,096,499	470,302

RATE BASE		\$432,622,633	\$1,493,733
INCOME STATEMENT			
5000-5069 Local Network Service		142,349,573	75,764
5080-5084 Network Access		29,872,412	549,098
5100-5169 Long Distance Network Service		48,528,760	358,990
5200-5270 Miscellaneous		62,509,320	110,985
5280 Non Reg. Operating Revenue		0	0
5300-5302 Less Uncollectible - Net		1,463,555	(248)
TOTAL OPERATING REVENUES		281,796,510	1,095,085
6110 Network Support		1,305,446	6,230
6120 General Support		52,048,960	13,650
6210 CO Switching			26,542
6220 Operators System			0
6230 CO Transmission			3,813
6310 Origination/Termination			503
6410 Cable/Wire Facilities			12,677
TOTAL PLANT SPECIFIC OPERATIONS		53,354,406	63,415
6510 Other Property, Plant and Equipment		(588,833)	0
6530 Network Operations		2,742,510	8,562
6540 Access Expense		20,559,459	0
6560 Depreciation/Amortization		75,523,045	161,423
TOTAL PLANT NONSPECIFIC OPERATIONS		98,236,181	169,985
6610 Marketing			0
6620 Service			28,606
TOTAL CUSTOMER OPERATIONS		29,114,454	28,606
6710 Executive/Planning			93,431
6720 General/Administrative		0	89,043
6790 Provision for Uncollectible Notes		0	0
TOTAL CORPORATE OPERATIONS		33,953,449	182,474
TOTAL OPERATING EXPENSE		214,658,490	444,480
Operating Taxes:			
7210 Operating Investment Tax Credit			(13,108)
7220 Operating Federal Income Taxes		9,397,468	244,772
7230 Operating State and Local Income Taxes		5,042,122	55,405
7240 Operating Other Taxes		11,340,649	5,347
7250 Prov. for Defer. Operating Taxes-Net			0
TOTAL OPERATING TAXES		25,780,239	292,416
TOTAL OPER. EXP. & TAXES		240,438,729	736,896
NET OPERATING INCOME		41,357,781	358,189
RATE BASE		432,622,633	1,493,733
RATE OF RETURN		9.56%	23.98%

3. LONG DISTANCE TELEPHONE RATES

Long distance calls within the state of Nebraska are either intraLATA, (originating and terminating within the same LATA²), or interLATA, (originating in one LATA and terminating in another). Local exchange companies retain the exclusive use of intraLATA 1+ dialing, therefore, no intraLATA presubscription (equal access) for toll carriers exists. Long distance companies such as AT&T, MCI, Sprint, and others compete in the interLATA market. To encourage use of the local exchange companies' network, and to make available the benefits of competition, approximately 50 companies have been authorized to serve this market in Nebraska.

The largest "cost" item for competing carriers is a per minute rate called an access charge. Access charges are paid by the competing carriers to the local exchange companies (U.S. West, LT&T, and all independent companies) to originate and terminate calls. For example, AT&T currently charges \$1.58 to a subscriber for a five-minute, 50 mile call made between 8:00 a.m. and 5:00 p.m. on a week-day. This rate is reduced by 50% on the week-end which results in a \$.79 charge for the same call. The cost for access on this call to AT&T, or any other long distance carrier varies depending on the local companies involved at the originating and the terminating end of the call. Using one local telephone company's access charge rates, AT&T would be charged \$.14 per minute or \$.70 for the call. Using the highest access charge rate for a local telephone company, AT&T would be charged \$.56 per minute, or \$2.80 for the call. Since access charges are not discounted for night or week-end periods, the \$2.80 cost applies regardless of the time period involved. Therefore, for every five-minute, 50 mile call which originates and terminates using this particular local exchange company, AT&T loses \$1.22 on the call during the daytime, and \$2.01 for the same call made on a week-end.

The calculation of the access cost, or access charge rate paid by the long-distance carrier, is made up of five elements. The largest is the residual rate, and under current tariffs, this rate varies from \$.01 to \$.22 per minute, depending on the local telephone company involved. This element, plus the others, represent the per minute access cost at each end of the call.

²"LATA" is an acronym for "Local Access Transport Area" and represents geographical areas throughout the United States which were carved out by Federal District Court Judge Harold Greene in the famous Modified Final Judgement which divested AT&T in 1983.

As an example in Nebraska, both the rate charged to AT&T by a local company, and the rate charged to the customer by AT&T are deregulated. This means either rate can be increased or decreased at will by these companies. The result of this rate freedom has been an increase in AT&T rates charged to customers over the last five years with no substantial decreases by local exchange carriers in access charges during the same period. Other factors contributing to this unending problem are:

(1) Access charges can represent in excess of 60% of a long distance company's total operating expense; and

(2) Access revenue to local telephone companies can represent up to 90% of their total revenue.

A study of the Telecommunications Act of 1986 (L.B. 835) was recently released by the University of Nebraska at Omaha. The author, Dr. Milton Mueller concluded:

"Intrastate long distance is a problem area that needs attention from the state legislature and the PSC. Since the passage of L.B. 835, there has been a significant deviation between long distance rates in Nebraska and other states. Most Nebraskans are paying more for long distance calls inside the state than they were in 1984, whereas in the country as a whole, and in nearly all of the other states included in the study, long distance rates have decreased."

Ratepayers in Nebraska have voiced concern over high toll rates by attempting to establish extended area service (EAS) and through applications to change telephone exchange boundaries. As rural customers find fewer basic services in their own communities, the need to make more toll calls will increase pressure to reduce toll rates.

In response to high toll rates, the Commission instituted an investigation into Lincoln Telephone's calling plans. After extensive hearings held throughout the company's operating area, an order became effective in August of 1991 authorizing Lincoln Telephone to reduce toll rates ranging from 17 to 46 percent. This plan also established 25-mile local calling areas and optional extended area service. To balance the reduced toll charges, a rate increase for basic local service occurred. Customers now have calling options and significantly reduced toll rates. In addition, usage of the network has increased. An analysis of the plan is now underway to determine whether revenue neutrality was maintained in compliance with the Commission's order.

The benefits of toll rate reductions should flow to all Nebraska customers. The history of pricing over the previous five years suggests reductions in access charges and toll rates

will not take place voluntarily without Commission interaction. To achieve long distance rates comparable to other states, two options are available:

(1) Eliminate the exclusive use of 1+ intraLATA dialing by local exchange companies and allow full toll competition for all long distance companies; and/or

(2) Investigate the toll rate and access pricing structure in Nebraska with a goal of reducing intrastate rates.

4. AUTHORIZED INTEREXCHANGE CARRIERS

<u>Company</u>	<u>InterLATA</u>	<u>Date Granted</u>	<u>IntraLATA</u>	<u>Date Granted</u>
AT&T	X	12/83	X	12/86
US Sprint	X	8/85	X	12/86
MCI	X	8/85	X	12/86
Lintel Systems	X	3/86	N/R	
Teleconnect	X	11/86	X	3/87
TelaMarketing (TMC)	X	12/86	X	6/87
Dial-Net	X	2/87	X	5/92
Western Union	X	10/87	N/R	
Int'l Telecharge (ITI)	X	8/88	N/R	
United Telephone LD	X	4/88	N/R	
LDDS Comm. (Midamerican)	X	10/88	X	1/92
Metromedia, Inc. (ITT)	X	7/89	X	7/89
Telenational Communications	X	7/89	X	7/89
Allnet Communication Svs.	X	8/89	X	8/89
Vicom	X	12/89	N/R	
Network Services	X	3/90	X	3/90
Payline Systems	X	5/90	X	5/90
Coast International	X	12/90	N/R	
Comtel	X	1/91	N/R	
Kantel Communications	X	1/91	X	1/91
Convergent	X	1/91	X	1/91
Matrix	X	2/91	X	2/91
Cable & Wireless Comm.	X	3/91	N/R	
Eastern Ambulance*	X	3/91	N/R	
Amer-I-Net Services	X	4/91	X	4/91
Phoenix Network	X	4/91	N/R	
American Public Comm.	X	4/91	D	
One Call Comm. (Opticom)	X	6/91	X	6/91
Excel Tele.	X	7/91	N/R	
Fiberline Network	X	7/91	D	
Tel-Save, Inc.	D		D	
Nedelco	X	9/91	X	9/91
Alternate Comm.	X	12/91	X	12/91
Affinity Network	X	12/91	X	12/91
Wiltel Inc.	X	12/91	X	12/91
Wats/800 Inc.	X	12/91	X	12/91
CLM Assoc.	N/A		N/A	
Silverado Comm.	N/A		N/A	
TCI Communications	N/A		N/A	
BSN Tele.	X	2/92	X	2/92
Intellicall Oper.	X	1/92	X	1/92
Litel	X	2/92	X	2/92
Robert Cefail & Assoc.	X	2/92	X	2/92
National Tele.	X	3/92	X	3/92
The Hogan Company	X	3/92	X	3/92
Trans National Comm	X	4/92	x	4/92
Affinity Fund	X	4/92	X	4/92

