

ANNUAL REPORT TO THE LEGISLATURE  
ON THE STATUS OF  
THE NEBRASKA TELECOMMUNICATIONS INDUSTRY



NEBRASKA PUBLIC SERVICE COMMISSION

September 28, 2001

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**2001 ANNUAL REPORT TO THE LEGISLATURE**

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**EXECUTIVE DIRECTOR**

September 28, 2001

From the Chairman:



With the Legislature=s guidance, areas of telecommunications regulation.

Nebraska has emerged as a leader in many Commissioners and Commission staff have taken leadership roles in a 13-state collaborative effort on Qwest=s (formerly US West) 271 application which, if successful, would enable the state=s largest local telephone service provider to enter the long distance market. The work of the Commission has been two-fold: assuring that the company has met the entry criteria set forth by the Federal Communications Commission and that Qwest=s local exchanges are irreversibly open to competition. The effort should result in Nebraska, sometime early in 2002, being one of the first of the 14 states in Qwest=s local service area to make a recommendation to the Federal Communications Commission that Qwest be allowed to enter the interLATA market.

Complaints and questions to the Commission regarding telephone service have significantly increased. In addition to providing a liaison between consumers and telecommunications providers, the Public Service Commission promotes an atmosphere in which complaints, such as a billing error that affected thousands of Nebraskans, are resolved.

In June, the Commission followed through on a promise made in 1999 to review the service quality provided by Alltel, the state=s second largest local exchange company. As Alltel failed Commission expectations in several areas, we continue to monitor Alltel to see that ordered improvements are implemented on a permanent basis.

In addition, the Commission has worked with wireless and wireline telecommunications providers and other state agencies to inaugurate 711 dialing for access to the Nebraska Relay Service for speech and hearing impaired communications and designated 511 for access to Nebraska=s advanced traveler weather information system.

As a result of legislation passed during the 2001 session, this summer we established a wireless E911 program to implement wireless enhanced 911 service throughout Nebraska. The Commission has also made substantial progress in implementing LB 827, which allows public entities to lease dark fiber to certificated telecommunications carriers and establishes the Nebraska Internet Enhancement Fund.

As the 2001 Annual Report on Telecommunications contains many facts and a great deal of technical information about Nebraska=s telephone industry, I encourage you or your staff to call our offices at 402-471-3101 if you would like an explanation of any of the information contained in this report.

Sincerely,

Frank Landis  
Chairman

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ACCESS LINE & EXCHANGE DATA DECEMBER 31, 2000			
COMPANY	ACCESS LINES		
	BUSINESS	RESIDENTIAL	TOTAL
QWEST	193,745	334,259	528,004
ALLTEL	103,935	194,053	297,988
CITIZENS	17,706	44,497	62,203
COX TELECOM II	4,201	48,631	52,832
GREAT PLAINS	8,058	26,331	34,389
SPRINT/UNITED	10,250	20,160	30,410
AT&T	26,520	0	26,520
ALLTEL-MIDWEST	13,326	3,621	16,947
BLAIR	3,225	5,786	9,011
NEBRASKA CENTRAL	1,683	7,327	9,010
HAMILTON	2,183	4,671	6,854
MCLEOD	5,138	0	5,138
IONEX	4,044	1,044	5,088
NORTHEAST NEBRASKA	865	3,752	4,617
SOUTHEAST NEBRASKA	1,163	3,369	4,532
NT&T	3,523	560	4,083
CONSOLIDATED	919	2,345	3,264
NEBCOM	627	2,558	3,185
COZAD	829	2,312	3,141
EASTERN NEBRASKA	960	2,112	3,072
GLENWOOD	409	2,378	2,787
ARAPAHOE	587	2,068	2,655
PIERCE	512	1,444	1,956
HOULTON/EZ PHONES	0	1,798	1,798
CONSOLIDATED TELCO	383	1,314	1,697
HARTINGTON	505	1,053	1,558
HOOPER	315	1,057	1,372
DALTON	268	1,079	1,347
THREE RIVER	236	1,059	1,295
CAMBRIDGE	344	915	1,259
STANTON	365	883	1,248
BENKELMAN	344	880	1,224
PLAINVIEW	355	837	1,192
ARLINGTON	168	983	1,151
HENDERSON	273	794	1,067
ROCK COUNTY	283	761	1,044
HEMINGFORD	189	824	1,013
CLARKS	135	842	977
DILLER	63	885	948
HOME	172	748	920
CURTIS	236	619	855
HERSHEY	141	707	848
K&M	170	524	694
WAUNETA	145	532	677
KEYSTONE-ARTHUR	91	567	658
EUSTIS	121	423	544
HARTMAN	83	364	447
COMM SOUTH	0	254	254
ELSIE	44	197	241
SODTOWN	6	91	97
TOTAL	409,843	734,268	1,144,111

Note: Wireless Access lines reported for relay remittance purposes represent 606,800 lines in addition to the access lines listed above.

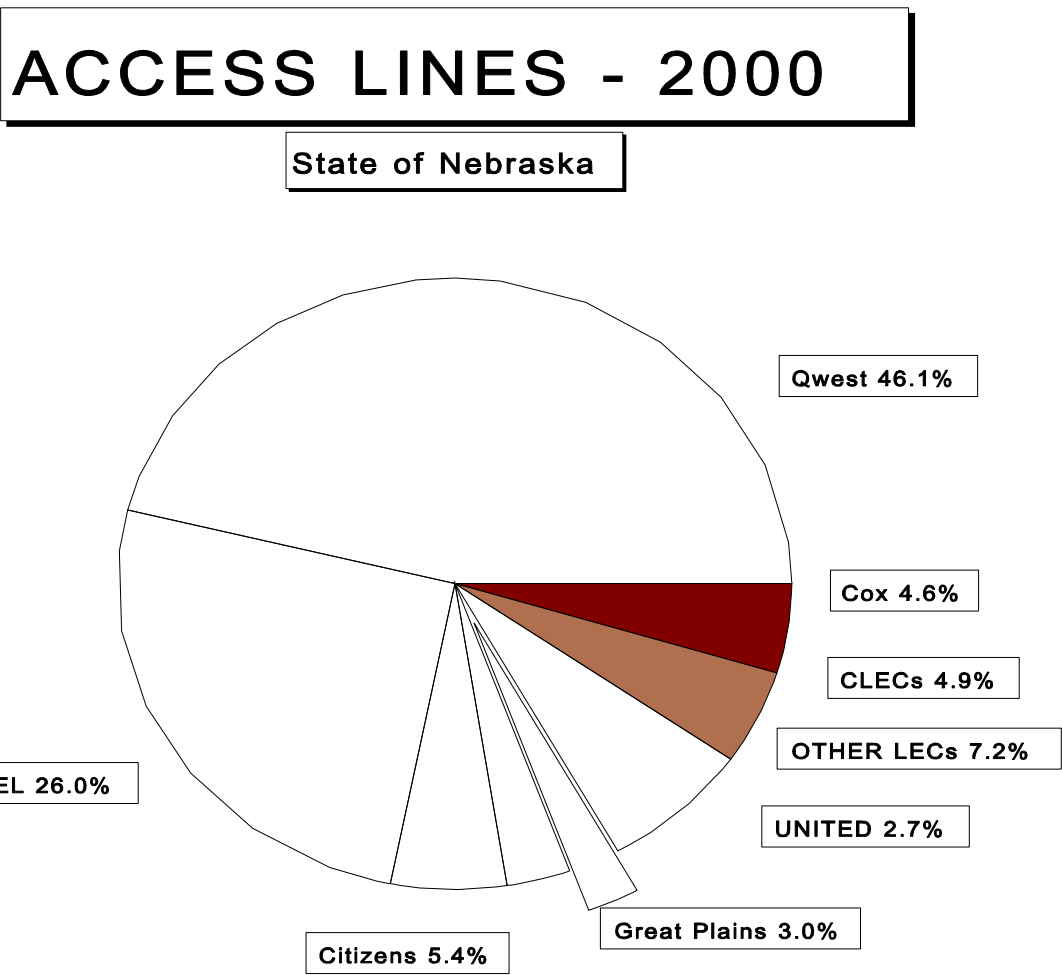


Figure 3

# Part I





# PART I

## Review of the Quality of Telecommunications Service Provided to Nebraska Citizens

### 1. Telephone Complaints

The following table shows the total number of complaints filed this year and divides the complaints between local exchange carriers (LECs) and interexchange carriers (IXCs), also known as long distance companies.

COMPLAINTS	1999-2000 Complaints	1999-2000 Complaint Percentage	2000-2001 Complaints	2000-2001 Complaint Percentage	Complaint Percentage Increase from 99-00 to 00-01
LECs	475	36.1%	420	30.5%	(11.6%)
IXCs	818	62.3%	941	68.2%	15.0%
Miscellaneous	21	1.6%	18	1.3%	(14.3%)
TOTAL	1314	100.0%	1379	100.0%	4.9%

Complaints were separated into the following categories:

COMPLAINTS	96-97	97-98	98-99	99-00	00-01
Service	158	114	273	191	175
Billing	178	204	431	724	911
800/900	11	9	10	2	0
Miscellaneous	116	184	167	268	183
Slammed	65	148	137	121	63
Disconnect	9	15	10	6	7
Cellular	1	1	3	2	4
Telemarketing	N/A	N/A	N/A	N/A	4

COMPLAINTS	96-97	97-98	98-99	99-00	00-01
Buried Cable	N/A	N/A	N/A	N/A	7
Held Orders	N/A	N/A	N/A	N/A	6
Directory/ Directory Assistance	N/A	N/A	N/A	N/A	7
Customer Service	N/A	N/A	N/A	N/A	8
Internet	N/A	N/A	N/A	N/A	4
<b>TOTAL</b>	<b>538</b>	<b>675</b>	<b>1031</b>	<b>1314</b>	<b>1379</b>

Miscellaneous complaints include harassing calls, unfilled requests to establish various optional features (e.g., Caller ID), lack of the availability for extended area service (EAS), equal access, as well as local Internet access and availability. Billing complaints primarily consist of billing errors and large deposit requests imposed by both LECs and IXC, as well as costly surcharges imposed by private payphone providers.

### **A. Local Exchange Carriers (LECs)**

There are 42 incumbent local exchange carriers in Nebraska (including the cooperative telephone companies) and 87 competitive local exchange carriers. Qwest is the largest LEC with 528,004 access lines, while Sodtoun Telephone Company has only 97 access lines. The following table shows the LEC complaints by company. As one would expect, the largest number of complaints involved the two largest LECs, Qwest and ALLTEL.

LECs	1999-2000 Complaints	1999-2000 Access Lines	1999-2000 Percent of Total Lines	2000-2001 Complaints	2000-2001 Access Lines	2000-2001 Percent of Total Lines
Qwest	264	506,002	47.2%	186	528,004	46.2%
ALLTEL	94	291,004	27.1%	112	297,988	26.0%
Citizens	16	67,402	6.3%	43	62,203	5.4%

LECs	1999-2000 Complaints	1999-2000 Access Lines	1999-2000 Percent of Total Lines	2000-2001 Complaints	2000-2001 Access Lines	2000-2001 Percent of Total Lines
Cox	48	35,303	3.3%	28	52,832	4.6%
Great Plains	12	34,862	3.2%	6	34,389	3.0%
United	15	30,222	2.8%	14	30,410	2.7%
Others	36	108,214	10.1%	31	138,285	12.1%
<b>TOTAL</b>	<b>485</b>	<b>1,073,009</b>	<b>100.00%</b>	<b>420</b>	<b>1,144,111</b>	<b>100.0%</b>

### **B. Interexchange Carriers (IXCs)**

The number of long distance companies certificated to operate continues to grow. Currently, there are 306 companies authorized to provide long distance services in Nebraska. The following table shows the number of complaints filed against long distance companies. The largest number of complaints involved MCI and AT&T. Customers can verify they have the long distance carrier of their choice by dialing the toll-free telephone number (700) 555-4141.

<b>Interexchange Carrier</b>	<b>2000-2001 Complaints</b>
AT&T	575
MCI	140
Excel	27
Sprint	26
Touch America	23
VarTec	21
Talk.com	17
Miscellaneous	130
<b>TOTAL</b>	<b>959</b>

### **C. Formal Complaints**

The following formal complaints were filed with the Commission during the past year:

*FC-1276 Nebraska Technology & Telecommunications, Inc. (NT&T) of Lincoln vs. Qwest Corporation, f/k/a US West Communications, Inc., (Qwest) of Denver, Colorado*

In January 2000, NT&T filed a formal complaint alleging that Qwest had failed to honor a request from NT&T to order network elements on an unbundled basis. The Commission denied a motion from Qwest to dismiss the complaint based on the fact that, at the time of the complaint, Qwest was fully compliant with Federal Communications Commission (FCC) rules, noting that new FCC orders would soon be in effect.

As of the date of this report, Qwest is providing unbundled network elements (UNE-P) to NT&T. Therefore, the main focus of the complaint has been resolved. Both companies are working cooperatively to address concerns over problems with processes and billing. Because of these on-going concerns, the complaint remains pending.

*FC-1285 Marie Gregoire of Murdock vs. ALLTEL Communications of Lincoln*

In September 2000, Ms. Gregoire filed a formal complaint against ALLTEL alleging that she was charged an excessive amount for construction of an additional business telephone line to her residence. Following negotiations between the parties, a settlement was reached whereby Ms. Gregoire would pay a reduced amount to be applied toward the extension of facilities to her home. In light of the resolution of the dispute, the complaint was dismissed on October 31, 2000.

*FC-1288 Northeast Nebraska ComNet, LLC of Bloomfield vs. Qwest Communications of Wayne*

On November 28, 2000, a formal complaint was filed by Northeast Nebraska ComNet against Qwest, alleging that Qwest refused to offer certain services to Northeast Nebraska ComNet at wholesale rates. On December 18, 2000, a motion to dismiss the complaint was filed by Qwest. A hearing was held on February 6, 2001, and on June 5, 2001; Qwest's motion to dismiss was granted on the basis that Northeast Nebraska ComNet, as an uncertified carrier in Nebraska, is not entitled to purchase unbundled network elements from Qwest at wholesale rates.

## **D. Relay Service Complaints**

Consumer complaints related to the relay system totaled 15 for the fiscal year ending June 30, 2001, as compared to 39 for the fiscal year ending June 30, 2000. Of the 15 complaints received, over 60 percent were CA-related (Communications Assistant). Policies or procedures not being followed related mainly to miscommunication between the CA and the user or Voice Carry Over (VCO) call handling. Technical related errors consisted mainly of disruptions in ASCII transmission (PC-based TTYs) calls which resulted in disconnects to the user. Two errors related to carrier of choice where the relay user could not choose their preferred long distance

carrier when making outgoing toll calls from the relay. The carrier was Cox and they now have provided equal access through Hamilton.