<u>Company</u>	<u>InterLATA</u>	<u>Date Granted</u>	<u>IntraLATA</u>	<u>Date Granted</u>
Norstan Network	X	4/92	X	4/92
Conquest Operator	X	5/92	X	5/92
NOS Communications	X	6/92	X	6/92
Telnet Communications	X	6/92	X	6/92
Telegroup	W			
Mid Com Communications	X	6/92	X	6/92
American Wats Inc.	X	8/92	N/R	
Enterprise Telecom	X	9/92	X	9/92
Telsave Inc.	X	9/92	N/R	
Corporate Telemanagement	X	9/92	X	9/92
American Automated Tele.	(PENDING)			
American Telephone Network	(PENDING)			
Communications Gateway	(PENDING)			
Nebraska Wesleyan	(PENDING)			
Pegasus Information Systems	(PENDING)			
American Teltronics	(PENDING)			
Lubbock Radio Paging	(PENDING)			

*Eastern Ambulance charges a flat rate of \$250/month. Provides service from Lincoln-Omaha; Lincoln-Grand Island; Grand Island-Lincoln

N/A - Not Applicable

N/R - Not Requested

D - Denied

W - Withdrawn

Revised 9-01-92

5. REDUCTIONS IN TELEPHONE RATES ORDERED
BY
STATE PUBLIC UTILITIES COMMISSIONS

Net reductions in telephone rates ordered by public utility commissions in other states totaled \$2.724 billion for the years 1987, 1988, and 1989. Reductions of \$451 million were ordered in 1990 and \$87 million more in reductions were ordered in 1991. In five years, the ratepayers in these states have seen \$3.262 billion in savings. Nebraska ratepayers have not seen any Commission-ordered rate reductions during the same period. Utility commissions which have ordered reductions are those in:

Alabama
Arizona
Arkansas
California
Colorado
District of Columbia
Florida
Georgia
Idaho
Illinois
Indiana
Iowa

Kansas
Kentucky
Louisiana
Maine
Maryland
Michigan
Minnesota
Mississippi
Missouri
Montana
New Jersey
New Mexico

New York
North Carolina
North Dakota
Oregon
Pennsylvania
South Carolina
South Dakota
Tennessee
Texas
Utah
Virginia
Washington
Wisconsin

PART IV



Part IV

L.B. 286 WINDFALL PROVISION

The personal property tax crisis was the impetus for the portion of L.B. 286 (LAWS 1991) codified as Neb. Rev. Stat. §86-803(9). This provision directs that, if a certain threshold level is met, telecommunications companies are to prepare annually, and the Commission is to review for approval, plans for disposition of revenue windfalls resulting from changes in state or federal tax law. In May, 1992, the Commission opened a docket and established a format for the affected companies to present their plans for taxable year 1991. By July, orders had been entered for nearly all of the local exchange carriers establishing the amount of the "windfall" and disposition of the funds.

On July 24, 1992, the Nebraska Supreme Court complicated matters by issuing the *Jaksha* and *Bahensky* decisions. Since state government's reaction to these new decisions was unknown, the Commission granted a motion by the Communications Department August 4, 1992, and placed the entire docket in abeyance until the status of the companies' 1991 personal property tax liability is established. However, the Commission decided September 1, 1992, to go forward and set a hearing to consider whether interest should accrue on the revenues in question while the outcome of the court decisions is awaited as well as for the period during the pendency of the completion of the plans. If 1991 personal property taxes are collected, no windfall results and therefore there will be no plans and disposition due by the companies for 1991.

Conversely, *Bahensky* held that the depreciation and income tax surcharges used by the state to help recover lost personal property tax revenue are unconstitutional. The Commission treated the surcharges as offsets against the calculated windfalls, but realized the surcharges might be found unconstitutional. If 1991 personal property taxes are not collected, then the offsets will be removed and thereby increase the windfall amounts subject to disposition.

Table 20 lists the local exchange companies and the net windfall determined by the Commission prior to the court decisions issued July 24, 1992.

Table 20

Local Exchange Companies
 Personal Property Taxes
 1991 Assessments

	1991			Tax	Fed. & State	Future	Net
	Property	Interstate	Intrastate	Offsets	Income Tax	Benefit	1991
	Taxes	& Other	Amount	Per LB 829	Impacts	Adjust.	Windfall
	Forgiven						
Arapahoe	44,025	(10,576)	33,449	(10,923)	(8,736)	4,646	18,436
Arlington	33,713	(5,775)	27,938	(13,798)	(5,483)	4,251	12,908
Benkelman	48,446	(12,614)	35,832	(15,743)	(7,791)	7,674	19,972
Blair	105,864	(23,021)	82,843	(38,156)	(17,330)	14,163	41,520
Cambridge	41,157	(10,362)	30,795	(12,987)	(6,906)	6,683	17,585
Clarks	29,777	(5,063)	24,714	(18,295)	(2,489)	3,176	7,106
Consolidated Telco	38,639	0	38,639	(7,841)	(11,944)	6,352	25,206
Consolidated Tel.	89,580	0	89,580	(17,143)	(28,092)	14,940	59,285
Cozad	50,266	(13,344)	36,922	(7,850)	(10,400)	5,803	24,475
Curtis	42,916	(8,577)	34,339	(10,106)	(9,398)	7,060	21,895
Dalton	60,745	(16,281)	44,464	(23,076)	(8,295)	7,421	20,514
Diller	15,487	(2,488)	12,999	(10,583)	(937)	1,064	2,543
Eastern Nebraska	55,734	(11,052)	44,682	(23,228)	(8,320)	6,800	19,934
Eustis	11,523	0	11,523	(3,466)	(2,882)	1,608	6,783
GTE North	705,628	(188,544)	517,084	(220,713)	(114,936)	61,124	242,559
Glenwood	58,944	0	58,944	(25,896)	0	0	33,048
Great Plains	571,900	(98,805)	473,095	(213,650)	(100,616)	76,804	235,633
Hamilton	101,938	0	101,938	(26,000)	(29,450)	18,029	64,517
Hartington	34,954	0	34,954	(13,459)	(8,336)	5,103	18,262
Hartman	10,531	(3,116)	7,415	(4,249)	(1,240)	1,438	3,364
Home	14,203	0	14,203	(9,319)	(1,747)	975	4,112
Hooper	24,567	0	24,567	(9,208)	(5,956)	3,168	12,571
K & M	14,597	0	14,597	(7,470)	(2,764)	1,470	5,833
Keystone-Arthur	18,662	(3,839)	14,823	(9,748)	(1,968)	1,047	4,154
L T & T	5,183,602	(2,146,279)	3,037,323	(1,026,365)	(779,873)	470,474	1,701,559
Nebraska Central	193,928	(30,347)	163,581	(69,349)	(36,544)	19,435	77,123
Northeast Nebraska	107,124	0	107,124	(59,124)	0	0	48,000
Petersburg	24,359	(3,949)	20,410	(7,718)	(4,541)	3,612	11,763
Pierce	15,673	0	15,673	(2,648)	(4,660)	2,600	10,965
Plainview	28,825	0	28,825	(12,900)	(5,697)	3,179	13,407
Rock County	44,137	(7,922)	36,215	(13,669)	(8,744)	6,558	20,360
Southeast Nebraska	130,324	(16,053)	114,271	(67,209)	(18,251)	20,571	49,382
Stanton	27,234	(4,555)	22,679	(10,440)	(4,746)	3,605	11,098
Three River	32,326	(8,207)	24,119	(8,075)	0	5,429	21,473
U.S. West	12,296,941	(5,403,067)	6,893,874	(2,525,234)	(1,694,210)	861,063	3,535,493
United Telephone	394,239	(130,966)	263,273	(120,345)	(55,429)	29,478	116,977
Wauneta	50,273	(12,699)	37,574	(11,271)	(10,201)	9,454	25,556
Total	20,752,781	(8,177,501)	12,575,280	(4,687,254)	(3,018,912)	1,696,257	6,565,371

PART V



Part V

RECOMMENDATIONS

1. 900 NUMBERS

At the request of the Commission, the Legislature's Transportation Committee introduced L.B. 1066 in the 1992 session to regulate pay per call services (usually thought of in the context of 900# calling services). L.B. 1066 matched new Federal Communications Commission rules regulating interstate pay per call services. The bill would have placed preamble requirements on providers and required local exchange carriers to provide, where technically feasible, blocking of pay per call services to a subscriber's number. The bill died in the short session, but the Commission believes such legislation is still needed and should be made law in 1993.

2. AUTOMATIC DIALERS

Automatic dialing-announcing devices (ADADs) continue to be a source of complaints to the Commission. These devices are difficult to locate and prosecute in any forum. The Commission supports the concept of seizure of illegally operated ADADs similar to the seizure of illegal gambling devices and, after notice and hearing, the permanent confiscation of illegal ADADs. While a monetary fine has merit also, the machines themselves are a real value to their owner and the loss of an ADAD is an expensive and inconvenient punishment. Further, the Commission supports matching state law with upcoming federal restrictions on the use of ADADs. The Federal Communications Commission is supposed to release new rules and regulations which will severely restrict the use of ADADs. The Commission believes matching state law to federal law will provide an additional local forum to deal with ADAD complaints.

3. ADMINISTRATIVE FINES

As it did last year, the Commission supports legislation which would give it the authority to levy administrative fines after notice and a hearing for violations by telecommunications carriers. Such authority already exists for violations by motor common carriers. In that forum, judicial review in the district court provides a remedy for an aggrieved defendant, although no carrier has ever challenged the Commission for issuing a fine. Such a mechanism provides a better means of adjudicating violations or improper practices than a cease and desist order because it actually imposes a penalty.

4. ONE-CALL

The Commission believes it is the logical choice to oversee a one-call telephone system for buried utility facilities. One-call is a universal call-in program which allows an excava-

tor to, with one call, notify an office of the excavator's intent to dig at a particular location. The office then determines what utilities might be affected and notifies the utilities to mark their underground facilities so they are not damaged by digging. A gas pipeline accident is an obvious example of what a one-call center is trying to prevent. However, severing a fiber optic cable can be, in its own way, just as disastrous to the people and businesses depending on a secure communications link.

5. INCENTIVE REGULATION

The Commission continues to believe some degree of rate regulation is proper and necessary based on the information provided in previous sections. Traditional rate regulation has gone by the board in many states which now regulate by "incentive regulation." Variations abound, but incentive regulation uses the premise that a company's earnings will not be limited to a set figure; instead the company earns as much as it can, but above a certain rate of return, subscribers share in the bounty in the form of reduced rates.

6. TELECOMMUNICATIONS RELAY SYSTEM SURCHARGE

Usage of the relay system continues to grow. During the twelve month period ending July, 1992, minutes of usage grew at a rate of 3.67 percent per month. The statutory cap of ten cents per access line will, according to projections, be insufficient to fund the relay system by August, 1993. Since the Americans With Disabilities Act mandates the relay system, the funding mechanism must be addressed so that the system is financed adequately. The Commission believes an increase in the cap to 20 or perhaps 25 cents is appropriate.

PART VI



Part VI

APPENDIX

1. APPLICATIONS FILED SINCE JULY 1, 1992

<u>DATE</u>	<u>APP. NO.</u>	<u>APPLICANT</u>
C-894	07-17-91	Alternate Communications Technology, Inc., Indianapolis, IN for a Certificate of Public Convenience & Necessity to operate as a reseller of long distance telephone service and to provide intrastate operator-assisted telecommunications services.
C-895	07-22-91	Larry Vice, Omaha for authority to receive telephone service from the Omaha exchange of US West Communications
C-896	07-25-91	Petition from the residents of the Edison exchange served by GTE North, Inc. requesting extended area service to the Arapahoe exchange served by the Arapahoe Telephone Co.
C-897	07-29-91	Affinity Network Inc., Los Angeles, CA for authority to operate as a resale carrier within the state of Nebraska.
C-898	08-14-91	Anderson Electronics Service, Lexington for authority to receive telephone service from the Broken Bow exchange of the US West Communications Telephone Company.
C-899	08-26-91	WilTel, Inc., Tulsa, OK for a Certificate of Public Convenience & Necessity to provide intrastate interexchange telecommunications services within the state of Nebraska.
C-900	09-16-91	MidAmerican Communications Corp., Omaha for Amendment of its Certificate of Public Convenience & Necessity to provide intraLATA interexchange telecommunications service within the state of Nebraska.
C-901	09-16-91	WATS/800, Inc., Evansville, IN for authority to operate as a reseller of telecommunication services in the state of Nebraska.

C-902	09-26-91	National Telephone Communications, Inc. Newport Beach, CA for authority to operate as a reseller of interexchange interexchange services within the state of Nebraska.
C-903	10-02-91	BSN Telecom Company, Colorado Springs, CO for authority to provide intrastate telecommunications resale services.
C-904	10-07-91	Great Plains Communications, Inc. for authority to increase common stock.
C-905	10-08-91	CLM Associates, Omaha for a Certificate of Convenience & Necessity.
C-906	10-15-91	Arlington Telephone Company, Blair, Eastern Nebraska Telephone Company, Blair, Hugh W. Hunt, Richard Alan Hunt, Karen B. Hunt, Bryce W. Hunt, David L. Hunt, Daniel E. Hunt and Nathan A. Hunt stockholders, for approval of the redemption of common stock.
C-907	10-25-91	Intellicall Operator Services, Inc., Carrollton, TX for authority to operate as a reseller of telecommunications services within the state of Nebraska.
C-908	11-04-91	Curtis Telephone Company for authority to amortize undepreciated balances in Central Office Equipment accounts 2211.00 and 2212.00 over a twenty-four month period commencing on January 1, 1991.
C-909	11-15-91	LiTel Telecommunications Corporation for a Certificate of Public Convenience & Necessity to operate as a reseller of intraLATA and interLATA telecommunications services within the state of Nebraska.
C-910	11-26-91	International Telecharge, Inc. and Ronald J. Haan seek authority to transfer control of International Telecharge, Inc.
C-911	12-02-91	Robert Cefail and Associates American Inmate Communications, Inc., Clearwater, FL for authority to operate as a reseller of interexchange services within the state of Nebraska.

C-912	12-30-91	The Hogan Company for authority to operate as a reseller of telecommunications services within the state of Nebraska.
C-913	01-15-92	Trans National Communications, Inc., dba Members' Long Distance, Boston, MA for authority to provide intrastate switchless resale of telecommunications services.
C-914	01-22-92	Affinity Fund, Inc., Brookfield, WI for a Certificate of Public Need and Convenience to provide intrastate interexchange resale telecommunications services.
C-915	01-24-92	Norstan Network Services, Inc., Minneapolis, MN for authority to operate as a reseller of telecommunications services within the state of Nebraska.
C-916	01-29-92	Conquest Operator Services Corp., Dublin, OH for a Certificate of Public Convenience & Necessity to operate as a reseller of telecommunications services within the state of Nebraska.
C-917	01-30-92	US Sprint Communications Co., Limited Partnership, Denver, CO for change of name from US Sprint Communications Company Limited Partnership to Sprint Communications Company L.P.
C-918	02-05-92	Communications Services, Inc., formerly ITT Communications Services, Inc., to amend its Certificate of Public Convenience & Necessity to reflect a name change to Metromedia Communications Corporation.
C-919	02-06-92	AT&T, Omaha for authority to revise depreciation rates.
C-920	02-19-92	NOS Communications, Inc., Bethesda, MD for authority to provide intrastate telecommunications resale services.
C-921	02-20-92	TELNET Communications, Inc. for authority to operate as a resale common carrier of telecommunications services within the state of Nebraska.