### **Service Complaints**

<b>Complaint Category</b>	<b>Complaints</b>
CA Accuracy/Spelling	3
CA Didn't Follow Policy/Procedure	5
CA Poor Vocal Clarity/Enunciation	1
Subtotal	9

### **Technical Complaints**

<b>Complaint Category</b>	<b>Complaints</b>
ASCII Connection	2
Carrier Of Choice (Long Distance)	2
Garbling	1
Subtotal	5

## **2. Service Testing**

The Commission ensures Nebraskans are receiving quality telecommunications service by reviewing periodic reports providing performance data and from independently testing telephone companies. During the past year, Commissioners and staff made service visits and the staff conducted test calls in a number of pre-selected telephone exchanges. All local exchange carriers are using digital switches designed to perform a series of self-diagnostic tests which makes our testing job much easier. Besides providing independent testing, the Commission's technical staff offers consumer assistance. Our technician visited several homes and businesses across the state to assist the consumer in resolving service complaints. Similar coordinated testing was performed at a pumping station in Lincoln County to assist both Curtis Telephone Company and McCook Public Power resolve a power influence problem affecting some Curtis area customers. The Commission staff filed an inquiry related to this matter with the Federal Energy Regulatory Commission (FERC) and continues to monitor the situation. The staff also investigated another power interference problem in rural Adams County.

# Part II

## PART II

# Review of the Availability of Diverse and Affordable Telecommunications Services to the People of Nebraska

### 1. The Telecommunications Act of 1996

One of the goals of the Federal Telecommunications Act (Act) is to promote competition while still maintaining quality service at affordable rates. Five-and-a-half years after the Act was passed, competitive local carriers now serve approximately 8.4 percent of the state's access lines.

In addition, cable companies are providing basic telephone service, wireless providers are serving 40 percent of the combined wireline and wireless market, and we have experienced a growth in the availability of local Internet access and enhanced services. Nebraskans in 97 percent of the households still enjoy basic telephone service.

The convergence of technologies, the sharing of networks, the affordability and availability of service during a period that significant industry restructuring is occurring and industry structure changes have all contributed to the number of issues before the Commission. These issues have been the subject of a great deal of study, hearings, debate, Commission investigations and litigation. Addressed below are some of the major issues in which the Commission has been involved in the last year:

*C-1830 Application of US West Communications, Inc., Denver, Colorado, seeking authority to file its notice of intention to file a Section 271(c) application with the Federal Communications Commission (FCC) and request for Commission to verify US West compliance with Section 271(c).*

Section 271 of the Act set out several preconditions that must be satisfied before a Bell Operating Company (BOC), like Qwest, may provide interLATA long distance services.

Before 1996, BOCs were prohibited from offering interLATA services since the break up of the Bell system in January of 1984. However, since the passage of the Act, if a BOC can demonstrate competition exists in its local markets by meeting a 14-point checklist, then it can be authorized to provide interLATA services.

Qwest filed Docket No. C-1830 requesting the Commission to certify that Qwest had met each of the competitive preconditions. As of September 2001, the Commission found that Qwest had satisfied 10 of the 14 checklist points.

The Commission continues to participate in a collaborative effort with other Qwest states to determine compliance with the remaining checklist items. The Commission anticipates having additional evidence brought forward by the various parties in the months to come.

C-1889      *Application of Western Wireless, Issaquah, Washington, for designation as an eligible telecommunications carrier (ETC) that may receive Universal Service Support.*

Western Wireless, a wireless carrier, filed an application to receive an eligible telecommunications carrier (ETC) designation. This state designation would permit Western Wireless to be eligible for funding from the federal and state universal service funds. On November 21, 2000, the Commission granted the application and designated Western Wireless an ETC. Following the entry of that order, a collective group of telecommunications providers appealed the Commission's decision to the Court of Appeals. The case was removed to the Nebraska Supreme Court.

C-2044      *The Commission, on its own motion, seeking to conduct an investigation for determination of requirements for implementation of the contract carriers provisions contained in Legislative Bill 150 [1999].*

This docket has been open since early 1997 to allow the Commission to examine the issues raised by the regulation of contract carriers. In 1999, the Nebraska Supreme Court ruled in the case of *Neb. Pub. Serv. Comm. v. Nebraska Pub. Power Dist.* that the Commission did not have authority over contract carriers. In response, the Legislature passed LB 150 (1999) to specifically give the Commission the power to exercise authority over and issue permits to contract carriers. The Commission sent a letter to the Governor asking for permission to proceed under rules developed in Rule and Regulation Docket No. 146. Once this permission is granted, the Commission will issue proposed rules and proceed to a comment period and a public hearing.

C-2057      *The Commission, on its own motion, seeking to conduct an investigation into the potential exhaust of assignable telephone numbers within the 402 area code.*

C-2233      *The Commission, on its own motion, seeking to conduct an investigation into the conservation of assignable numbers.*

In mid-1999, the Commission was made aware of a forecast showing that the available numbers in the 402 area code could be depleted within two years. The Commission began an investigation to determine causes and possible solutions to the possible depletion. The Commission discovered that approximately 40 percent of the assigned numbers in the 402 area code were being used. Further, the Commission learned of possible number conservation measures that might be employed to delay number exhaust. Industry representatives considered several remedies including area code overlays, splitting the 402 area code and changing the boundaries between the 402 and 308 area codes. Eventually, the industry submitted a recommendation that a new area code be "overlaid" over the existing 402 boundaries. Recognizing the potential problems that would be associated with such a remedy, the Commission continues to explore number conservation methods that are discussed in greater detail in Part II, Section 7 of this report.



Based on the number depletion forecast issued by the North American Number Plan Administrator (NANPA), the Commission decided to examine possible remedies into the expected depletion of assignable numbers. To that end, the Commission opened Docket No. C-2233. One result of that investigation was the discovery that number utilization rates were relatively low. In addition, the Commission determined that several number conservation steps could be taken to delay the need for area code relief measures.

In September 1999, the Commission filed a petition with the FCC requesting authority to implement number conservation methods within Nebraska including the authority to implement thousands-block number pooling, to reclaim unused exchange codes, and to audit number assignment. The FCC granted the Commission request on an interim basis on July 20, 2000. In August 2000, the Commission entered an order establishing a calendar for the implementation of thousands-block number pooling and selecting Neustar, Inc. as the pooling administrator.

Representatives from the industry then negotiated a stipulation which would delay the implementation date from December 1, 2000, to July 1, 2001, in exchange for commitments by the industry to begin internal processes to save numbers including sequential number assignment, internal auditing and voluntary number reclamation.

*C-2156          Application of US West Communications, Inc., Denver, Colorado, for establishment of competitive zones.*

On November 15, 1999, US West, n/k/a Qwest Corporation, filed an application asking the Commission to declare that local competition existed in 11 wire centers in the Omaha area. *Neb. Rev. Stat.* ' 86-803(16) authorizes a telecommunications carrier to seek such a declaration. If a declaration that local competition exists in a given area is entered by the Commission, state law provides that local rates in that area are deregulated and allows carriers to change rates with ten days= notice to the Commission. Although briefs and testimony were filed by US West and opponents to the declaration, US West asked that the application be held in abeyance prior to the scheduled public hearing on the matter, a request that the Commission granted.

*C-2172/          Implementation of deaveraged rates for unbundled network elements (UNEs).*  
*PI-34*

On December 7, 1999, the Commission opened a docket to implement deaveraged unbundled network elements (UNEs) pursuant to FCC rule codified at *47 C.F.R.* ' 51.507(f). Section 51.507(f) requires that states establish different rate elements in at least three defined geographic areas within the state to reflect geographic cost differences.

On March 31, 2000, the Commission opened Docket No. C-2256 which commenced a cost study of the pricing of UNEs and geographic deaveraging. The Commission, along with many other state commissions, petitioned the FCC for a waiver of the May 1, 2000, deadline of the Section 51.507(f) deaveraging rule because of ongoing state investigatory proceedings. The FCC granted Nebraska a waiver of the May deadline until February 28, 2001. On March 20, 2001, in C-2256 and C-2172, the Commission deaveraged loop rates.

*C-2256/ PI-38 Cost model investigation for pricing unbundled network elements (UNEs); developing zones to deaverage rates on a geographical basis; determining zones for Universal Service Fund (USF) payments; establishing a permanent funding mechanism for USF payments and determining whether all subsidies have been removed from access prices.*

On March 20, 2001, the Commission entered its findings and conclusions with respect to developing zones and deaveraging rates on a geographical basis. Pursuant to 47 C.F.R. ' 51.507(f) state commissions are to develop a minimum of three zones and deaverage wholesale UNE prices since the actual cost of such can vary widely on a geographic basis. Upon consideration of the comments solicited, the Commission found it appropriate to deaverage only the loop element for the rural carriers. The Commission developed three zones and, based upon relative costs of provisioning the loop at the wire center level, priced and allocated these wire centers into the respective zones. The Commission priced zone one loops at \$13.74, zone two loops at \$27.48, and zone three loops at \$54.96 using a costing methodology which blended a cost model with the previous statewide average price rendered from a well-documented arbitration proceeding. This approach produced extremely high prices for zones two and three; therefore, they were capped by the Commission to encourage competition in those rural areas. The Commission found, however, that the UNE loop prices should be interim pending the conclusion of a full cost proceeding.

*C-2328 Application of Sprint Communications Company, L.P., Overland Park, Kansas, seeking arbitration of interconnection rates, terms, conditions and related arrangements with US West Communications, Inc., Denver, Colorado.*

Sprint Communications Company, L.P. filed a petition seeking arbitration of interconnection rates, terms, conditions and related arrangements with US West Communications, Inc., now known as Qwest Corporation. The companies settled five out of the six unresolved issues and are currently negotiating language on the sixth issue which relates to reciprocal compensation. The mutually chosen arbitrator rendered a decision in favor of Sprint Communications Company. Subsequent to that decision, on April 27, 2001, the FCC released its *Order on Remand and Report and Order* in CC Docket No. 96-98, which changed the landscape for reciprocal compensation arrangements. The parties have been negotiating terms and conditions related to reciprocal compensation for enhanced service provider (ESP) traffic including internet service provider (ISP) traffic. The Commission expects a voluntarily-negotiated interconnection agreement to be jointly submitted by the parties this fall.

C-2417        *The Commission, on its own motion, seeking comment on the establishment and implementation of 711" as a statewide three-digit calling number reserved for access to telecommunication relay services (TRS).*

The Commission opened this docket to examine issues related to implementation of three-digit dialing (711) for access to all telecommunications relay services (TRS). The docket was opened in response to the Federal Communications Commission's *Second Report and Order* in CC Docket No. 92-105, *In the Matter of the Use of N11 Codes and Other Abbreviated Dialing Arrangements* (hereinafter, the FCC order).

The FCC order set October 1, 2001, as the mandatory deadline for all carriers to comply with 711 routing nationally. The Commission set June 29, 2001, as the deadline for compliance with 711 routing for all non-wireless carriers in Nebraska. The Commission encouraged wireless carriers to comply with 711 routing by June 1, 2001, but recognized that the mandatory date of October 1, 2001, may be more practicable should wireless carriers use a national implementation plan. Thus, 711 should be fully accessible in Nebraska by October 1, 2001.

Two carriers filed comments expressing concerns regarding recovery of costs associated with the deployment of 711 access. The Commission found the FCC order vague regarding cost recovery. The TRS system is funded by a surcharge on all phone service pursuant to *Neb. Rev. Stat. ' 86-1301, et seq.* The Commission concluded that the TRS fund would be the legitimate source for reimbursement of demonstrated costs. The Commission also concluded that if significant costs are identified by a carrier, the Commission will, upon application, review and approve those applications and make proper reimbursement.

C-2400        *Application of Lincoln Electric System, Lincoln, seeking contract carrier permit authority.*

In October 2000, the Lincoln Electric System (LES) filed an application with the Commission seeking contract carrier permit authority. This was the first such request the Commission has received regarding contract carrier authority.

After the hearing held in the matter, the Commission concluded that LES was not authorized to offer for-hire telecommunications services or to hold a contract carrier permit to perform such services because it lacked the required specific legal authority to do so.

LES's application for such authority led to the introduction of LB 827 before the Nebraska Legislature. LB 827 allowed for the sale or lease of dark fiber by governmental entities but foreclosed such entities from providing telecommunications services. LB 827 was subsequently approved by the Legislature and signed into law.

C-2483/  
PI-43            *The Commission, on its motion, seeking to re-examine its retail quality of service standards for all local exchange carriers operating within the State of Nebraska.*

The Commission originally opened this docket to examine the status of its retail service quality rules and regulations codified in Neb. Admin. R & Regs., Title 291, Chapter 5. The Commission placed the comment cycle on hold pending the outcome of an Aliant/ALLTEL service comparison. The Commission held a hearing on the comparison between Aliant and ALLTEL service quality on June 18, 2001. On August 21, 2001, the Commission issued its *Findings and Conclusions* with respect to ALLTEL=s service. The Commission required ALLTEL to file monthly reports, found it would subject ALLTEL to Commission audits and inspections and demanded improvement. The Commission will continue to monitor ALLTEL=s service quality until the company demonstrates that it is providing adequate retail service. This docket will also be the vehicle upon which the Commission will decide whether to amend its service quality rules. Any amendments resulting from this investigation will be proposed in a formal rulemaking docket.

C-2506/  
PI-48            *The Commission, on its own motion, seeking comment on the establishment and implementation of A511@ as a statewide three-digit calling number reserved for access to Advanced Traveler Weather Information System (ATWIS).*

In March 2001, representatives of the Nebraska State Patrol and Nebraska Department of Roads presented to the Commission a proposal to create an Advanced Traveler Weather Information System (ATWIS). ATWIS will provide route-specific weather forecasts and road condition reports to callers based upon specific location information provided by the caller. The system will be accessed by dialing A511@ from a wireline or wireless phone. The Commission set October 1, 2001, as the implementation date for 511. There will be no charge to customers for using the 511 system, which replaces the State Patrol=s 800 number for travel weather information.

C-2516            *The Commission, on its own motion, seeking to investigate Qwest Corporation=s rates for interconnection, unbundled network elements, transport and termination and resale services.*

The Commission opened this docket to determine appropriate wholesale pricing of unbundled network elements (UNEs), transport and termination and resale services. Docket No. C-1415, the Commission=s prior cost docket, was closed upon a finding that the information and testimony contained in that docket had become stale. Sending appropriate and accurate pricing signals is an integral component of local competition in Nebraska. The Commission has scheduled three rounds of hearings for pricing these elements and services. One round of hearings has concluded and a decision is expected to be released soon.