C-922	03-04-92	Telegroup, Fairfield, IA for a Certificate of Public Convenience & Necessity to operate as a reseller of telecommunications services within the state of Nebraska.
C-923	03-11-92	Joint Application of Consolidated Telephone Company and The Nebraska Central Telephone Company for Certificates of Public Convenience & Necessity to provide for transmission of distance learning and certain additional telecommunications traffic.
C-924	03-17-92	Mid-Com Communications, Inc. for a Certificate of Convenience & Necessity to operate as a reseller of interexchange telecommunications services within the state of Nebraska.
C-925	03-17-92	The Commission on its own motion to determine the boundary between the Bushnell exchange of the Dalton Telephone Company and the Pine Bluffs and Albin, WY exchange of US West.
C-926	03-30-92	American Automated Telecom, Inc. for a Certificate of Public Convenience & Necessity to operate as a reseller of telecommunications services within the state of Nebraska.
C-927	04-03-92	Dial-Net, Inc., Sioux Falls, SD for a certificate of authority to provide intraLATA interexchange telecommunications services within the state of Nebraska.
C-928	04-09-92	American Wats, Inc., Fort Washington, PA for a Certificate of Public Convenience & Necessity to provide resale telecommunications services within Nebraska.
C-929	05-04-92	Enterprise Telcom Services, Inc., Wilmington, DE for a Certificate of Public Convenience & Necessity to transact the business of a reseller of interexchange telecommunications services and for approval of its initial tariff.
C-930	05-13-92	Tel-Save, Inc., Willow Grove, PA to operate as a reseller of telecommuni

cations services within the state of Nebraska.

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|-------|----------|---|
| C-931 | 05-18-92 | Disposition of property tax refunds for taxable year 1991 by certain affected telecommunications companies. |
| C-932 | 05-22-92 | Corporate Telemanagement Group, Inc. for CPCN to operate as a reseller of interLATA and intraLATA interexchange telecommunication services statewide in Nebraska. |
| C-933 | 06-02-92 | Hooper Telephone Company, Hooper for a revision of the boundary between the Hooper exchange of Hooper Telephone Company and the Craig exchange of Northeast Nebraska Telephone Company. |
| C-934 | 06-19-92 | Blair Telephone Company, Blair for approval of loans totaling \$3,271,800 and certain documents evidencing the loans. |
| C-935 | 06-22-92 | American Telephone Network, Inc., Birmingham, AL for a Certificate of Convenience & Necessity to operate as a reseller of interexchange telecommunications service within the state of Nebraska. |
| C-936 | 06-23-92 | United Telephone Co. of the West (United) for an order authorizing United to issue notes, bonds or other evidence of indebtedness and such other relief as may be necessary and incidental thereto. |

2. RATE LISTS

<u>DATE</u>	<u>COMPANY</u>	<u>SUBJECT</u>
08-01-91	AT&T	Introduction of AT&T Plan E Service.
08-02-91	MidAmerican	Introduce Special Promotional Rebate Offered on City Link Plus and BusinessLine 1000 Products for Customers Longevity of 24 Months.
08-02-91	MCI	To Make a Change to MCI's Friends and Family Program to Allow for Higher Level Discounts.
08-02-91	US West	Business Rates are Being Reduced for Continuous Redial and Priority Call, and Package Pricing is Being Introduced for Call Management Services (CMS) for a Promotional Period to Business Customers. Also Language Changes to The CMS Features.
08-16-91	KanTel	To Increase Its Rates for IntraLATA Communications and InterLATA services.
08-20-91	US West	CENTRON I Service and Special Promotion Section. Grandparent the optional features Alternate answering and Intercom for both residence and business customers.
08-20-91	GTE	To Establish Billed Number Screening Service.
08-20-91	GTE	To Define and Refer to Telecommunications Service Priority (TSP) Service. The rates and regulations for this FCC mandated priority installation and restored service appear in GTE North's Nebraska Facilities for Intrastate Access Tariff.
08-20-91	GTE	To implement a service that offers customers the opportunity to reserve Direct Inward Dial (DID) PBX station numbers.

08-20-91	GTE	To establish Telecommunications Service Priority (TSP) System, the Performance Commitment Program and Feature Group A Optional Toll Blocking.
08-20-91	US Sprint	(1) To make changes in the Affinity Member Program, (2) Change the rates applicable to Operator Services and add additional text (3) Change the Mechanized Calling Card Service rate.
08-21-91	United	Reduce monthly rates for Touch-Tone to \$.80 for residential and \$1.55 for business customers. Per C-875.
08-21-91	LT&T	Deletes obsolete language referring to Interstate End User Common Access Line Charges and PABX Trunk Equivalents.
08-23-91	Great Plains Comm.	Adds custom calling feature availability to the exchanges of Sutherland and Creighton.
08-26-91	Curtis Telephone Co.	Increase rates for cable pair rent.
08-29-91	Benkelman Telephone Co.	Discontinue the transitional intrastate access rates for all terminating Feature Group A&B traffic.
08-29-91	Wauneta	Discontinue the transitional Telephone Co. intrastate access rates for all terminating Feature Group A&B traffic.
08-30-91	US West	Introduce terms and conditions and the rates and charges for the provision of Special Facilities Routing i.e., Avoidance, Diversity and Hot Standby Protection.
09-03-91	AT&T	Introduce AT&T MultiQuest Express 9000 Service, change of initial and additional rate periods to sub-minute timing and introduce Caller Free Time Option for AT&T MultiQuest Service.

09-06-91	AT&T	Introduction of AT&T 800 Plan K Service. This plan will benefit very small businesses with usage of three hours or less per month.
09-10-91	US West	Revise rates for Centron I, Custom Calling, Directory Listings, Teen-Link, and Residence TeleChoice Services.
09-10-91	US West	Clarify that the Optional Calling Plan and the All Time Volume Discount Plan are available to Public Access Line customers.
09-10-91	GTE	To change the treatment of option 2 within the Toll Restriction tariff to exclude original line screening and to restrict 0-calling. This change would disallow outgoing intraLATA toll calls to be charged to a called telephone, a third number, or a telephone credit card account.
09-17-91	LT&T	Makes provisions for temporary free calling for Lincoln and Hastings exchange to businesses in surrounding EAS communities.
09-17-91	Great Plains Communications	Revise tariff to reflect changes in 911 service.
09-18-91	Blair Telephone	Increase rate for Call Waiting and make Custom Calling Features available in Fort Calhoun.
09-19-91	Arlington, Blair, Eastern Neb., and Rock County	Revise rates and charges for voice grade service and low speed data.
09-20-91	LT&T	Establishes definition for pensioners and eligible discounts, removes touch call charges from semi-public telephone service, text change to the definition of call forwarding and introduces regulations and rates for Remote Call Forwarding Multi-Call.
09-23-91	DialNet	Revised rates to add Megalink I Volume Discount Program.

09-23-91	US West	Makes Loop Diversity and/or Avoidance available with one party business main line service, trunks and semi-public service.
09-24-91	US West	Eliminates the unlimited free Directory Assistance calls for handicapped customers and institutes a 100 call cap for monthly free Directory Assistance Calls for all handicapped customers in Nebraska.
09-24-91	DialNet	Revised rate schedules and other information on file with the Commission. Established numbering system for tracking tariff revisions.
10-03-91	US West	Revise page of US West Communications Services Catalog for Access Service to allow customers to report Percent Interstate Use for terminating access minutes on Feature Group D.
10-04-91	Allnet	Include language relating to customer deposits. Any deposits taken by Allnet shall be in accordance with the NPSC rules, Title 291, Chapter 5, Section 002.19; Rules Governing Credit and Deposits.
10-07-91	Great Plains	Revise tariff to reflect exchanges in South 402 LATA concur with tariffs of Lincoln Telephone Co.
10-15-91	AT&T	Introduce AT&T Plan Q Service and Software Defined DATA Network Service Schedules F and G, a textual change for WATS Availability of Service language and change verbage from Central Office Connection to Access Connection.
10-16-91	MCI	Proposes to eliminate the volume discounts associated with MCI's Dial One and Credit Card services; to increase the 950 Card surcharge to \$.75 and make a variety of textual changes to the Card section; to make changes to MCI's 800 service rates and rate struc-

ture; to reduce the service charge for MCI's Prism I service, change the volume discounts levels for Prism I, and make a variety of textual changes to the Prism I section; an overall increase to MCI's Prism Plus rates including the surcharge for MCI 950 Card calls and to make a variety of textual changes to the Prism Plus section; a change in Vnet service discounts; increase in Option J Operator Assisted Calling surcharges; an increase in Option K surcharges; changes to MCI's Vision service; a rate restructuring increase for MCI Preferred and MCI Preferred Calling Card.