C-2537      *Application of Qwest Corporation, Denver, Colorado, seeking approval of its revised statement of generally available terms (SGAT) pursuant to Section 252(f) of the 1996 Telecommunications Act.*

On May 22, 2001, Qwest filed for approval its revised SGAT, pursuant to Section 252(f) of the Federal Telecommunications Act of 1996.

A SGAT, which is in some ways similar to tariffs that are currently filed with the Commission, is a statement by Qwest of its general offerings within the State of Nebraska and their related terms and conditions. Qwest filed its proposed revised SGAT in part to comply with the requirements of Section 251 of the Telecommunications Act of 1996.

As several parties intervened in the docket, the Commission encouraged the parties to continue to negotiate the various terms and conditions contained within the SGAT. This document is evolving as further revisions are negotiated. The Commission has participated in proceedings involving the Arizona Commission as well as a collaborative effort involving seven Qwest states. The Commission has held four of five planned oral arguments in an effort to complete its thorough review of the proposed SGAT.

RR-146      *The Commission, on its own motion, seeking to amend Title 291, Chapter 5, Telecommunications Rules and Regulations, Section 001, Definitions, Section 002, Local Exchange Service, and Section 003, Interexchange Service, and inserting new sections in accordance with the provisions of LB150 [1999] and to clarify and harmonize existing sections.*

Rules and regulations are being promulgated in accordance with LB150 [1999]. LB150 requires any legal entity offering telecommunications services as a telecommunications contract carrier to obtain a permit from the Commission. The proposed rules provide for issuance of a permit for contract carrier authority and harmonize the Commission's existing rules to accommodate the new type of authority. Following a comment period, the Commission held a hearing on January 9, 2001. A second hearing was held on August 21, 2001, also following a comment period. The Commission anticipates issuing a certificate of adoption for final rules shortly.

RR- 149      *The Commission, on its own motion, seeking to amend Title 291, Chapter 5, Telecommunications Rules and Regulations, by adding new sections and to adopt rules in accordance with the provisions of LB585 [2001].*

The Commission promulgated rules and regulations in accordance with LB585 [2001]. LB 585 creates the Enhanced Wireless 911 Fund (Fund) and creates a surcharge on wireless telephone service. The Fund will be used to cover the costs of enhanced wireless 911 service. Enhanced wireless 911 allows a public safety answering point (PSAP), which is a local-jurisdiction facility receiving 911 calls, to obtain the phone number and location of an incoming call from a wireless telephone. The bill allows wireless carriers and PSAPs to request funding

from the Commission to recover costs associated with implementation of wireless enhanced 911. The bill requires the Commission to administer the Fund and set the surcharge (with a cap of fifty cents). On June 5, 2001, the Commission set the surcharge at 50 cents. Collection of the surcharge began July 1, 2001, pursuant to the bill. The Commission adopted rules and regulations for administration of the Fund on September 5, 2001. The bill also establishes an advisory board of 11 individuals, 9 of whom are to be appointed by the Governor. The board will advise the Commission on various aspects of implementation of wireless enhanced 911 service.

*RR-152            The Commission, seeking to amend Title 291, Chapter 5, Telecommunications Rules and Regulations, by adding new sections and to adopt rules in accordance with the provisions of LB827 [2001].*

Rule and Regulation No. 152 implements LB827, passed by the Legislature in the 2001 session. LB827 has two major components. First, the bill permits an agency or political subdivision of the state to lease dark fiber under certain conditions. Dark fiber is fiber optic infrastructure that is not being used. The bill creates duties for the Commission regarding approval of lease prices and profit distribution. Second, LB827 creates the Nebraska Internet Enhancement Fund (NIEF). The bill gives the Commission authority to establish an application process and administer the fund.

On September 5, 2001, the Commission entered an order proposing rules and regulations and seeking comment on the proposed rules as well as other issues raised by implementation of the bill. The Commission will accept written comments until October 5, 2001. After that time, the Commission anticipates that it will revise and republish proposed rules and then hold a public hearing. The proposed rules provide details of the application process for obtaining funding through NIEF and the Commission's role in approval of dark fiber leases.

## 2. Local Competition

### A. Competitive Local Exchange Carriers

The Commission has promulgated rules setting forth the requirements that a carrier must fulfill to be issued a certificate of public convenience and necessity to provide local exchange services. The following companies received new or extended authority during the 2000-2001 fiscal year to provide local service in the corresponding territories in Nebraska:

Carrier	Territory to be Served	Granted Authority
360networks (USA) inc.	Statewide	01/09/01
Arbros Communications Licensing Company Central, LLC	Statewide	02/06/01
Applied Communications Technology, Inc.	Statewide	06/05/01
Arrival Communications, Inc.	Statewide	12/12/00
CityNet Telecom, Inc.	Statewide	01/09/01
Claricom Networks, Inc., dba Staples Communications - Networks	Statewide	04/17/01
Contact Communications, Inc.	Statewide	05/08/01
Covad Communications Co.	ALLTEL, Qwest	06/14/00
eLEC Communications	Statewide	06/19/01
essential.com, inc.	ALLTEL, Citizens, Qwest and Sprint	10/31/00
Global TeleLink Services, Inc.	Statewide	02/06/01
HJN Telecom, Inc.	Statewide	05/02/00
IPVoice Communications, Inc.	Statewide	12/12/00
LH Telecom, Inc.	Statewide	02/21/01
Metromedia Fiber Network Services, Inc.	Statewide	10/18/00

<b>Carrier</b>	<b>Territory to be Served</b>	<b>Granted Authority</b>
Premiere Network Services, Inc.	Statewide	01/23/01
RSL COM USA	Statewide	03/06/01
ServiSense.com, Inc.	Statewide	03/06/01
Telera Communications, Inc.	Statewide	01/23/01
Telicor, Inc.	Statewide	02/06/01

There are currently 87 carriers who have received certificates of public convenience and necessity to provide competitive local exchange services in Nebraska. However, not all 87 carriers are currently offering local service in Nebraska.

## **B. Interconnection Agreements**

Under the Telecommunications Act of 1996, a company wanting to compete with a local exchange carrier (LEC) needs to enter into an interconnection agreement with the LEC in whose territory it wishes to offer service. A company may reach an interconnection agreement with a LEC in one of three ways: 1) It may voluntarily negotiate an interconnection agreement; 2) Request adoption of a Commission-approved interconnection agreement in accordance with Section 252(i) of the Act; or 3) Ask for mediation or arbitration if voluntary negotiations are not successful at reaching a mutually-acceptable interconnection agreement. All interconnection agreements that have been approved by the Commission can be found on the Commission's website at <http://www.nol.org/home/NPSC>. The agreements are divided into the following three sections: 1) voluntarily-negotiated interconnection agreements; 2) Section 252(i) interconnection agreements; and 3) arbitrated interconnection agreements.

## **3. Outage Reports**

Reports are required to be filed with the Commission by local exchange carriers when service outages are experienced. The report provides the date and time of the outage, the geographic area affected, the cause of the outage, if known, and an estimate of the access lines affected. Within five days, a final report is filed showing the number of customer trouble reports received related to the outage and the corrective action taken. The following tables show the number of service outages and causes, as well as the total number of outages and access lines affected during the past four years.



	<b>Cable Cuts</b>	<b>Telephone Equipment Malfunction</b>	<b>Weather</b>	<b>Accidental</b>	<b>Maintenance</b>	<b>Unknown</b>
<b>1996-1997</b>	40	33	8	6	0	12
<b>1997-1998</b>	98	33	12	4	4	13
<b>1998-1999</b>	90	43	6	3	3	11
<b>1999-2000</b>	62	17	4	9	11	21
<b>2000-2001</b>	60	22	5	4	12	70

	<b>Total Service Outages</b>	<b>Total Affected Access Lines</b>	<b>Average Number of Access Lines Affected per Outage</b>
<b>1996-1997</b>	99	244,899	2,474
<b>1997-1998</b>	164	199,900	1,219
<b>1998-1999</b>	156	225,248	1,444
<b>1999-2000</b>	124	276,261	2,228
<b>2000-2001</b>	173	300,276	1,746

#### **4. Telecommunications Relay Services**

Telecommunications Relay Services (TRS) is a telephone transmission service that provides the ability for a person who has a hearing or speech impairment to engage in wireline or wireless communication with a hearing person in a manner that is functionally equivalent to someone without such a disability. Such a definition includes services that enable two-way communication between an individual who uses a text telephone (TTY) or other nonvoice terminal device and an individual who does not have such a device. Communications Assistants (CAs) transmit (relay) written communication from a text telephone or other nonvoice terminal device to a person using a standard telephone. The person using the standard telephone speaks to the CA who transmits the message to the hearing impaired individual. The relay is funded through a monthly surcharge on all access lines, including cellular lines. The monthly surcharge was 10 cents per access line in 1993 and 1994. It was 7 cents in 1995, 1996 and 1997. In 1998 the surcharge was reduced to 6 cents, and it was reduced to its current level of 5 cents in 1999 through 2001.

In 1995, the Legislature created the Nebraska Equipment Distribution Program which enables qualifying deaf, hard-of-hearing and/or speech-impaired low income citizens to obtain specialized telecommunications equipment at reduced rates. Funded by the Relay Surcharge, expensive telecommunications equipment, such as text telephones, amplifiers, and signaling devices have been made available to low income, deaf, hard-of-hearing and/or speech-impaired consumers. Since the program began in April 1996 through June 2001, \$511,000 has been spent on specialized telecommunications equipment for low income individuals. There have been 936 households served during this same period.

### **Recent Developments in Telecommunications Relay Services - State Level**

- § The current contract with Hamilton Telecommunications expires at midnight on June 30, 2002. The Commission is currently in the process of issuing a Request For Proposal (RFP) for bidding by December 2001 for the new provider.
  
- § As a result of CC Docket 98-67, FCC 00-56, *In the Matter of Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*, the following services were made available on December 21, 2000:
  - 1) The Hamilton Relay Center began providing 60 words per minute typing service as part of its relay service;
  - 2) Speech-to-Speech is being provided through Hamilton=s Wisconsin Relay Center. The access number is 1-888-272-5527; and
  - 3) Spanish-to-Spanish is being provided through Hamilton=s Wisconsin Relay Center. The access number is 1-888-272-5528.
  
- § 711 dialing was instituted by the Commission for wireline carriers by June 29, 2001. Payphone providers and wireless carriers were encouraged, but not mandated, to meet the June 29 date. 711 is an abbreviated dialing arrangement to facilitate more efficient access to the state relay facility. Compliance for statewide implementation is required by October 1, 2001, for all wireline, wireless and payphone providers.

### **Recent Developments in Telecommunications Relay Services - Federal Level**

- 1) *Update on Report and Order and Further Notice of Proposed Rulemaking*, CC Docket 98-67, FCC No. 00-56, released March 6, 2000 (TRS Order), *In the Matter of Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities*. (See also *Order On Reconsideration* CC Docket 98-67, FCC No. 00-200, released June 5, 2000. This order amended the effective dates for compliance with most of the amended rules adopted in the TRS Order).

Selected highlights of the Order are as follows:

- § The definition of TRS now extends to speech-to-speech (STS), video relay services (VRS) and non-English language relay services. Non-English relay is defined as TRS that allows persons with hearing or speech disabilities that use languages other than English, to communicate with voice telephone users in a shared language other than English, through a CA who is fluent in that language;
- § Common carriers are to provide STS and interstate Spanish (Spanish-to-Spanish) relay services by March 1, 2001. STS is an improved TRS service that utilizes specially-trained CAs who understand the speech patterns of persons with speech disabilities to relay or Avoice@ for persons with such disabilities;
- § VRS is not required, but encouraged by permitting recovery of intrastate and interstate calls from the interstate TRS fund. VRS is defined as a TRS service that allows people with hearing or speech disabilities that use sign language to communicate with voice telephone users through video equipment. The link allows the CA to view and interpret the party=s signed conversation and relay the conversation back and forth with a voice caller;
- § Modifications to the speed-of-answer requirement now require the measurement on a daily basis and the 10-second speed-of-answer time frame must begin when a call initially arrives at the TRS provider=s network. Abandoned calls shall be included in the speed-of-answer calculation;
- § A minimum typing speed of 60 words per minute is required for CAs to speed the transmission of calls using TTYs. The FCC record noted that TRS providers can also employ technology such as speech recognition or auto-correct software to otherwise attain the 60 words per minute equivalence;
- § Additional rules governing STS calls include maintaining frequently-called numbers and information by the relay beyond the duration of the call;
- § The Commission=s informal complaint process for TRS complaints be adopted;
- § States and interstate TRS providers maintain a log of consumer complaints that allege a violation of the minimum standards and annually report to the FCC the number of complaints received;

With the exception of effective dates explicitly referenced above, Nebraska was in compliance with the amended rules by the December 21, 2000, mandated date.

- 2) *Second Report and Order* CC Docket 92-105; FCC No. 00-257 released August 9, 2000, *The Use of N11 Codes and Other Abbreviated Dialing Arrangements*.

The FCC amended its regulations to require that all providers of telephone service in the United States provide toll-free access to telecommunications relay services by dialing 711. 711 must access all types of relay services in accordance with the Commission's minimum service-quality standards for TRS. Compliance for wireline, wireless and payphone providers with this order is required by October 1, 2001.

The following table displays statistics that reflect the operation of the Nebraska Relay System since its inception January 1, 1991.