10-18-91	US West	Rebate on the purchase of Additional Lines and TEENLINK for residence customers from November 1, 1991 to December 31, 1991.
10-21-01	US Sprint	Change Sprint Service Rates and create a new FONCARD rate table.
10-22-91	US West	Increase Directory Assistance rate to \$.45 each (above any allowance).
10-28-91	LT&T	Deletes Colon and Ithaca from list of exchanges where optional EAS is not provided.
11-05-91	AT&T	Introduce Plan D Service as an add-on to the corresponding interstate plan.
11-05-91	ITT	Introduce a new class of outward calling products called HotelNet Services.
11-06-91	DialNet	Introduce Dial-Net's Subscription Agreement which combines both 800 Service and outbound service on one form.
11-08-91	US West	Introduce DID Two-way Transfer and a two-way, four-wire analog trunk/circuit termination used in provisioning DID Two-way transfer.
11-12-91	US West	Revise Services Catalog for Centrex Plus, CENTRON, Premium Centron Custom, Private Line Transport, and Local Exchange.

11-15-91	Great Plains	Revise tariff for recent changes in offering custom calling services.
11-15-91	AllNet	Revise language applicable to service description and regulations, revise Maxcess III rates, revise Premier and Premier Elite rates and service hours, increase DA rate.
11-19-91	US West	Revise Custom Calling Services and Special Promotion by deleting language for the money back guarantee for Call Management Services.
11-19-91	US West	Revise to offer Local Measured Service to the exchanges of Belgrade, Cedar Rapids, Elwood, Farnam, Holdrege, Primrose and Stuart.
11-21-91	LinTel Systems	Add term discounts for Bottom Line WATS customers, discontinue monthly recurring charge for Bottom Line 1+ WATS and add term discounts for Bottom Line 800 customers.
11-22-91	MidAmerican	Introduce Operator Services as new product offering.
11-27-91	AT&T	Changes to Reach Out Nebraska Service to not require customers to select AT&T as their PIC.
12-03-91	Great Plains	Add special access services: Program Audio, Video, Digital Data, and High Capacity. Add nonrecurring charge for voice grade service.
12-04-91	CLM	Introduce Community Link Service Catalog.
12-04-91	US West	Cancellation of the Videotex Service and related Special Promotion Sections.
12-06-91	MCI	To make rate changes to MCI's Preferred usage for 800 calls and to make textured changes to the Preferred 800 section.

12-10-91	US West	Increase Communications Impaired Surcharge to \$.08 on January 1, 1992.
12-10-91	HunTel	Offer Custom Calling features in Meadow Grove and Osmond.
12-13-91	US West	Unbundle E911 Features from Transport Services
12-19-91	US West	Introduce Answer Supervision-Line Side which provides the capability to deliver "off-hook" supervisory signals from the terminating, central office switch to a line side interface at the originating central office.
12-16-91	Metromedia	Increase Directory Assistance rate from 60¢ to 64¢ per call.
12-17-91	Nebraska Telephone Association	Revise NTA Access tariff for Frame Relay Services for State of Nebraska use and educational interactive video services. Also added rate for Access Service Ordering.
12-17-91	Affinity	Initial tariff pursuant to Commission order C-897.
12-17-91	US West	Changes the price for transmitted-type service orders and bill adjustments.
12-17-91	US West	Special Promotion of Call Waiting available to residence customers who subscribe to Call Waiting either separately or in a Custom Calling or TELECHOICE package.
12-20-91	LT&T	Increase Dual Party Relay Surcharge from \$.07 to \$.08 per access line.
12-23-91	Arlington Telephone Co.	Add Call Forwarding Remote Activation/Deactivation and Call Transfer to custom calling features at monthly rate of \$1.75.
12-23-91	Blair Telephone	Add Call Forwarding Remote Activation/Deactivation and Call Transfer to custom calling Features at monthly rate of \$1.75.

12-23-91	AT&T	Introduce AT&T 800 Plan K Option B, change the Operator Conference Usage Charge Schedule, reprice SDD Schedule E and BLV/BLI and change Central Office Connection text to Access Connection.
12-31-91	LT&T	This revision allows Section 24 language to apply to Enhanced 911 (E911) service regardless of the equipment chosen to provide the service and specifies that E911 service and equipment changes will be governed by contracts outside of the staff.
01-07-92	Huntel	Offer custom calling features and 900 number blocking in Meadow Grove and Osmond exchanges.
01-14-92	US West	Restructures the monthly rates for the business wire maintenance plan, UniSTAR and US West Repair Coordination Service.
01-14-92	MCI	To expand the Friends and Family Calling Circle from twelve (12) to twenty (20) members.
01-16-92	LT&T	Make changes to tariff language for the purpose of clarifying service offerings.
01-16-92	LT&T	Adds language for National Security Emergency Preparedness and Telecommunication Service Priority Systems and introduces High Capacity DS3 Service for IntraLATA end users. Changes rates for Digital Data Service and High Capacity DS1 Service. Provides options for fixed period service rate plans for High Capacity Service.
01-17-92	Sprint	Change rates for FONLINE and ULTRA 800 services.
01-23-92	Sprint	Introduce a new service called Sprint Clarity designed to satisfy subscriber's single location telecommunications as well as multi-location networking requirements via subscriber

defined invoicing and reporting coupled with incremental volume discounts. A special promotion is being introduced at this time for customers subscribing to this new service prior to March 31, 1992.

02-14-92	US West	Revises Services Catalog for DID/AIOD Services to reflect new Number Policy. DID customers will be given the option of subscribing to either blocks of twenty sequential numbers or individual numbers.
01-27-92	Opticom (One Call Comm. Inc.)	Introduce Travel One and 800 Services. Increase rates for OPTIWATS and EXPRESS service, Operator Service and Operator Service Charges.
01-31-92	AT&T	Introduce an AT&T Plan Q enhancement to allow the customer one additional area code to be included in the plan.
01-30-92	WilTel	Original tariff filed pursuant to C-899.
01-31-92	LT&T	Offer new service called Digital Access and Cross-Connect System Connecting Arrangement (DACS). Updates listing of end offices providing Digital Services and makes various text changes.
02-03-92	ITT Comm. Services, Inc.	Increase the minimum call length requirement for Custom WATS 100, add a surcharge applicable to certain operator dialed calls and increase operator service per call charges.
02-04-92	AT&T	Change the Reach Out Nebraska additional period rate from a per hour charge to a per minute charge.
02-04-92	US West	Establish volume discounts for the 800 SERVICELINE Option.
02-04-92	TMC	Revise rates and tariff information.