**Nebraska Relay System  
Usage Statistics**

Month	Calls	Minutes	Converted Minutes	Average Minutes Per Call	Monthly Cost		Surcharge Revenue at \$.05	Surcharge Revenue at \$.06	Surcharge Revenue at \$.07	Surcharge Revenue at \$.08	Surcharge Revenue at \$.10
					TRS Program	Equipment Program					
Jan 91	5,243	33,453	33,453	6.38	\$44,081			\$51,213			
Feb	5,112	36,197	40,075	7.08	47,380			52,678			
Mar	5,530	38,219	38,219	6.91	49,803			52,849			
Apr	5,260	40,144	41,482	7.63	49,427			53,182			
May	6,119	42,362	42,362	6.92	47,173			52,414			
Jun	5,758	41,066	42,435	7.13	52,608			54,239			
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			54,277			
Dec	6,954	43,785	43,785	6.30	48,287			54,385			
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				62,179		
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	67,178				63,241		
Aug	10,238	64,494	64,494	6.30	66,550				63,387		
Sep	9,385	64,989	67,155	6.92	68,473				65,134		
Oct	9,577	65,928	65,928	6.88	69,493				65,839		
Nov	9,114	65,319	67,496	7.17	68,795				66,071		
Dec	9,519	67,768	67,768	7.12	71,275				66,283		
Jan 93	10,373	78,957	78,957	7.61	78,515						\$84,850
Feb	9,514	71,133	78,754	7.48	70,843						83,572
Mar	11,442	85,048	85,048	7.43	82,381						83,912
Apr	11,196	78,965	81,597	7.05	78,670						84,307
May	10,801	72,888	72,888	6.75	72,273						84,581
Jun	10,408	74,576	77,062	7.17	74,291						84,905
Jul	10,755	75,559	75,559	7.03	71,799						85,169
Aug	10,986	77,727	77,727	7.08	63,599						85,375
Sep	10,947	78,905	81,535	7.21	64,254						86,103
Oct	11,597	84,077	84,077	7.25	67,821						88,176
Nov	11,623	84,359	87,171	7.26	66,414						88,632
Dec	12,003	85,532	85,532	7.13	70,025						89,458
Jan 94	9,450	90,178	90,178	9.54	73,453						90,409
Feb	11,774	82,179	90,984	6.98	67,930						91,061
Mar	13,104	90,363	90,363	6.90	74,945						91,595
Apr	13,230	91,737	94,795	6.93	74,286						92,166
May	14,067	94,585	94,585	6.72	75,698						93,673
Jun	13,316	87,503	90,420	6.57	71,225						93,160
Jul	13,114	86,723	86,723	6.61	69,641						93,966
Aug	14,215	94,426	94,426	6.64	77,204						94,465
Sep	13,128	87,909	90,839	6.70	72,104						95,368
Oct	13,460	86,032	86,032	6.39	69,272						95,725
Nov	14,605	90,868	93,897	6.22	73,582						96,697
Dec	15,461	101,593	101,593	6.57	76,226						97,093
Jan 95	15,096	103,226	103,226	6.84	76,197			73,780			
Feb	12,900	85,937	95,144	6.66	63,587			69,815			
Mar	15,563	104,597	104,597	6.72	76,410			70,824			

Apr	14,896	99,780	103,106	6.70	75,568				70,873		
May	16,714	108,346	108,346	6.48	77,773				71,473		
Jun	16,130	103,240	106,682	6.40	76,026				72,180		
Jul	15,851	101,543	101,543	6.41	75,001				72,638		

## Nebraska Relay System Usage Statistics

Month	Calls	Minutes	Converted Minutes	Average Minutes Per Call	Monthly Cost		Surcharge Revenue at \$.05	Surcharge Revenue at \$.06	Surcharge Revenue at \$.07	Surcharge Revenue at \$.08	Surcharge Revenue at \$.10
					TRS Program	Equipment Program					
Aug	16,049	103,802	103,802	6.47	\$76,723				\$72,997		
Sep	14,611	92,501	95,584	6.33	70,201				73,508		
Oct	14,905	95,463	95,463	6.40	72,556				74,112		
Nov	15,274	96,948	100,180	6.35	73,683				74,444		
Dec	14,780	98,677	98,677	6.68	75,011				75,614		
Jan 96	16,713	116,640	116,640	6.98	84,926				76,432		
Feb	15,227	105,033	116,286	6.90	78,921				77,104		
Mar	17,025	117,286	117,286	6.89	83,194				79,152		
Apr	17,016	112,339	116,084	6.60	79,178	\$ 3,229			78,459		
May	17,302	117,276	117,276	6.78	82,911	13,525			79,056		
Jun	16,638	112,724	116,482	6.78	81,091	7,641			79,784		
Jul	17,290	113,706	113,706	6.58	79,184	19,448			80,262		
Aug	17,574	114,690	114,690	6.53	80,845	10,994			81,509		
Sep	16,747	111,173	114,878	6.64	80,414	2,465			81,206		
Oct	17,765	116,725	116,725	6.57	81,708	3,898			81,456		
Nov	16,729	113,255	117,030	6.77	82,134	6,954			82,193		
Dec	16,736	112,816	112,816	6.74	79,204	9,017			84,028		
Jan 97	18,846	128,819	128,819	6.84	92,336	0			84,598		
Feb	17,606	123,677	136,928	7.02	88,666	7,033			85,146		
Mar	18,657	125,025	125,025	6.70	88,726	4,728			85,710		
Apr	17,979	119,541	123,525	6.65	84,762	8,857			86,492		
May	17,841	120,129	120,129	6.73	93,268	2,442			82,756		
Jun	19,781	131,689	136,079	6.66	100,864	3,349			87,524		
Jul	19,321	133,714	133,714	6.92	77,779	9,048			87,927		
Aug	20,182	134,831	134,831	6.68	79,903	4,390			88,326		
Sep	19,056	121,306	125,350	6.37	70,291	1,692			89,483		
Oct	19,582	126,834	126,834	6.48	73,830	1,412			89,598		
Nov	18,717	122,245	126,320	6.53	70,646	2,157			90,400		
Dec	19,295	125,655	125,655	6.51	73,128	2,937			91,040		
Jan 98	19,182	124,389	124,389	6.48	73,607	2,180		\$81,084			
Feb	17,105	111,317	123,244	6.51	65,438	951			78,671		
Mar	20,712	137,052	137,052	6.62	79,940	4,986			79,603		
Apr	18,662	117,377	121,290	6.29	65,872	2,011			80,797		
May	17,831	110,088	110,088	6.17	62,894	2,804			81,037		
Jun	18,419	119,269	123,244	6.48	68,129	1,082			81,524		
Jul	18,930	123,015	123,015	6.50	68,606	3,300			82,038		
Aug	18,938	126,101	126,101	6.66	72,002	1,119			82,480		
Sep	18,052	117,064	120,966	6.48	67,150	6,311			82,826		
Oct	18,864	119,203	119,203	6.32	67,746	1,505			83,265		
Nov	17,722	114,304	118,114	6.45	65,028	4,455			83,333		
Dec	18,065	119,099	119,099	6.59	67,336	1,244			83,934		

**Nebraska Relay System  
Usage Statistics**

Month	Calls	Minutes	Converted Minutes	Average Minutes Per Call	Monthly Cost		Surcharge Revenue at \$.05	Surcharge Revenue at \$.06	Surcharge Revenue at \$.07	Surcharge Revenue at \$.08	Surcharge Revenue at \$.10
					TRS Program	Equipment Program					
Jan 99	18,028	119,766	119,766	6.64	\$68,363	\$3,563	\$72,500				
Feb	17,829	116,366	128,834	6.53	67,292	5,282	72,902				
Mar	19,203	128,518	128,518	6.69	75,648	108	72,650				
Apr	18,267	120,502	120,502	6.38	68,127	7,296	72,959				
May	18,481	118,266	118,266	6.40	68,090	1,575	73,616				
Jun	19,269	124,745	128,903	6.47	71,052	202	73,566				
Jul	17,353	114,593	114,593	6.60	71,346	5,368	73,638				
Aug	18,180	116,089	116,089	6.39	70,007	215	74,425				
Sep	15,761	101,582	104,968	6.45	64,882	34,426	74,557				
Oct	16,018	102,192	102,192	6.38	66,084	33,249	74,840				
Nov	15,620	101,250	104,625	6.48	63,902	65,685	75,149				
Dec	18,840	116,445	116,445	6.18	66,258	28,728	76,063				
Jan 00	18,726	117,845	117,845	6.29	66,887	8,577	77,303				
Feb	17,529	111,299	118,975	6.35	69,032	989	76,194				
Mar	19,650	130,069	130,069	6.62	74,419	622	76,849				
Apr	17,147	107,242	110,816	6.25	60,078	86	77,373				
May	18,205	113,954	113,954	6.26	63,055	0	77,262				
Jun	17,582	109,246	112,888	6.21	62,378	0	78,041				
Jul	17,349	105,691	105,691	6.09	66,199	0	78,217				
Aug	18,883	116,351	116,351	6.16	74,268	21,170	78,427				
Sep	17,555	108,229	111,837	6.17	68,468	15,573	79,104				
Oct	19,602	114,656	114,656	5.85	73,116	15,380	78,535				
Nov	18,749	112,534	116,285	6.00	71,126	23,518	79,156				
Dec	19,429	118,597	118,597	6.10	78,792	21,800	79,659				
Jan 01	19,210	119,396	119,396	6.22	91,195	2,430	79,380				
Feb	18,497	115,432	127,800	6.24	88,428	22,984	80,720				
Mar	19,504	119,482	119,482	6.13	91,179	10,470	80,643				
Apr	18,694	109,649	113,304	5.87	85,792	2,407	80,664				
May	20,594	114,785	114,785	5.57	89,193	23,107	81,251				
Jun	20,328	111,005	114,705	5.46	86,964	18,349	82,045				

## 5. Extended Area Service

Extended Area Service (EAS) allows customers in one exchange to place calls to and receive calls from another exchange without paying long distance charges. The Commission recently amended its rules and regulations relating to EAS. Some of the major changes to the current rules include:

- ! A petition seeking to establish EAS must contain the signatures of 25 percent of an exchange=s accounts or 750, whichever is less. Under the old rules, signatures from 15 percent of an exchange=s customers or 750 were needed.
- ! To determine if sufficient traffic exists to establish EAS, certain criteria must be met in at least two of the three most recent months for which data is available. The old rules provided that the criteria must be met in all three months.
- ! The new rules allow for a telephone company to file an Optional Enhanced Area Calling Plan (OEACP).
- ! Informational meetings must be held in the petitioning exchange to inform the public of the proposed rates for EAS and to assess the public=s interest in receiving EAS.
- ! Following an unsuccessful attempt at implementing EAS, additional attempts are barred for 12 months, rather than 24 months as stated in the old rules.
- ! When put to a vote, EAS must receive the support of more than 50 percent of those voting. The previous rule required support from more than 50 percent of the customers eligible to vote.

The following communities have pending EAS petitions:

<b>Petitioning Exchange</b>	<b>Community Requested in the EAS Petition</b>
Leigh	Columbus
Petersburg	Albion

In addition, the petition filed by the residents of Miller requesting extended area service to Kearney was granted by the Commission on July 24, 2001, and the service was implemented on September 4, 2001.



## 6. 911/E911 Information

Wireline or landline, 911 service and funding is governed by *Neb. Rev. Stat. ' ' 86-1001 to 86-009*. Section 86-1005 requires the Commission to report the following information to the Legislature. The following guidance regarding the use of 911 surcharge funds is also provided:

§ Funds generated by the service surcharge shall be expended only for the purchase, installation, maintenance and operation of telecommunications equipment and telecommunications-related services required for the provision of 911 services. *Neb. Rev. Stat. ' 86-1003(5)*.

§ Funds collected by a governing body from the imposition of a service surcharge shall be credited to a separate fund apart from the general revenue of the governing body and shall be used solely to pay for the costs for 911 service. *Neb. Rev. Stat. ' 86-1007*.

### E911 Definitions

**7-Digit Dialing:** Where a 911 line is not available and the public entity provides emergency service through a seven-digit number.

**Automatic Number Identification (ANI):** The telephone number associated with an access line from which a call originates.

**Automatic Location Identification (ALI):** The physical street address associated with the caller=s number.

**ANI/ALI:** The automatic display at the public safety answering point (PSAP) of the caller=s telephone number, the address/location of the telephone and supplementary emergency service information.

**Basic 911:** Emergency telephone system that connects 911 callers to a designated PSAP. Call routing is determined by originating central offices only. Basic 911 may or may not support ANI and/or ALI.

**Customer Premises Equipment (CPE):** Terminal equipment at a PSAP.

**Emergency Service Number (ESN):** ESN is a three to five digit number that identifies the emergency agencies designated to serve a specific geographical area. The ESN facilitates selective routing and selective transfer to the appropriate PSAP and the dispatching of the proper service area.

**Enhanced 911:** Emergency telephone system which includes network switching, database and CPE elements capable of providing selective routing, selective transfer, fixed transfer, ANI and ALI.

**Fixed Transfer:** The capability to transfer a 911 call to a pre-determined location by activating a single button.

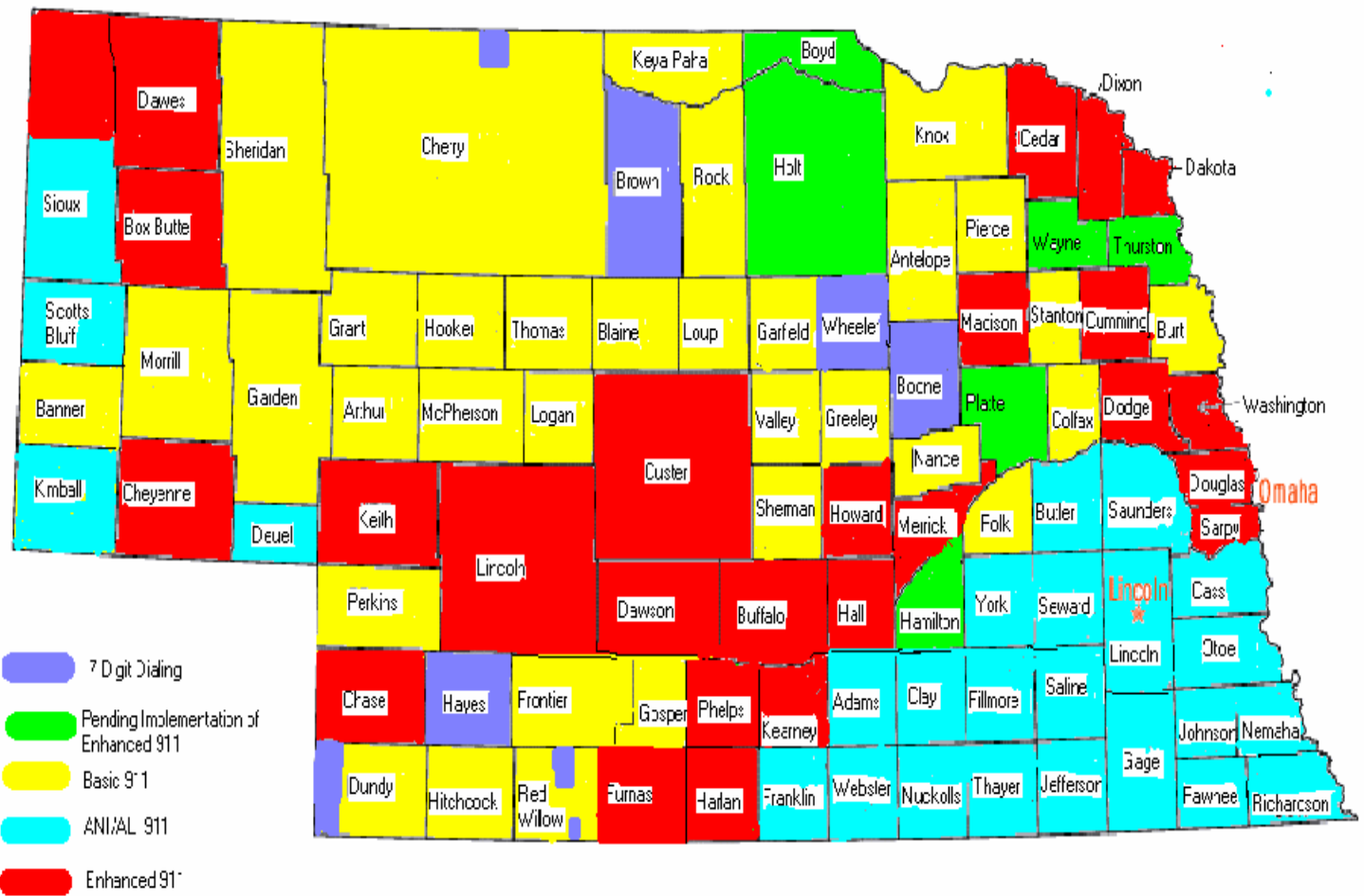
**Pending Enhanced 911:** These are the PSAPs that are in the phase of implementing enhanced 911 routed trunking.