02-05-92	AT&T	Introduce AT&T OPTIMUM Service.
02-05-92	Telenational Comm.	Introduce new service offerings and rates
02-11-92	Great Plains	Offer custom calling features in Ponca exchange.
02-12-92	Dial-Net	Introduce new forms for subscription and offer reliable power source.
02-14-92	US West	Revise catalog for Open Network Architecture (ONA) Service to get ONA plan certified by the FCC.
02-18-92	LT&T	Adds Section 39 to the Tariff which contains language relative to Special Promotions.
02-19-92	Telenational Communications	Rate decrease for MTS and MTS Home Plus service offerings.
02-19-92	Cambridge	Refile complete tariff introducing new services and rates, increasing rates for some services and decreasing rate for Fire Alarm Equipment.
02-20-92	BSN	Original tariff filing pursuant to order entered in docket C-903.
02-21-92	United	Replace an Individual Case Basis (ICB) rate with a generic rate for Digilink Bridging service.
02-24-92	LT&T	Eliminate the monthly recurring charge for Cancel Call Waiting service.
03-02-92	AT&T	Increase the Evening and Night/ Weekend discounts for AT&T All PRO WATS in Nebraska. (Rate decrease)
03-02-92	Robert Cefail & Assoc./Amer. Inmate Comm.	Original tariff filing pursuant to order entered in Docket C-911
03-02-92	LDDS	Original tariff filing pursuant to order entered in Docket C-900
03-03-92	ITT	Revise regulations regarding casual usage. Add \$.50 per call surcharge

		to casual usage totaling \$2.50 or less. Increase casual calling rates to customers whose account has been disconnected due to non-payment of charges
03-04-92	GTE	Change language concurring in the 800 Service Line offering of US West Communications, Inc. Wide Area Telecommunications Service Tariff
03-05-92	GPC	Provides for phase-in of the special access channel mileage rates that were effective December 15, 1991
03-05-92	LDDS	Introduce a new product called BusinessLine 2000
03-06-92	US West	Allow OUTWARDS WATS Access Line in a Shared WATS arrangement when the interexchange carrier does not have a Billing and Collections contract with US West and bills their own interLATA usage
03-06-92	LCI Corp.	Revised name from LiTelComm. to d/b/aLCIInternational per order entered in Docket C-909
3-06-92	LT&T	Eliminates one-time installation charge for Cancel Call Waiting in Section 35 and adds language that requires customers with DID service to provide Answer Supervision from the customer's switching vehicles
03-16-92	Allnet	Increase rates for Allnet Vantage, Allnet Instantline 800, and Allnet Solution II services
03-17-92	US West	Offer residential customers who subscribe to an additional line a coupon which can be redeemed for a \$15.00 credit applied to their bill, a telephone set or a Seiko Phone Card
03-18-92	US West	Introduce Caller Identification-Name and Number as an addition to the existing Call Management Services (CMS) i.e., called ID

03-18-92	AT&T	Change the number of Billed Telephone Numbers (BTN) and the Volume Discount application for AT&T Plan D
03-23-92	GTE	Revised emergency telephone services (911) offering. Price restructuring and the introduction of a selective router
03-24-92	US West	Introduce Loop Diversity, Avoidance and Foreign Central office Service to DSS customers and reduce the minimum service period from one year to one month
03-24-92	US West	Introduce a Service Establishment Charge Differed Option, a Seasonal Service ID, a Preview Feature and Subscription Pricing
03-30-92	AT&T	Introduce AT&T Plus Service which permits 800 increased calling between locations within the State
03-30-92	Metromedia	Reflect name change pursuant to C-918
03-31-92	LT&T	Add four new custom calling features: Priority Call, Selective Call Forwarding, Call Rejection and Selective Call Acceptance
04-01-92	Affinity Network	Increase rates for travel service
04-02-92	Sprint	Reflect company name change and correct error in operator service rates
04-06-92	LiTel	Introduce America Wats, All America Plan and World Card Services. Revising the volume discounts for its National 800 product
04-07-92	US West	Offer Local Measured Service to Central City, Harrison, Loup City, Overton and St. Paul
04-07-92	WilTel	Introduces WilTel's Network Service

04-08-92	Hogan	Original Tariff per C-912
04-14-92	Dial-Net	Decrease activation fee for Private Hotline 800 Service from \$25.00 to \$10.00
04-16-92	AT&T	Introduce AT&T All PRO WATS Partners Option which provides discount for direct dial usage charges for calls to customer designated telephone numbers
04-17-92	Clarks Telephone	EAS Adder broken out for Staplehurst exchange rate. Public Pay Telephone rate increased from \$.20 to .25/call. Directory Assistance increased from \$.40 to \$.50/call. Services Order Charge increased from \$8.00 to \$10.00. Late payment and Billed Toll Identification charges added
04-20-92	US West	Introduce a promotion for Residence and Business customers who currently subscribe or are new subscribers to Call Management Services
04-22-92	Trans National Comm. Inc.	Original tariff per C-913
04-29-92	Allnet	Introduce Max R Miser Promotional Offering
04-29-92	Alternate Comm. Technology, Inc.	Original tariff per C-894
05-05-92	Great Plains	Reduce rate for a 30-station emergency conference system in a digital exchange to \$50 per month
05-05-92	Northeast Nebr. Telco	Introduce Direct Inward Dialing (DID) service
05-07-92	US West	Increase the business Directory Listings rates for Additional Alternate, and Foreign Listings
05-07-92	DialNet	Introduce as a promotional offering a "Credit Voucher" Program. Also, textual changes to clarify that the terms listed on

Sheet 10 apply to DialNet's
Residential 800 Service Programs

05-08-92	MCI	Introduce Savings Bonus Plan, Friends of the Firm Program, add Operator Dialed as an option for placing operator assisted calls, and update service availability list for Dial One Calling Card, MCI Prism III and Prism Plus!
05-14-92	US West	Introduce Transparent Local Area Network Services (TLS) and Frame Relay Service on a intrastate basis
05-12-92	National Tel. Comm., Inc.	Original tariff per C-902.
05-18-92	MCI	Increase rates for the Choice offering from \$7.50 to \$7.95 and to add the timeframe of availability
05-20-92	Telenational Comm.	Introduce ChoiceNet and Class One Services
05-20-92	One Call Comm.	Discontinue offering OPTIWATS, Express, Travel A, C, D and 800 Connection, 800 Edge and 800 Classic services. Introduce Rate One, Hospitality, Travel One Alternative and 800 Alternative. Increase directory assistance rate
05-26-92	GTE	Discontinue offering 4-party residence service
05-27-92	Great Plains	Add rates and regulations for Feature Group D (equal access service)
05-28-92	Sprint	Introduce Sprint Clarity 800, Business Clout, Option A Calling Plan and Quick Conference. Change company name and make text changes
06-04-92	US West	Add a reference to the Local Exchange Catalog for Feature Group A, and list those optional features that are available from the Local Exchange Catalog

06-04-92	US West	Offer a full waiver of the Central Office Line Charge associated with an additional line when the additional line is ordered at the same time as the primary basic exchange access line
06-05-92	AT&T	Introduce AT&T EasyReach Service and to reprice AT&T All ProWATS and AT&T Plan Q Services
06-08-92	Great Plains	Offer custom calling features to Archer, Chapman, Cotesfield and Wolbach
06-12-92	US West	Introduce US West PC/Phones Service to customers in the Omaha exchange. This service is an ISDN packaged offering of Basic Rate Service
06-15-92	One Call	Increase operator service charges
06-15-92	TELNET	Original tariff per C-921
06-17-92	DialNet	To reduce the Directory Assistance rate for large volume customers
06-17-92	US West	To increase the rate for Last Call Return for Residence customers
06-17-92	Mid-Com Comm.	Original tariff per C-924
06-19-92	US West	Change verbiage in DDS section from 'customer's point of termination' to 'customer's premises'. Rename 'Centron I' to 'Custom Call Management services'. Introduce five new features to CCMS
06-24-92	AT&T	Introduce AT&T 800 Plan P
06-26-92	AT&T	To reprice the Interoffice Channel, Central Office Connection and Access Coordination Function and to withdraw the Throughput Option
07-01-92	WilTel	To restructure WilTel's Voice Card Service
07-08-92	MCI	To introduce Personal 800 service, to reduce the additional hour rate for the PrimeTime option, to add a

		footnote to the Daytime Savings Option and the change the language of Introductory Savings Bonus to Instant Savings Guarantee
07-08-92	NOS Comm.	Original tariff per C-920
07-10-92	US West	To introduce a promotion for existing Residence customers who add or change certain Custom Calling Features
07-10-92	US West	To introduce 800 PAGELINE Service to customers designated as FCC Part 22 or Part 90 carriers
07-13-92	Metromedia	To lower selective Dial-Up WATS volume discount levels
07-14-92	US West	To reduce monthly rates for customers located in rural areas in Nebraska but served out of exchanges in Iowa due to the elimination of two-party customers in the Nebraska portion of these exchanges
07-15-92	Telenational	To reflect a price adjustment in the Super Pro Plus and Advantage Plus Products, to delete the basic MTS product and Superior product, and to add ChoiceOne and SuperNet
07-16-92	US West	Revise the description of Caller ID Blocking, add the description for Caller ID - all call, remove Caller ID Blocking - per call, and include residence and business monthly rates for Caller ID Blocking - all call
07-17-92	US West	To introduce a promotion of Voice Message Service (VMS) for residence customers
07-17-92	Great Plains	To add Hay Springs and Mirage Flats to the exchanges which offer custom calling services
07-17-92	AT&T	To introduce AT&T MEGACOM
07-20-92	LCI International	To introduce a new message telecommunications service entitled