**Public Safety Answering Point (PSAP):** An answering location for 911 calls originating in a given area. PSAPs can be located at police, fire or emergency medical service communication centers which handle all emergency communications for an area.

**Selective Routing (SR):** The routing of a 911 call to the proper PSAP based upon the location of the caller. SR is controlled by an ESN, which is derived from the customer location.

**Selective Transfer:** The capability to transfer a 911 call to a response agency by one of several buttons designated as police, fire and medical; it is based on the ESN of the caller.

**Stand-Alone Location Identification System (SALI):** An in-house 911 database that is maintained by the PSAP. Database houses ANI/ALI records.



Omaha

The increased use of wireless users necessitates the need for emergency service providers to identify locations of these users to respond in a timely manner. Currently, most 911 emergency service agencies cannot identify the geographic location or telephone number of the wireless caller. This is a potentially dangerous occurrence if the 911 dispatcher loses contact with the calling party and cannot reestablish contact to facilitate the service.

The FCC's enhanced 911 (E911) rules are intended to improve the effectiveness and reliability of wireless 911 services. Wireless carriers are required to provide emergency dispatchers information on the location from which a call is made. The E911 requirements are divided into two phases. Phase I requires carriers to deliver to the emergency center the telephone number of a wireless handset originating a 911 call, as well as the cell site or base station location receiving the 911 call, roughly giving an indication of the caller's location. Phase II requires the delivery of the telephone number of a wireless handset originating a 911 call latitude and longitude, known as Automatic Location Identification (ALI), to the dispatcher.

### **LB 585**

LB 585 is a bill for an Act relating to telecommunications, to provide enhanced wireless 911 service, to establish a surcharge on wireless service subscribers, to define terms; to provide powers and duties, to create an advisory board; to create a fund, to provide for confidentiality of certain records; to provide immunity as prescribed; and to declare an emergency.

Effective July 1, 2001, a 50 cent surcharge will be collected on each subscriber with a billing address in Nebraska. Wireless carriers will electronically remit the surcharges to the State Treasurer for credit to the Enhanced Wireless 911 Fund 60 days after the last day of the month.

### **Outline of Phase I Implementation Requests**

As of September 14, 2001, there have been a total of 11 PSAPs that have requested Phase I implementation. Of the eleven, only seven are valid requests. The four other Phase I requests are not valid due to the fact that the LEC infrastructure does not provide selective routing. Selective routing is a requirement that needs to be in place before Phase I can be implemented.

### **Wireless E911 Terminology**

**Cell Sector:** One face of a cell antenna (typically three-sided) that operates independently of the other sectors.

**Cell Site:** The location of a cell and related equipment.

**Footprint:** The geographic area covered by a particular wireless cell or cell sector.

**Mobile Switching Center (MSC):** The wireless equivalent of a central office, which provides switching functions for wireless calls.

**Phase I: Required by *FCC Report and Order 96-264*,** pursuant to Notice of Proposed Rulemaking (NPRM) 94-102. The delivery of a wireless 911 call with the call back number and identification of the cell sector from which the call originated. Call routing is determined by cell sector.

**Phase II: Required by *FCC Report and Order 96-264*,** pursuant to Notice of Proposed Rulemaking (NPRM) 94-102. The delivery of a wireless 911 call with Phase I requirements plus location of the caller within 125 meters (410 feet) 67 percent of the time and selective routing based upon those coordinates. (Target Date October 2001).

**Pseudo Automatic Number Identification (pANI):** A telephone number used to support routing of wireless 911 calls. It may identify a wireless cell or cell sector allowing wireless calls to be routed to the appropriate PSAP.

**Pseudo Automatic Location Identification (pALI):** An ALI record associated with a pANI configured to provide the location of the wireless cell or sector and information about its coverage or serving area (footprint).

**Signal Control Point (SCP):** Provides routing of all the necessary data to the Mobile Switching Center and ALI database.

Adams	ALLTEL		X		0.50	345.69	Beatrice	No
Ainsworth	Ionex	X			0.00	0.00	Ainsworth - FD	No
Ainsworth	Qwest	X			0.00	0.00	Ainsworth - FD	No
Albion	Citizens	X			1.00	1,776.00	Albion	No
Alexandria	ALLTEL		X		0.50	85.36	Hebron	No
Allen	NebCom, Inc.	X			0.50	306.32	Ponca	Yes
Alliance	Ionex			X	1.00	93.25	Alliance	Yes
Alliance	NT&T			X	0.50	1.50	Alliance	Yes
Alliance	Qwest			X	0.50	2,494.21	Alliance	Yes
Alma	Citizens		X		1.00	972.30	Alma	No
Alma	NT&T		X		1.00	11.50	Alma	No
Amherst	Citizens	X			0.65	208.89	Kearney	No
Anselmo	Consolidated	X			0.50	112.90	Broken Bow	Yes
Ansley	Nebraska Central	X			0.75	396.00	Taylor	Yes
Arapahoe	Arapahoe			X	1.00	823.00	Beaver City	Yes
Arcadia	Nebraska Central	X			0.75	252.00	Taylor	Yes
Archer	Great Plains	X			1.00	111.00	Central City	Yes
Arlington-City	Arlington			X	0.75	475.61	Arlington	Yes
Arlington-Rural	Arlington			X	1.00	498.37	Arlington	Yes
Arnold	Great Plains	X			0.50	356.00	Broken Bow	No
Arthur	Consolidated	X			0.60	135.98	Ogallala	Yes
Ashby	Consolidated	X			1.00	84.87	Ogallala	Yes
Ashland	ALLTEL		X		0.50	1,210.86	Wahoo	No
Ashton	Nebraska Central	X			0.75	143.00	Taylor	Yes
Atkinson/O=Neil	NT&T	X			1.00	2.25	O=Neil	Yes
Atkinson	Qwest	X			1.00	3,796.17	O'Neill	Yes
Atlanta	Qwest	X			1.00	276.02	Holdrege	Yes
Auburn	ALLTEL		X		0.50	2,144.88	Auburn	No
Auburn	NT&T		X		0.50	5.00	Auburn	No
Aurora	Hamilton	X			0.50	1,894.89	Aurora	No
Avoca	ALLTEL		X		1.00	235.00	Plattsmouth	No
Axtel	Ionex			X	1.00	2.00	Minden	Yes
Axtell	Qwest			X	1.00	474.35	Minden	Yes
Bancroft	Great Plains			X	1.00	496.00	West Point	Yes
Barneston	ALLTEL		X		0.50	102.30	Beatrice	No
Bartlett (7 Digit)	Northeast Nebraska	N/A	N/A	N/A	0.00	0.00	Bartlett	No
Bartley	Cambridge	X			0.00	0.00	Bartley - FD	No
Bassett	Rock County	X			0.00	0.00	Bassett	No
Battle Creek	Citizens	X			1.00	575.60	Madison	No
Bayard	Sprint	X			1.00	997.00	Bridgeport	No
Beatrice	ALLTEL		X		0.50	6,425.03	Beatrice	No
Beatrice	NT&T		X		0.75	14.62	Beatrice	No
Beaver Crossing	ALLTEL		X		1.00	358.22	Seward	No

Beaver City	Citizens			X	1.00	552.59	Beaver City	No
Beemer	Great Plains			X	1.00	601.00	West Point	Yes
Belden	Eastern			X	1.00	114.00	Hartington	Yes
Belgrade	Great Plains	X			0.50	79.50	Belgrade - FD	No
Bellevue	ALLTEL-CLEC			X	1.00	5,045.84	Sarpy Co.	Yes
Bellevue	Cox NE TelecomII			X	1.00	6,256.00	Sarpy Co.	Yes
Bellevue	Qwest			X	1.00	13,857.81	Sarpy Co.	Yes
Bellwood	ALLTEL		X		1.00	389.97	David City	No
Benedict	ALLTEL		X		0.50	134.23	York	Yes
Benkelman	Benkelman	X			0.00	0.00	Benkelman-CS	No
Bennet	ALLTEL		X		0.50	376.89	Lincoln	No
Bennington	Ionex			X	0.50	1.00	Douglas Co.	Yes
Bennington	Qwest			X	0.50	564.07	Douglas Co.	Yes
Bertrand	Citizens	X			1.00	724.00	Holdrege	Yes
Big Springs	Qwest			X	0.50	225.75	Ogallala	Yes
Bingham	Consolidated	X			1.00	45.70	Ogallala	Yes
Blair	Ionex			X	.75	.50	Blair	Yes
Blair-426 Rural	Blair			X	1.00	1,306.00	Blair	Yes
Blair-426 City	Blair			X	0.75	3,028.50	Blair	Yes
Blair-533 Rural	Blair			X	1.00	335.00	Blair	Yes
Blair-533 City	Blair			X	0.75	712.50	Blair	Yes
Bloomfield (Knox Co.)	Great Plains	X			1.00	1,252.00	Center	Yes
Bloomfield (Cedar Co.)	Great Plains			X	1.00	2.00	Hartington	Yes
Bloomington	Citizens			X	1.00	327.25	Franklin	No
Boelus	Nebraska Central			X	1.00	189.00	St. Paul	Yes
Boystown/Omaha/Ralston	Qwest			X	0.50	113,196.87	Douglas Co.	Yes
Bradshaw	ALLTEL		X		0.50	136.37	York	Yes
Brady	Consolidated			X	1.00	525.37	Gothenburg	Yes
Brainard	ALLTEL		X		1.00	386.22	David City	No
Brewster	Consolidated	X			0.75	87.40	Taylor	No
Bridgeport	Ionex	X			1.00	69.83	Bridgeport	Yes
Bridgeport	Qwest	X			1.00	1,383.00	Bridgeport	Ye
Bristow	NebCom, Inc.	X			1.00	92.23	O'Neill	Yes
Broadwater	Sprint	X			1.00	184.00	Bridgeport	No
Brock	ALLTEL		X		0.50	67.06	Auburn	No
Broken Bow	Ionex			X	1.00	7.25	Broken Bow	Yes
Broken Bow	NT&T			X	0.50	2.88	Broken Bow	Yes
Broken Bow	Qwest			X	1.00	2,307.42	Broken Bow	Yes
Brownlee	Consolidated	X			0.50	45.18	Thedford	Yes
Brownville	ALLTEL		X		0.50	92.02	Auburn	No
Brule	Arapahoe	X			1.00	353.00	Ogallala	Yes

Bruning	ALLTEL		X		0.50	154.18	Hebron	No
Bruno	ALLTEL		X		1.00	193.11	David City	No
Brunswick	Citizens	X			0.50	156.89	Neligh	No
Brunswick	Ionex	X			0.50	2.17	Neligh	No
Burchard	ALLTEL		X		0.50	109.10	Tecumseh	Yes
Burr	ALLTEL		X		1.00	55.31	Nebraska City	No
Burwell	Nebraska Central	X			0.75	1,038.00	Taylor	Yes
Bushnell	SKT			X	1.00	201.00	Kimball	No
Butte	NebCom, Inc.	X			1.00	353.90	O'Neill	Yes
Byron & S Byron,(KS)	Great Plains			X	0.50	123.50	Hebron	Yes
Cairo	Qwest			X	0.50	89.78	Grand Island	Yes
Callaway	Great Plains	X			0.00	0.00	Callaway - FD	No
Cambridge	Cambridge			X	1.00	1,112.00	Beaver City	Yes
Carleton	ALLTEL		X		0.50	64.61	Hebron	No
Carroll	Eastern	X			0.50	144.00	Wayne Co.	Yes
Cedar Bluffs	ALLTEL		X		0.50	247.07	Wahoo	No
Cedar Rapids	Great Plains	X			1.00	385.00	Albion	Yes
Center	Great Plains	X			1.00	155.00	Center	Yes
Central City	Ionex			X	1.00	8.00	Central City	Yes
Central City	NT&T			X	1.00	4.17	Central City	Yes
Central City	Qwest			X	1.00	3,114.75	Central City	Yes
Ceresco	ALLTEL		X		0.50	286.28	Wahoo	No
Chadron	Ionex			X	1.00	112.67	Chadron	Yes
Chadron	NT&T			X	1.00	1.00	Chadron	Yes
Chadron	Qwest			X	1.00	3,702.83	Chadron	Yes
Chambers	K&M	X			1.00	13.00	Chambers - FD	Yes
Chambers	K&M	X			0.50	238.50	Chambers - FD	Yes
Chapman	Great Plains	X			1.00	389.00	Central City	Yes
Chappell	Sprint			X	1.00	869.00	Ogallala	No
Chester/(Reynolds)	Great Plains			X	0.50	73.00	Fairbury	Yes
Chester/(Hubbell)	Great Plains			X	0.50	169.50	Hebron	Yes
Clarks	Clarks			X	1.00	439.00	Central City	Yes
Clarkson	Ionex	X			1.00	10.00	Schuyler	Yes
Clarkson	Qwest	X			1.00	1,703.54	Schuyler	Yes
Clatonia	ALLTEL		X		0.50	119.86	Beatrice	No
Clay Center	ALLTEL		X		0.50	357.43	Clay Center	No
Clearwater	Northeast Nebraska	X			0.50	256.48	Neligh	Yes
Cody/N Cody	Great Plains	X			0.00	0.00	Valentine	Yes
Coleridge	Northeast Nebraska			X	1.00	534.80	Hartington	Yes
Colon	ALLTEL		X		0.50	66.14	Wahoo	No
Columbus	Citizens	X			0.50	7,945.00	Columbus	No
Columbus	Ionex	X			0.50	187.30	Columbus	No
Columbus	NT&T	X			0.50	148.84	Columbus	No