"Simple, Fair and Inexpensive"

07-21-92	Sprint	To change the per-call charge for FONCARD
07-23-92	Benkelman Tel.	To update Non-recurring and monthly rates
07-23-92	Wauneta Tel.	To update Non-recurring and monthly rates
07-24-92	Great Plains	To revise its Intrastate Traffic Sensitive Switched Access Rates
07-24-92	US West	To offer local measured service to Crawford, Gordon, McCook, Minden and Valentine
07-24-92	US West	To revise and add new changes to the Advanced Communications Service Catalog for Transparent Local Area Network Service (TLS) and Frame Relay Service (FRS)
07-27-92	Technologies Management, Inc.	To delete Primary rates, Schedule A rates, travel service rates and change name to World Card, delete express rates, Advantage/Premier/Savings Plan rates, add Personal Card rates and Corporate Card rates
07-27-92	Allnet	To amend its Access (Travel) Ancillary service, increase usage rates that apply to Allnet Vantage, Maxcess III, Solution III and Instantline services. Delete Marketline for which there are no customers in Nebraska
07-27-92	Mid-Com Comm.	To increase rates for their two AT&T 800 products: Infinity 800 and InfinityDirect 800
07-28-92	AT&T	To introduce AT&T Plan D Service Option and to reflect ACCUNET Spectrum of Digital Service and ACCUNET T1.5 price changes
07-30-92	US West	To introduce a promotion of Voice Messaging Service (VMS) for business customers
08-01-92	Diller Tel.	To delete the mileage charge in

		the local exchange rate
08-04-92	MCI	To add Inbound 800 service to Option L, MCI Vision; to change the text of Option L, MCI Vision which clarifies the average duration of a call, and rates for the Time of Day discount; to add the Optimizer Discount to Option L, MCI Vision; to increase the per minute usage charges for Option L, MCI Vision.
08-05-92	One Call	To modify the billing increments on Travel One and 800 Service, change Hospitality service to Tier One, and make other textual changes
08-07-92	US West	To offer promotions to residence customers for additional services, Caller Identification-Number and Caller Identification-Name and Number
08-07-92	US West	To introduce Call Routing to Number-Unsupervised and Extension Mailboxes to Business Voice Message Service

3. AUTOMATIC DIALER ORDER

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

M. Gene Hand, Director,) Departmental Complaint No. 001
Communications Department,)
Nebraska Public Service)
Commission)
Complainant,)
vs.) PERMIT REVOKED;
) ORDER TO CEASE AND DESIST
Credit Guarantee Association,)
Lincoln, Nebraska (AD-172),)
an Automatic Dialer; and its)
principal officers, Steven)
Meverit and James Pavel)
Defendants.) Entered: February 25, 1992

APPEARANCES

For the Communications Department:	For the Defendants:
Jeffrey P. Goltz, Esq.	Wm. B. Woodruff, Esq.
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BY THE COMMISSION

This matter comes before the Commission upon complaint of the Commission's Communications Department Director M. Gene Hand and pursuant to the statutes and regulations governing the operation¹ of automatic dialing announcing devices ("ADADs").¹ The complaint was filed December 9, 1991 and, briefly summarized, alleges the defendants: (1) improperly placed calls to St. Elizabeth's hospital, Lincoln, Nebraska; (2) failed to maintain monthly inspection records; (3) failed to notify the Commission of changes in the script used by the defendants in placing ADAD calls and a change in the FCC registration number of the ADAD noted on the original application; and (4) failed to notify the local telephone company in writing of the installation of the ADAD on the company's telephone line. Service on the defendants was made

¹The Commission's authority is derived from Neb. Rev. Stats. 87-302(14) and 87-307 to 87-311 (1990 Cum. Supp.) and Title 291 Neb. Admin. Regs. Ch. 11, Rules 001 to 006.

by certified mail December 13, 1991. Defendants timely filed an answer January 3, 1992. Hearing before the Commission was held in the Commission hearing room, Lincoln, Nebraska January 14, 1992 with appearances as shown.

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

Upon consideration of the application, the applicable statutes and rules, the relevant evidence adduced at the hearing, and being fully informed in the premises, the Commission is of the opinion and finds:

-Relevant Facts-

The complainant is Director of the Commission's Department of Communications and testified the Defendants hold a permit issued by this Commission to operate an ADAD.

Defendants operate an ADAD and received a permit (AD-172) from this Commission October 29, 1991. Credit Guarantee Association is located at 620 North 48th St., Suite 313, Lincoln, Nebraska, 68510.

On or about December 3rd, 4th, 5th, and 6th, 1991, Saint Elizabeth's Hospital, Lincoln, Nebraska ("hospital") received automatic dialer calls on its 486 telephone pre-fix. Rhonda Heiserman, St. Elizabeth's telecommunications manager, testified she received numerous complaints from patients and hospital staff that their phones were being called by an ADAD. After notifying the Communications Department, Heiserman tape-recorded one of the ADAD solicitations. The tape was entered as Exhibit 2 and played at the hearing. Heiserman estimated she received between 50 and 100 complaints during the week the hospital received the ADAD calls.

On December 5th and 6th, 1991, Communication Department staff Joe Zugmier and John Burvainis conducted an examination at Credit Guarantee Association's Lincoln office and at a second office in Omaha, Nebraska in response to the hospital's complaint. In response to Heiserman's description of the ADAD message, Zugmier searched the Commission's files and discovered that the message received by the hospital was very similar, although not an exact match, to the scripted message kept on file with the Credit Guarantee application. The message received by the hospital did not identify the automatic dialer.

At the Credit Guarantee Office in Lincoln, Zugmier and Burvainis examined the ADAD equipment and asked for production of the inspection record. Defendant James Pavel

Departmental Complaint 001

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could not produce an inspection record since he was unaware one was required. On December 5, Pavel could not identify what pre-fix the ADAD was calling.

At the December 5 meeting, Pavel played the ADAD message for Zugmierz, who compared the message as it was played to a typewritten rendition of the hospital's recording. Zugmierz testified the message was exactly the same as the one recorded by St. Elizabeth. Examination of the ADAD at that time also showed the particular machine being used had an FCC registration number which did not match the number on file with the Commission.

Zugmierz met again with Pavel December 6 at the Lincoln office. Pavel informed Zugmierz Credit Guarantee was currently calling the 435 pre-fix. Zugmierz asked Pavel to play the tape in the ADAD but Pavel was unable to make the machine generate a message off of the tape. Pavel then took a tape from his desk drawer and played it, stating this was the taped message used in the ADAD. Zugmierz testified this tape was similar but not exactly the same as the script in the Credit Guarantee AD-172 file kept by the Commission.

Zugmierz and Burvainis also went to Credit Guarantee's Omaha office and met with vice-president Gary Hohnholt who said he understood that prohibited emergency numbers included only 911 numbers.

On December 8, Zugmierz testified he received a call at his home exactly matching the call tape-recorded by the hospital. Zugmierz answered affirmatively on the taped message but gave a false name. He was subsequently contacted December 13 and January 6 by representatives of Credit Guarantee. Zugmierz's home phone pre-fix is 421.

William Ashburn, Industry Relations Manager appeared on behalf of Lincoln Telephone & Telegraph ("LT&T"). He is familiar with the filing requirements ADAD permitholders are supposed to follow. Ashburn testified an examination of LT&T's records showed Credit Guarantee never provided LT&T with a written notification of its intent to connect an ADAD to any of LT&T's local telephone lines.

James Pavel testified on behalf of the defendants. Pavel began working for Credit Guarantee in approximately October, 1991. Pavel testified he was in charge of one ADAD in the Lincoln office. Exhibit 3 is a tape offered by Pavel which identifies Credit Guarantee and gives its pitch to obtain a credit card. Pavel testified this is the tape used by Credit Guarantee and was the basis for Credit Guarantee's initial application to the Commission for a

permit. Pavel testified Exhibit 2 (the taped message recorded by the hospital) is a tape made by a former employee of Credit Guarantee, David Zabawa. Pavel contended the taped message with Dave's voice is on the reverse side of the cassette containing the contents of Exhibit 3, which contains the voice of Gary Hohenholt. Pavel further testified that to the best of his knowledge, Exhibit 3 was the message played by Credit Guarantee on the dates in question.