Comstock	Nebraska Central	X			0.50	64.00	Broken Bow	Yes
Cook	ALLTEL		X		0.50	160.85	Tecumseh	No
Cordova	ALLTEL		X		1.00	138.56	Seward	No
Cortland	ALLTEL		X		0.50	224.19	Beatrice	No
Cotesfield	Great Plains			X	1.00	100.00	St. Paul	Yes
Cozad	Cozad			X	0.25	785.00	Cozad	Yes
Crab Orchard	ALLTEL		X		0.50	18.17	Tecumseh	No
Craig	Northeast Nebraska			X	0.50	317.11	Tekamah	Yes
Crawford/Whitney	Ionex			X	1.00/.50	33.50	Chadron	Yes
Crawford/Whitney	Qwest			X	1.00	837.00	Chadron	Yes
Creighton	Great Plains	X			1.00	1,040.00	Center	Yes
Crete	ALLTEL		X		0.50	1,838.07	Crete	No
Crete	NT&T		X		0.50	4.73	Crete	No
Crofton (Cedar Co.)	Great Plains			X	1.00	183.00	Hartington	Yes
Crofton (Knox Co.)	Great Plains	X			1.00	813.00	Center	Yes
Crookston/N Crookston(SD) 7-Digit	Great Plains	X			0.00	0.00	Valentine	No
Culbertson	Great Plains	X			0.50	300.00	Trenton	No
Curtis	Curtis			X	1.00	800.00	Curtis	Yes
Dakota City/S. Sioux City/Homer/Emerson	Qwest			X	1.00	7,963.45	S. Sioux City	Yes
Dalton	SKT			X	1.00	361.00	Sidney	No
Danbury	Hartman			X	0.75	18.75	Oberlin, KS	No
Dannebrog	Nebraska Central			X	1.00	386.00	St. Paul	Yes
Davenport	ALLTEL		X		0.50	173.27	Hebron	No
Davey	ALLTEL		X		0.50	230.54	Lincoln	No
David City	ALLTEL		X		1.00	1,899.23	David City	No
David City	NT&T		X		1.00	44.82	David City	No
Dawson	ALLTEL		X		0.50	107.18	Tecumseh	Yes
Daykin	ALLTEL		X		1.00	216.90	Fairbury	No
Decatur	NebCom, Inc.			X	0.50	444.65	Tekamah	Yes
Denton	ALLTEL		X		0.50	267.25	Lincoln	No
Deshler	Great Plains			X	0.50	357.00	Hebron	Yes
Deweese	ALLTEL		X		0.50	64.50	Clay Center	No
DeWitt	ALLTEL		X		0.75	345.75	Wilber	Yes
Diller	Diller			X	1.00	296.00	Fairbury	Yes
Dix	SKT			X	1.00	216.00	Kimball	No
Dixon/Concord	Northeast Nebraska			X	1.00	326.16	Hartington	Yes
Dodge	ALLTEL		X		0.50	.32	Dodge Co.	No
Dodge	Great Plains			X	0.50	322.50	Fremont	Yes
Doniphan	Hamilton			X	0.50	430.31	Grand Island	Yes
Dorchester	ALLTEL		X		0.75	329.49	Wilber	Yes
Douglas	ALLTEL		X		1.00	106.70	Nebraska City	No
DuBois	ALLTEL		X		0.50	84.60	Tecumseh	Yes

Dunbar	ALLTEL		X		1.00	142.43	Nebraska City	No
Duncan	Citizens			X	0.00	0.00	Columbus	No
Duncan	Ionex			X	0.00	0.00	Columbus	No
Dunning	Consolidated	X			0.75	122.35	Taylor	No
Dwight	ALLTEL		X		1.00	191.24	David City	No
Eagle	ALLTEL		X		0.50	511.00	Lincoln	No
East Lyman	Sprint			X	1.00	274.00	Gering	Yes
Edgar	ALLTEL		X		0.50	197.87	Clay Center	No
Edison	Citizens			X	1.00	188.20	Beaver City	No
Elba	Nebraska Central			X	1.00	175.00	St. Paul	Yes
Elgin	Great Plains			X	0.50	418.00	Neligh	Yes
Elk Creek	ALLTEL		X		0.50	31.37	Tecumseh	No
Elkhorn	Cox NE Telecom II			X	0.50	.50	Douglas Co.	Yes
Elkhorn/Waterloo	Ionex			X	0.50	9.50	Douglas Co.	Yes
Elkhorn/Waterloo	Qwest			X	0.50	2,534.82	Douglas Co.	Yes
Elm Creek	Ionex			X	0.65	.22	Kearney	Yes
Elm Creek	Qwest			X	0.65	519.40	Kearney	Yes
Elmwood	ALLTEL		X		1.00	516.92	Plattsmouth	No
Elsie	SKT	X			0.00	0.00	Grant	Yes
Elwood	Ionex			X	1.00	4.00	Lexington	Yes
Elwood	Qwest			X	1.00	1,098.00	Lexington	Yes
Emerson	Qwest			X	1.00	605.74	S. Sioux City	Yes
Ericson	Nebraska Central	X			0.75	150.00	Taylor	Yes
Eustis	Consolidated	X			1.00	544.07	Curtis	Yes
Eustis	Ionex	X			1.00	1.00	Curtis	Yes
Ewing	Great Plains	X			1.00	390.00	O'Neill	Yes
Exeter	ALLTEL		X		0.75	366.32	Geneva	No
Fairbury	ALLTEL		X		1.00	3,163.58	Fairbury	No
Fairbury	NT&T		X		1.00	12.34	Fairbury	No
Fairfield	ALLTEL		X		0.50	173.14	Clay Center	No
Fairmont	ALLTEL		X		0.75	308.02	Geneva	No
Falls City	Southeast Nebraska			X	0.30	1,023.60	Falls City	No
Farnum	Arapahoe	X			0.50	95.00	Curtis	Yes
Farwell	Qwest			X	1.00	166.28	St. Paul	Yes
Filley	ALLTEL		X		0.50	99.48	Beatrice	No
Firth	ALLTEL		X		0.50	280.46	Lincoln	No
Franklin	Citizens			X	0.65	524.42	Franklin	No
Fremont	ALLTEL-CLEC			X	0.50	3.84	Fremont	Yes
Fremont	Ionex			X	0.50	3.50	Fremont	Yes
Fremont	NT&T			X	0.50	37.83	Fremont	Yes
Fremont	Qwest			X	0.50	8,078.58	Fremont	Yes
Friend	ALLTEL		X		0.75	610.89	Wilber	Yes
Friend	NT&T		X		0.75	3.00	Wilber	Yes

Ft. Calhoun-Rural	Blair			X	1.00	488.00	Blair	Yes
Ft. Calhoun-City	Blair			X	0.75	392.25	Blair	Yes
Fullerton	Ionex	X			0.50	11.67	Fullerton	Yes
Fullerton	Qwest	X			0.50	493.04	Fullerton	Yes
Funk	Glenwood			X	1.00	317.00	Holdrege	Yes
Garland	ALLTEL		X		1.00	272.36	Seward	No
Geneva	ALLTEL		X		0.50	1,390.42	Geneva	No
Geneva	NT&T		X		0.50	4.74	Geneva	No
Genoa	Citizens	X			0.50	368.00	Fullerton	Yes
Genoa	Ionex	X			0.50	12.83	Fullerton	Yes
Gering	Sprint			X	1.00	5,091.00	Gering	No
Gibbon	Nebraska Central	X			0.65	891.00	Kearney	Yes
Giltner	Hamilton			X	0.50	182.32	Aurora	No
Glenvil	ALLTEL		X		0.50	165.38	Clay Center	No
Gordon/N Gordan (SD)	Great Plains	X			0.50	864.50	Rushville	No
Gothenburg	Ionex			X	1.00	15.83	Gothenburg	Yes
Gothenburg	Qwest			X	1.00	2,365.08	Gothenburg	Yes
Grafton	ALLTEL		X		0.75	102.19	Geneva	No
Grand Island	ALLTEL-CLEC			X	0.50	6,539.44	Grand Island	Yes
Grand Island/Alda	Ionex			X	0.50	91.21	Grand Island	Yes
Grand Island	NT&T			X	0.50	75.37	Grand Island	Yes
Grand Island/Alda	Qwest			X	0.50	4,060.51	Grand Island	Yes
Grant	Great Plains	X			0.00	0.00	Grant	No
Greeley	Citizens	X			0.00	0.00	Taylor	No
Greenwood	ALLTEL		X		0.50	146.43	Lincoln	No
Gresham	ALLTEL		X		0.50	128.73	York	Yes
Gretna	Ionex			X	1.00	.67	Sarpy Co.	Yes
Gretna	Qwest			X	1.00	2,287.55	Sarpy Co.	Yes
Guide Rock	ALLTEL		X		1.00	127.26	Nelson	No
Gurley	SKT			X	1.00	220.00	Sidney	No
Haigler (911 to 7 Digit @ firehouse)	Hartman	N/A	N/A	N/A	0.00	0.00	Haigler - FD	No
Hallam	ALLTEL		X		0.50	108.71	Lincoln	No
Halsey	Consolidated	X			0.50	48.19	Thedford	Yes
Hamptom	Hamilton			X	0.50	223.47	Aurora	No
Hansen	ALLTEL		X		0.25	150.98	Hastings	Yes
Harbine	Diller			X	1.00	125.00	Fairbury	Yes
Hardy	ALLTEL		X		0.50	61.93	Nelson	No
Harrison	Qwest			X	0.50	198.54	Chadron	Yes
Hartington	Hartington			X	1.00	1,649.01	Hartington	Yes
Harvard	ALLTEL		X		0.50	280.46	Clay Center	No
Hastings	ALLTEL		X		0.25	7,287.25	Hastings	Yes
Hastings	NT&T		X		0.50	2.96	Hastings	Yes

Hay Springs	Great Plains	X			0.50	319.00	Rushville	No
Hayes Center (7 Digit)	Great Plains	N/A	N/A	N/A	0.50	193.50	Hayes Center - CS	No
Heartwell	Citizens			X	0.00	0.00	Minden	No
Hebron	ALLTEL		X		0.50	701.89	Hebron	No
Hebron	NT&T		X		0.50	.25	Hebron	No
Hemmingford	Hemmingford Coop			X	0.50	509.00	Alliance	Yes
Henderson	Henderson Coop			X	0.50	538.50	York	Yes
Hendley	Arapahoe			X	1.00	55.00	Beaver City	Yes
Herman	Great Plains	X			0.75/1.00	431.75	Blair	Yes
Hershey	Hershey Coop			X	0.50	424.00	Hershey	Yes
Hickman	ALLTEL		X		0.50	399.55	Lincoln	No
Hildreth	Citizens			X	1.00	826.51	Franklin	No
Holbrook	Arapahoe			X	1.00	211.00	Beaver City	Yes
Holdrege	Ionex			X	1.00	10.00	Holdrege	No
Holdrege	NT&T			X	1.00	33.44	Holdrege	No
Holdrege	Qwest			X	1.00	9,474.38	Holdrege	No
Homer	Qwest			X	1.00	451.30	S. Sioux City	Yes
Hooper	Hooper			X	1.00	91.00	Fremont	Yes
Hooper & Uehling	Hooper			X	0.50	627.00	Fremont	Yes
Hordville	Hamilton			X	0.50	74.90	Aurora	No
Hoskins	Pierce	X			0.50	199.00	Norfolk	Yes
Howells	Ionex	X			1.00	21.96	Schuyler	Yes
Howells	Qwest	X			1.00	1,630.16	Schuyler	Yes
Humboldt	ALLTEL		X		0.50	414.65	Tecumseh	Yes
Humphrey/Creston	Ionex			X	0.50	12.21	Columbus	Yes
Humphrey/Creston	Qwest			X	0.50	515.13	Columbus	Yes
Hyannis	Consolidated	X			1.00	378.66	Ogallala	Yes
Imperial	Great Plains	X			1.00	2,102.00	Imperial	No
Indianola/(Red Willow County) (7 Digit)	Great Plains	N/A	N/A	N/A	0.00	0.00	Indianola - FD	No
Indianola/(Frontier Co.)	Great Plains	X			1.00	69.00	Curtis	No
Inman	K&M	X			1.00	190.00	Inman - FD	Yes
Ithaca	ALLTEL		X		0.50	76.06	Wahoo	No
Jackson/Hubbard	Northeast Nebraska			X	1.00	666.83	S. Sioux City	Yes
Jansen	ALLTEL		X		1.00	175.69	Fairbury	No
Johnson	ALLTEL		X		0.50	181.10	Auburn	No
Johnstown (7 Digit)	Three River Telco	N/A	N/A	N/A	0.00	0.00	Ainsworth - FD	No
Julian	ALLTEL		X		0.50	38.18	Auburn	No
Juniata	ALLTEL		X		0.25	162.53	Hastings	Yes
Kearney	Citizens			X	0.65	13,039.87	Kearney	Yes
Kearney	Ionex			X	0.65	88.83	Kearney	Yes
Kearney	NT&T			X	0.65	499.36	Kearney	Yes

Kearney	NT&T			X	1.00	111.87	Keith Co.	Yes
Kenesaw	ALLTEL		X		0.25	259.41	Hastings	Yes
Kennard-City	Blair			X	0.75	127.50	Blair	Yes
Kennard-Rural	Blair			X	1.00	178.00	Blair	Yes
Keystone	Keystone-Arthur			X	1.00	227.00	Ogallala	Yes
Kilgore/N Kilgore, (SD) (7 Digit)	Great Plains	N/A	N/A	N/A	0.00	0.00	Kilgore - FD	No
Kimball	Sprint	X			1.00	2,124.00	Kimball	No
Laurel	Ionex			X	1.00	4.00	Laurel	Yes
Laurel	Qwest			X	1.00	769.28	Laurel	Yes
LaVista/Papillion	Cox NE TelecomII			X	1.00	1,839.25	Sarpy Co.	Yes
LaVista/Papillion	Qwest			X	1.00	36,026.03	Sarpy Co.	Yes
Lebanon (911 to 7 Digit @ firehouse)	Hartman	N/A	N/A	N/A	0.00	0.00	Lebanon - FD	No
Leigh	Citizens			X	1.00	455.00	Columbus	No
Leigh	Ionex			X	1.00	11.00	Columbus	No
Lemoyne	Keystone-Arthur			X	1.00	414.00	Ogallala	Yes
Lewellen	Sprint	X			1.00	391.00	Oshkosh	Yes
Lexington	Ionex			X	1.00	78.63	Lexington	Yes
Lexington/Gothenburg	NT&T			X	1.00	150.54	Lexington	Yes
Lexington	Qwest			X	1.00	4,783.75	Lexington	Yes
Liberty	ALLTEL		X		0.50	63.08	Beatrice	No
Liberty	NT&T		X		0.50	1.34	Beatrice	No
Lincoln	ALLTEL		X		0.50	71,080.36	Lincoln	No
Lincoln	NT&T			X	0.50	347.85	Lincoln	No
Lindsay	Citizens			X	0.00	0.00	Columbus	No
Linwood	Northeast Nebraska			X	1.00	134.67	David City	Yes
Litchfield	Nebraska Central	X			0.75	202.00	Taylor	Yes
Lodgepole	SKT			X	1.00	349.00	Sidney	No
Long Pine (7 Digit)	NebCom, Inc.	N/A	N/A	N/A	0.00	0.00	Ainsworth - FD	No
Loomis	Arapahoe			X	1.00	364.00	Holdrege	Yes
Louisville	ALLTEL		X		1.00	1,276.02	Plattsmouth	No
Loup City	Ionex	X			0.75	2.69	Taylor	Yes
Loup City	Qwest	X			0.75	689.56	Taylor	Yes
Lynch (7 Digit)	Three River Telco	N/A	N/A	N/A	1.00	346.00	O=Neil	Yes
Lyons	Qwest			X	1.00	663.00	Tekamah	Yes
Macy	Eastern	N/A	N/A	N/A	1.00	339.00	Macy	Yes
Madison	Citizens	X			1.00	930.13	Madison	No
Madrid	Consolidated Telco	X			0.00	0.00	Grant	No
Malcolm	ALLTEL		X		0.50	250.28	Lincoln	No
Marquette	Hamilton			X	0.50	181.02	Aurora	No
Martell	ALLTEL		X		0.50	160.23	Lincoln	No
Martinsburg	Northeast Nebraska	X			1.00	95.03	Ponca	Yes
Mason City	Nebraska Central	X			0.50	101.00	Broken Bow	Yes

Maxwell	Consolidated			X	1.00	374.62	North Platte	Yes
Maywood	Consolidated Telco			X	1.00	283.95	Curtis	Yes
McCook	Ionex	X			0.00	0.00	McCook	No
McCook	Qwest	X			0.00	0.00	McCook	No
McCool Junction	ALLTEL		X		0.50	204.60	York	No
Mead	ALLTEL		X		0.50	227.23	Wahoo	No
Meadow Grove	Eastern	X			1.00	318.00	Madison	Yes
Merna	Consolidated	X			0.50	239.92	Broken Bow	No
Merriman	Great Plains	X			0.00	0.00	Merriman - FD	No
Milford	ALLTEL		X		1.00	1,487.98	Seward	No
Miller	Citizens	X			0.65	98.43	Franklin	No
Milligan	ALLTEL		X		0.75	220.94	Geneva	No
Minatare	Sprint			X	1.00	1,364.00	Gering	Yes
Minden	Ionex			X	1.00	11.58	Minden	Yes
Minden	NT&T			X	1.00	21.95	Minden	Yes
Minden	Qwest			X	1.00	2,091.82	Minden	Yes
Mirage Flats	Great Plains	X			0.50	85.50	Rushville	No
Mitchell	Ionex			X	1.00	1.00	Gering	Yes
Mitchell	Sprint			X	1.00	1,596.00	Gering	Yes
Monroe	Citizens			X	0.00	0.00	Columbus	No
Monroe	Ionex			X	0.00	0.00	Columbus	No
Morrill	Sprint			X	1.00	1,340.00	Gering	Yes
Morsebluff	Northeast Nebraska			X	0.50	117.33	Wahoo	Yes
Mullen	Consolidated	X			0.75	402.58	Taylor	Yes
Murdock	ALLTEL		X		1.00	313.98	Plattsmouth	No
Murray	ALLTEL		X		1.00	1,348.78	Plattsmouth	No
Naper	Three River Telco	X			1.00	197.00	O=Neil	Yes
Naponee	Citizens			X	1.00	327.25	Franklin	No
Nebraska City	ALLTEL		X		1.00	2,493.32	Nebraska City	No
Nehawka	ALLTEL		X		1.00	263.25	Plattsmouth	No
Nehawka	NT&T		X		1.00	40.55	Plattsmouth	No
Neligh	Citizens	X			0.50	908.19	Neligh	No
Neligh	Ionex	X			0.50	3.46	Neligh	No
Nelson	ALLTEL		X		0.50	286.24	Nelson	No
Nemaha	ALLTEL		X		0.50	65.10	Auburn	No
Newcastle	Northeast Nebraska	X			1.00	362.68	Ponca	Yes
Newman Grove	Citizens	X			1.00	476.09	Madison	No
Newport	Rock County	X			0.00	0.00	Bassett	No
Niabrara	Great Plains	X			1.00	565.00	Center	Yes
Nickerson/Hooper	NT&T			X	0.50	7.83	Fremont	Yes
Niobrara/Santee Res	Great Plains	X			0.00	0.00	Center	Yes
No. Summerfield	Blue Valley			X	0.00	0.00	Marysville, KS	Yes
Norfolk	Ionex			X	1.00	175.88	Norfolk	Yes

Norfolk	NT&T			X	1.00	21.17	Norfolk	Yes
Norfolk	NT&T			X	1.00	10.38	Madison Co.	Yes
Norfolk/Pilger	Qwest			X	1.00	15,864.25	Norfolk	Yes
Norman, Holstein, Roseland, Bladen, Lawrence, Blue Hill, Upland, Campbell.	Glenwood			X	1.00	2,419.00	Campbell	Yes
North Bend	Great Plains			X	0.50	536.50	Fremont	Yes
North Platte	Ionex			X	0.50	158.29	North Platte	Yes
North Mahaska	JBN Telephone			X	0.00	0.00	Washington	Yes
North Bristow, SD (10 Digit)	NebCom, Inc.	N/A	N/A	N/A	0.00	0.00	O'Neill	Yes
North Burwell	Nebraska Central	X			0.75	83.00	Taylor	Yes
North Loup	Nebraska Central	X			0.75	241.00	Taylor	Yes
North Platte	NT&T			X	0.50	95.21	North Platte	Yes
North Peetz	Peetz Coop			X	0.70	6.30	Sterling Hwy Patrol	Yes
North Platte	Qwest			X	0.50	7,667.50	North Platte	Yes
O'Neill	Ionex	X			1.00	1.00	O'Neill	No
O'Neill	Qwest	X			1.00	8,859.50	O'Neill	No
Oakdale	Great Plains			X	0.50	109.00	Neligh	Yes
Oakland	Qwest			X	1.00	882.43	Tekamah	Yes
Obert/Maskell	Northeast Nebraska			X	1.00	131.35	Hartington	Yes
Oconto	Great Plains	X			0.50	106.00	Broken Bow	No
Oconto/(Eddyville)	Great Plains	X			0.50	105.00	Lexington	Yes
Octavia	ALLTEL		X		1.00	120.89	David City	No
Odell	Diller			X	0.50	214.50	Beatrice	Yes
Ogallala	Ionex			X	1.00	124.08	Ogallala	Yes
Ogallala	Qwest			X	1.00	3,826.67	Ogallala	Yes
Ohiowa	ALLTEL		X		0.75	119.47	Geneva	No
Omaha	ALLTEL-CLEC			X	0.50	13,969.96	Douglas Co.	Yes
Omaha	AT&T Local			X	0.50	4,870.60	Douglas Co.	Yes
Omaha	Cox NE TelecomII			X	0.50	17,318.13	Douglas Co.	Yes
Omaha	Houlton Enterprises			X	0.50	672.00	Douglas Co.	Yes
Omaha	McLeod USA			X	0.50	2,569.00	Douglas Co.	Yes
Omaha	NT&T			X	0.50	200.97	Douglas Co.	Yes
Omaha	TCG			X	0.50	5117.50	Douglas Co.	Yes
Omaha(Boystown/ Ralston).	Ionex			X	0.50	721.82	Douglas Co.	Yes
Ong	ALLTEL		X		0.50	37.83	Clay Center	No
Orchard	Citizens	X			0.50	317.92	Neligh	No
Ord	Citizens	X			0.00	0.00	Ord	No
Ord	Ionex	X			0.00	0.00	Ord	No
Orleans	Citizens	X			1.00	385.66	Alma	No
Osceola	ALLTEL	X			0.50	430.73	Osceola	No

Oshkosh	Ionex	X			1.00	2.00	Oshkosh	No
Oshkosh	Sprint	X			1.00	958.00	Oshkosh	No
Osmond	Eastern	X			1.00	596.00	Osmond	No
Otoe	ALLTEL		X		1.00	69.50	Nebraska City	No
Overton	Arapahoe			X	1.00	546.00	Lexington	Yes
Oxford	Qwest			X	1.00	630.75	Beaver City	Yes
Page (7 Digit)	Great Plains	N/A	N/A	N/A	1.00	229.00	Page - FD	No
Palisade	Great Plains	X			0.50	190.50	Palisade - CS	No
Palmer	Citizens	X			1.00	190.00	Central City	No
Palmyra	ALLTEL		X		1.00	285.85	Nebraska City	No
Panama	ALLTEL		X		0.50	118.44	Lincoln	No
Papillion,LaVista, Bellevue	NT&T			X	1.00	54.60	Sarpy Co.	Yes
Pawnee City	ALLTEL		X		0.50	497.66	Tecumseh	Yes
Paxton	Consolidated Telco			X	1.00	519.83	Ogallala	No
Pender	Qwest	X			1.00	1,165.58	Pender	No
Peru	ALLTEL		X		0.50	278.95	Auburn	No
Petersburg	Great Plains	X			1.00	436.00	Albion	Yes
Phillips	Hamilton			X	0.50	240.98	Aurora	No
Pickrell	ALLTEL		X		0.50	146.55	Beatrice	No
Pierce	Pierce	X			0.00	0.00	Pierce - CS	No
Plainview	Plainview	X			0.50	585.00	Plainview	No
Platte Center	Citizens			X	0.00	0.00	Columbus	No
Platte Center	Ionex			X	0.00	0.00	Columbus	No
Plattsmouth	ALLTEL		X		1.00	4,989.22	Plattsmouth	No
Pleasant Dale	ALLTEL		X		0.50	131.02	Lincoln	No
Pleasanton	Citizens	X			0.65	278.34	Kearney	No
Pleasanton	Ionex	X			0.65	0.65	Kearney	No
Plymouth	ALLTEL		X		1.00	430.02	Fairbury	Yes
Polk	ALLTEL	X			0.50	191.87	Osceola	No
Ponca	Great Plains	X			1.00	777.00	Ponca	Yes
Potter	Sprint	X			1.00	303.00	Sidney	No
Prague	Northeast Nebraska			X	0.50	234.40	Wahoo	Yes
Primrose (7 digit)	Great Plains	N/A	N/A	N/A	1.00	97.00	Albion - CS	No
Purdum	Consolidated	X			0.75	81.57	Taylor	No
Ragan	Great Plains	X			1.00	82.00	Ragan-Minden	No
Ragan/(Huntley)	Great Plains	X			1.00	68.00	Huntley-Alma	No
Ralston	Cox NE TelecomII			X	0.50	152.17	Douglas Co.	Yes
Randolph	Ionex			X	1.00	4.33	Laurel	Yes
Randolph	Qwest			X	1.00	797.55	Laurel	Yes
Ravenna	Nebraska Central	X			0.65	784.00	Kearney	Yes
Raymond	ALLTEL		X		0.50	209.71	Lincoln	No



Red Cloud/ & S Red Cloud, KS	Great Plains			X	1.00	1,195.00	Campbell	Yes
Republican City	Citizens	X			1.00	294.61	Alma	No
Rising City	ALLTEL		X		1.00	320.60	David City	No
Riverdale	Citizens	X			0.65	234.05	Kearney	No
Rockville	Nebraska Central	X			0.75	70.00	Taylor	Yes
Rosalie	Eastern	X			1.00	140.00	Pender	Yes
Rushville	Great Plains	X			0.50	439.00	Rushville	No
Ruskin	ALLTEL		X		0.50	78.56	Nelson	No
S. Superior, KS	ALLTEL		X		0.50	22.94	Nelson	No
S. Liberty, KS	ALLTEL		X		0.50	14.58	Beatrice	No
S. Barneston, KS	ALLTEL		X		0.50	2.45	Beatrice	No
S. Hardy, KS	ALLTEL		X		0.50	24.41	Nelson	No
S. Sioux City	Ionex			X	1.00	36.33	S. Sioux City	Yes
S. Sioux City	NT&T			X	1.00	2.42	S. Sioux City	Yes
Sargent	Ionex	X			0.75	1.50	Broken Bow	Yes
Sargent	Nebraska Central	X			0.75	296.00	Broken Bow	Yes
Schuyler	Ionex	X			1.00	96.63	Schuyler	No
Schuyler	Qwest	X			1.00	8,080.04	Schuyler	No
Schuyler	NT&T	X			1.00	14.13	Schuyler	No
Scotia	Nebraska Central	X			0.75	236.00	Taylor	Yes
Scottsbluff	Ionex			X	1.00	1.00	Gering	Yes
Scottsbluff	Sprint			X	1.00	13,004.00	Gering	Yes
Scribner	Great Plains			X	0.50	412.50	Fremont	Yes
Scribner	Ionex			X	0.50	0.50	Fremont	Yes
Seneca	Consolidated	X			0.50	36.15	Thedford	Yes
Seward	ALLTEL		X		1.00	4,235.68	Seward	Yes
Seward	NT&T		X		1.00	1.00	Seward	Yes
Shelby	ALLTEL	X			0.50	283.40	Osceola	No
Shelton	Nebraska Central	X			0.65	550.00	Kearney	Yes
Shickley	ALLTEL		X		0.75	264.84	Geneva	No
Sidney	Ionex			X	1.00	181.75	Sidney	Yes
Sidney	NT&T			X	1.00	31.67	Sidney	No
Sidney	Qwest			X	1.00	4,551.33	Sidney	Yes
Silver Creek	Ionex			X	1.00	7.00	Central City	Yes
Silver Creek	Qwest			X	1.00	613.00	Central City	Yes
Snyder	Great Plains			X	0.50	187.00	Fremont	Yes
Sodtown	Sodtown	X			0.65	62.40	Kearney	Yes
South Ardmore	Golden West	X			0.00	0.00	Hot Springs	No
Spalding	Great Plains	X			0.75	388.50	Taylor	Yes
Spencer	NebCom, Inc.	X			1.00	446.06	O'Neill	Yes
Springfield	Qwest			X	1.00	1,060.61	Sarpy Co.	Yes
Springview	Three River Telco	X			0.00	0.00	Springview - FD	Yes