Pavel testified that he regularly inspected the machine even though he did not keep an inspection record. He did not know he was supposed to keep a record such as that which Zugmier requested. Pavel also testified that Credit Guarantee, as a result of the complaint, was actively locking out certain numbers, for example hospitals, businesses and lawyers. Credit Guarantee will limit itself to calling residences. As regards the notification requirement to LT&T, Pavel testified he had orally notified the company of the ADAD's installation and was told by someone from LT&T that notification was not necessary. Exhibit 4 is a handwritten log of calls with a notation by Pavel that he called LT&T as he described in his testimony. Pavel concluded his direct testimony by stating he did not believe Exhibit 2 was played by Credit Guarantee's ADAD.

On cross examination, Pavel testified the Exhibit 2 tape recording was not played on Credit Guarantee's ADAD. When it was pointed out that Zugmier testified the tape Pavel played for him December 6 at Credit Guarantee's Lincoln office matched the hospital's recording, Pavel said it was possible the tape in Credit Guarantee's possession with Dave Zabawa's voice recording could have been placed into the ADAD wrong side up and Zabawa's message was played as opposed to the message as recorded on Exhibit 3. Pavel then conceded Credit Guaranteed did have the Zabawa recording in its possession and it could have been the message which was received by the hospital.

-Analysis-

The most serious allegation against the defendants is that ADAD calls were placed to St. Elizabeth hospital in violation of Title 291 Neb. Admin. Rules Ch. 11, Rule 004.03D.² At the close of the complainant's case,

²Rule 004.03 provides: "Emergency numbers. In addition to police, fire stations and medical emergency numbers[,] the following are designated as emergency numbers
(Footnote Continued)

defendants' counsel moved to dismiss the complaint on the grounds the complainant failed to prove his case in accordance with the specific provisions of Neb. Rev. Stat. §87-309(3) which provides: "Prior to issuing a permit pursuant to section 87-308, the Public Service Commission shall require each applicant to agree to: (3) Prevent such device from calling emergency telephone numbers of police or fire stations or medical or other facilities providing emergency services as designated by the Public Service Commission." The defendants contend that calling patients rooms, nurses stations, etc. does not constitute calling a hospital's "emergency" number(s).

We deny the motion to dismiss. Defendants' reliance on §87-309(3) does not take into account the plain language of Rule 004.03D which defines the term "emergency number" and which was relied upon in the pleadings of the complainant. The ADAD regulations were promulgated and adopted by this Commission to carry out the regulatory provisions set forth by the Legislature (see footnote 1). Neb. Rev. Stat. 75-109 (Reissue 1990) provides that the Commission shall promulgate rules the Commission deems necessary to regulate persons within its jurisdiction. As established by the applicable statutes, operators of ADADs are such persons. Generally, rules and regulations of agencies when properly enacted are as binding as if they were statutes enacted by the Legislature. Nucor Steel, a Div. of Nucor Corp. v. Leuenberger, 233 Neb. 863, 448 N.W.2d 909 (1989). The ADAD rules were reviewed and approved by the Attorney General and Governor of this state, respectively, and filed with the Secretary of State as required by the State Administrative Procedures Act. See Neb. Rev. Stats. §§84-901 to 84-920 (Reissue 1987).

Rule 004.03D prohibits ADAD calls to emergency numbers including "[a]dministrative, operational and other numbers of. . . hospitals. . ." The rule therefore precludes the calls received by St. Elizabeth Hospital.

As to the evidence, regardless of whether Credit Guarantee intended to use the "Dave" message (as recorded on Exhibit 2) or the "Gary" message (as recorded on Exhibit 3), Joe Zugmierz's testimony establishes that Credit Guarantee was

(Footnote Continued)

not to be called by automatic dialing-announcing devices: . . . 004.03D Administrative, operational, and other numbers of fire department, police department, . . . , physicians, dentists, hospitals, clinics and ambulance service."

placing the ADAD calls received by the hospital. Zugmierz testified the play back of the recording at Credit Guarantee's office by Pavel on December 6 matched the transcript of the message received and taped by the hospital. Zugmierz testified he brought the transcript of the hospital's recording with him and read it word for word as Pavel played the Credit Guarantee tape. Further, Zugmierz testified he received the same exact call at his home and when he followed up, he was contacted by Credit Guarantee's representatives. Clearly, it was Credit Guarantee which made the calls to the hospital, regardless of which tape was played.

The defendants are further alleged to have violated technical rules governing the operation of ADADs.³ Pavel testified he did conduct inspections; accepting this statement as true does not eliminate the fact Pavel could not produce an inspection record at Zugmierz's request. ADAD permit holders, just like telephone companies and motor common carriers subject to the Commission's jurisdiction, are responsible for knowing and obeying the regulations which govern them.

Credit Guarantee has tried two approaches in its defense. One, that it did not transmit the "Dave" message received by the hospital or two, that if it did, it did so accidentally when the "Gary" message should have been transmitted (the latter defense addresses the script violation). The evidence establishes that, intentionally or not, Credit Guarantee did transmit the "Dave" message to St. Elizabeth hospital and also to Joe Zugmierz's home. This message does not conform to the script filed by Credit Guarantee when it made its original application. Technically, using a message different from the

³Ch. 11, Rule 003.02 "Inspection. The permit holder shall inspect his [ADAD] at least monthly to insure proper operation and compliance with these rules, and shall maintain a record of such inspections for at least two (2) years."

Ch. 11, Rule 002.07 "Changes in Information Contained in the Application. The permit holder or registrant shall notify the Commission of any changes in the information within five (5) days."

Ch. 11, Rule 002.06 "Filing with Telephone Company. Upon issuance of a permit or acceptance of any registration and prior to operating or connecting the device to any telephone line, the permit holder or registrant shall notify the serving telephone company in writing of its intent to connect or operate such device and identify the line to which connection is proposed."

script on file violates Rule 002.07. At the very least, this demonstrates an operation not as well run as it should or could be. The evidence conclusively establishes the message did not conform to the filed script, although it appears debatable whether use of the "Dave" message was intended. We are more disturbed, however, by the making of a taped message which did not identify Credit Guarantee as the caller. Such a message never should have been made in the first place and the defendants should know better. We strongly admonish the defendants for this lapse. If the defendants obtain a new permit, they must ensure a future script is on file with the Commission which matches the message they are using on the ADAD.

Of more importance is the evidence that the defendants are using an ADAD with an FCC registration number different than that recorded in the original application. Such a change must be noted and the Commission informed as required by the rules. The evidence hints at additional ADADs. If such ADADs are in use, permits must be obtained.

Finally, the evidence establishes the local telephone company never received written notice of the defendants' intent to operate an ADAD on any of the company's telephone lines. The defense's contention that oral notification was made is insufficient. The purpose of a written notice requirement is to avoid this problem in the first place. A written record independently verifies that notice was given. An oral communication is impossible to verify. Even if Credit Guarantee made such a contact, it still did not comply with the requirement set forth in the rules.

Taken together, the technical violations coupled with the major violation of making ADAD calls to a hospital demonstrate a pattern of behavior of the sort which compelled the Legislature to pass LBs 257 and 180. The law does not now provide for forfeiture of a defendant's ADAD. Perhaps it should. In any case, the remedy available to us is to revoke the permit and order the defendants to cease and desist from operating in violation of the applicable statutes and rules. Disobeying this order will require the Commission to seek injunctive relief.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Credit Guarantee Association's automatic dialer permit (AD-172) be and it is hereby revoked.

IT IS FURTHER ORDERED that Credit Guarantee Association and its officers cease and desist from operating in violation

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of the applicable Nebraska statutes and Commission rule and regulations.

MADE AND ENTERED at Lincoln, Nebraska this 25th day of February, 1992.

NEBRASKA PUBLIC SERVICE COMMISSION


Vice Chairman

COMMISSIONERS CONCURRING:



//s//James F. Munnelly
//s//Eric Rasmussen
//s//Daniel G. Urwiller

ATTEST:


Executive Director