St. Edward	Great Plains	X			1.00	668.00	St. Edward - FD	No
St. Paul	NT&T			X	1.00	3.00	St. Paul	Yes
St. Paul	Qwest			X	1.00	1,549.77	St. Paul	Yes
St. Libory	Qwest			X	1.00	380.20	St. Paul	Yes
Stamford	Citizens	X			1.00	210.44	Alma	No
Stanton - Rural	Stanton	X			1.00	330.00	Madison	Yes
Stanton - City	Stanton	X			1.00	918.00	Madison	Yes
Staplehurst	Clarks			X	1.00	289.00	Seward	Yes
Stapleton	Great Plains	X			0.00	0.00	Stapleton - FD	No
Steele City	ALLTEL		X		1.00	86.19	Fairbury	No
Steinauer	ALLTEL		X		0.50	69.43	Nelson	Yes
Sterling	ALLTEL		X		0.50	238.78	Tecumseh	No
Stockham	Hamilton			X	0.50	35.50	Aurora	No
Stratton	Great Plains	X			0.50	193.00	Trenton	No
Stromsburg	ALLTEL	X			0.50	489.46	Osceola	No
Stromsburg	NT&T	X			0.50	.91	Osceola	No
Stuart	NebCom, Inc.	X			1.00	570.20	O=Neill	Yes
Sumner	Citizens			X	0.50	118.00	Lexington	No
Superior	ALLTEL		X		0.50	771.11	Nelson	No
Superior	NT&T		X		0.50	1.00	Nelson	No
Superior	NT&T		X		0.50	.25	Clay Co.	No
Surprise	ALLTEL		X		1.00	83.43	David City	No
Sutherland	Great Plains			X	0.50	499.00	North Platte	Yes
Sutton	ALLTEL		X		0.50	564.03	Clay Center	No
Swanton	ALLTEL		X		0.75	79.19	Wilber	Yes
Syracuse	ALLTEL		X		1.00	726.36	Nebraska City	No
Syracuse	NT&T		X		1.00	90.18	Nebraska City	No
Table Rock	ALLTEL		X		0.50	150.52	Tecumseh	Yes
Talmage	ALLTEL		X		1.00	116.98	Nebraska City	No
Tamora	ALLTEL		X		1.00	203.16	Seward	No
Taylor	Nebraska Central	X			0.75	233.00	Taylor	Yes
Tecumseh	ALLTEL		X		0.50	711.94	Tecumseh	No
Tecumseh	NT&T		X		0.50	2.05	Tecumseh	No
Tekamah	Qwest			X	1.00	1,289.82	Tekamah	Yes
Thedford	Consolidated	X			0.50	171.69	Thedford	Yes
Tilden	Citizens	X			1.00	492.18	Neligh	No
Tilden	Ionex	X			1.00	8.38	Neligh	No
Tobias	ALLTEL		X		0.75	106.06	Wilber	No
Trenton	Great Plains	X			0.50	284.50	Trenton	No
Trenton	Ionex	X			0.50	0.50	Trenton	No
Tri City	Southeast Nebraska			X	0.30	188.70	Falls City	No
Trumbull	Hamilton			X	0.50	96.45	Aurora	No
Tryon	Great Plains	X			0.00	0.00	Tryon - FD	No

Uehling	Hooper			X	1.00	17.00	Fremont	Yes
Uehling	Hooper			X	0.50	7.00	Fremont	Yes
Ulysses	Clarks			X	1.00	249.00	David City	Yes
Unadilla	ALLTEL		X		1.00	147.82	Nebraska City	No
Union	ALLTEL		X		1.00	409.71	Plattsmouth	No
Utica	ALLTEL		X		1.00	568.66	Seward	No
Valentine	Qwest	X			0.00	0.00	Valentine	No
Valley	Qwest			X	0.50	1,060.57	Douglas Co.	Yes
Valparaiso	ALLTEL		X		0.50	301.02	Lincoln	No
Venango	Great Plains	X			0.00	0.00	Grant	No
Verdel	Three River Telco	X			1.00	121.00	Center	Yes
Verdigre	Great Plains	X			1.00	513.00	Center	Yes
Virginia	Diller			X	0.50	48.00	Beatrice	Yes
Waco	ALLTEL		X		0.50	184.53	York	Yes
Wahoo	ALLTEL		X		0.50	1,360.52	Wahoo	No
Wakefield	Qwest	X			0.50	486.63	Wayne Co.	Yes
Wallace	Consolidated Telco			X	0.50	171.25	North Platte	No
Walnut	Great Plains	X			1.00	67.00	Center	Yes
Walthill	Eastern	N/A	N/A	N/A	1.00	533.00	Walthill	Yes
Waterbury	NebCom, Inc.	X			0.50	97.51	Ponca	Yes
Waterloo	Ionex			X	0.50	2.00	Douglas Co.	Yes
Wauneta	Wauneta	X			0.00	0.00	Imperial	No
Wausa/(Cedar Co.)	Great Plains	X			1.00	97.00	Hartington	Yes
Wausa/(Knox Co.)	Great Plains	X			1.00	573.00	Center	Yes
Waverly	ALLTEL		X		0.50	791.46	Lincoln	No
Wayne	Ionex	X			0.50	26.29	Wayne Co.	No
Wayne	Qwest	X			0.50	1,568.25	Wayne Co.	No
Weeping Water	ALLTEL		X		1.00	917.05	Plattsmouth	No
Wellfleet	Consolidated Telco			X	1.00	152.89	Curtis	Yes
West Venango, CO	Great Plains	X			0.00	0.00	Grant	No
West Point	Ionex	X			1.00	17.00	West Point	No
West Point	Qwest	X			1.00	2,511.17	West Point	No
Western	ALLTEL		X		0.75	181.71	Wilber	Yes
Weston/Malmo	Northeast Nebraska			X	0.50	253.02	Wahoo	Yes
White Clay	Golden West			X	0.50	26.50	Rushville	Yes
Whitman	Consolidated	X			1.00	143.64	Ogallala	Yes
Wilber	ALLTEL		X		0.75	611.58	Wilber	Yes
Wilcox	Great Plains	X			1.00	302.00	Minden	No
Wilsonville	Citizens			X	1.00	164.21	Beaver City	No
Winnebago	Eastern	N/A	N/A	N/A	1.00	621.00	Winnebago	Yes
Winnetoon	Great Plains	X			1.00	126.00	Center	Yes
Winside	NebCom, Inc.	X			1.00	377.59	Wayne Co.	Yes
Wisner	Great Plains			X	1.00	1,211.00	West Point	Yes

Wolbach	Great Plains	X			1.00	345.00	Taylor	Yes
Wood River	Ionex			X	0.50	2.00	Grand Island	Yes
Wood River	Qwest			X	0.50	132.46	Grand Island	Yes
Woodlake (911 & 7 Digit)	Great Plains	X			0.00	0.00	Valentine	Yes
Wymore	ALLTEL		X		0.50	595.66	Beatrice	Yes
Wymore	NT&T		X		0.50	.55	Beatrice	Yes
Wynot/(Fordyce)	Great Plains			X	1.00	692.00	Hartington	Yes
Wynot/(St. Helena)	Great Plains			X	1.00	0.00	Hartington	Yes
York	ALLTEL		X		0.50	3,078.72	York	Yes
York	NT&T		X		0.50	10.86	York	Yes
Yutan	ALLTEL		X		0.50	407.21	Wahoo	No

PSAP Legend: CS= ACounty Sheriff@; FD= AFire Department.@

## 7. Nebraska 402 Area Code Exhaust

On May 26, 1999, the Commission received information from the North American Number Plan Administrator that the number of assignable prefixes (otherwise known as NXX codes) available for area code 402 were in danger of being depleted in less than two years. The 402 area code covers the eastern third of the state and includes the cities of Omaha, Bellevue and Lincoln.

In June 1999, the Commission opened a docket to investigate this forecasted exhaust of assignable telephone numbers. As a result of that investigation, the Commission was made aware of several problems regarding the utilization and conservation of assignable telephone numbers and the current method for distribution of prefixes. The Commission found that employing number conservation methods could significantly delay the need for area code relief measures such as area code boundary changes, splitting the 402 area code or introducing an overlay of a new area code. These last two measures would result in consumer costs and frustrations since they would involve the introduction of 10-digit dialing within the 402 area code.

In September 1999, the Commission filed a petition with the FCC requesting authority to implement area code conservation methods within Nebraska, with special attention on the 402 area code. Specifically, the Commission requested authority to implement number pooling in thousands-block intervals to reclaim unused exchange codes that have been distributed and to audit number assignment and distribution activities of service providers. Thousands-block pooling provides that telephone carriers that require new numbers to assign would be given blocks of 1,000 numbers rather than the 10,000 block of numbers which they would normally be given.

In addition, on February 29, 2000, the Commission opened another docket to explore all possible methods for implementation of number conservation and find the methods which optimize the use of assignable telephone numbers in Nebraska.

On July 20, 2000, the FCC released an order granting to the Commission the requested delegation of authority, but did so on an interim basis. In the FCC order, the FCC granted conditional authority to the state for thousands-block number pooling and the authority to conduct audits of carriers' use of numbering resources. In addition, the FCC addressed the request of the states, including Nebraska, which had requested delegated authority to reclaim inactivated or unused thousands-blocks of NXX codes.

In accordance with that delegated authority, the Commission selected Neustar, Inc. as the interim state pooling administrator and scheduled an implementation meeting which was held in August 2000.

At the implementation meeting, a tentative calendar was established with the goal of implementing and completing the transition to thousands-block number pooling by December 1, 2000. Subsequently, a proposal was made by industry representatives whereby the industry would stipulate to certain specific and voluntary number conservation measures in exchange for the Commission agreeing to delay the mandatory implementation of thousands-block pooling until July

1, 2001. The Commission later agreed to that stipulation and such pooling was implemented in the Omaha Rate Center on July 1, 2001.

At of this date, voluntary number reclamation has resulted in carriers returning over 350,000 numbers to the number administrator. These numbers are now available for reassignment as needed. Additionally, the requests for numbers have slowed significantly since the rate of utilization as shown in the first forecast in May 1999. The Commission believes that the number conservation plan which it adopted has been successful in delaying the need for costly and potentially-confusing area code relief measures. The Commission will continue to implement number conservation methods and procedures.

# **Part III**

## PART III

### Review of the Level of Rates of Local Exchange and Interexchange Companies

This section of the report provides historical information on local rate changes and current local rates, along with a discussion of changes that have taken place in the long distance market. By request of certain local exchange companies, financial information, specifically the financial status of local exchange companies, has again been omitted from this report. As the local exchange market becomes more competitive, we acknowledge that some changes will need to be made in releasing information that could be used to gain a competitive advantage.

#### 1. Basic Local Rate Changes

In January 1999, this Commission entered an order establishing terms under which the Nebraska Universal Service Fund would operate. One of the goals of the order was to create a more competitive environment for both local and long distance service in Nebraska. This meant that both local rates and access charges should be rebalanced to more closely reflect their actual costs. To comply with the Federal Telecommunications Act of 1996, any subsidy for a service must also be explicit, rather than implicit, in the rates.

The Commission adopted two target local rates to serve this purpose. Target local service rates of \$17.50 for residential service and \$27.50 for business service were established and all incumbent local telephone companies were to file rate plans to reach these rates over a period of four years. In addition, access charges were established to more closely mirror the rates used in the interstate jurisdiction. Generally, this meant that local rates needed to be increased and that access charges needed to be decreased.

Two companies have filed reductions to their local business rates as a result of the re-pricing which was prompted by the Commission's Universal Service Order. Both Qwest and ALLTEL have implemented reductions for their business lines. These reductions in the business rates were also extended to rates for pay telephones, PBX trunks, and other business offerings.

<b>Business One-Party Rate</b>	<b>Effective 09/01/00</b>	<b>Effective 09/01/01</b>
<b>Qwest</b>	<b>\$32.84</b>	<b>\$27.55</b>
<b>ALLTEL</b>	<b>28.80</b>	<b>27.50</b>



The local rates in the following tables were filed as a result of the Commission's order and were effective as of September 1, 2001.

Basic Local Rate Changes										
Local Exchange Companies										
Company	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
ALLTEL	2	2	X	X	X					
Arapahoe	X	X	X		X					
Arlington		X	X	X						
Benkelman	X	X	X	X	X	X			X	
Blair		X	X	X						
Cambridge	X	X	X		X					
Citizens		X	X			X				
Clarks		X	X		X					
Consolidated	X	X	X		X					
Consolidated Telco	X	X	X		X					
Cozad	X	X	X		X					
Curtis		X	X		X	X				
Dalton	X	X	X							
Diller	X	X	X		X					
Eastern		X	X	X						
Elsie	X	X	X							
Eustis	X	X	X		X					
Glenwood	X	X	X		X			X		
Great Plains	X	X	X		X					
Hamilton					X					
Hartington		X	X		X				X	
Hartman	X	X	X							1
Hemingford	X	X	X							
Henderson	X	X	X							
Hershey	X	X	X							
Home	X	X	X		X					
Hooper	X	X	X		X					
K & M		X	X							
Keystone-Arthur	X	X	X		X					
NEBCOM		X								
Nebraska Central	X	X	X	X						
Northeast	X	X								
Pierce		X	X							
Plainview		X	X			X				
Qwest	2		X			X				
Rock County		X	X	X						
Sodtown	X		X							
Southeast Nebraska		X	X							
Stanton		X	X							
Three River	X	X	X		X					
United			X							
Wauneta	X	X	X	X	X	X			X	

(1) Proposed increase withdrawn after protests from 5 percent of subscribers were received.

(2) Business line rate reduction only.

**NEBRASKA LOCAL EXCHANGE CARRIERS  
BASIC LOCAL EXCHANGE RATES**

<b>Company</b>	<b>Exchange</b>	<b>Business</b>	<b>Residential</b>
AT&T	ALS	\$45.00	N/A
ALLTEL		27.50	\$17.50
Aliant Midwest, dba ALLTEL		37.00	16.00
Arapahoe Tel. Co.	Group 1 Group 2	27.50 37.55	17.50 17.50
Arlington Tel. Co.		27.50	17.50
Benkelman Tel. Co.		27.50	17.50
Blair Tel. Co.		27.50	17.50
Cambridge Tel. Co.		27.50	17.50
Citizens		27.50	17.50
Clarks Tel. Co.		27.50	17.50
Comm South		41.99	41.99
Consolidated Telco	Dickens Madrid Maywood Paxton Wallace Wellfleet	27.50 27.50 27.50 27.50 27.50 27.50	17.50 17.50 17.50 17.50 17.50 17.50
Consolidated Tel. Co.	Anselmo Arthur Ashby Bingham Brewster Brownlee Dunning Halsey Hyannis Merna Mullen Purdum Seneca Thedford Whitman	27.00 27.50 27.50 27.50 24.00 27.50 24.00 24.00 24.00 24.00 24.00 23.00 24.00 24.00 27.50	17.50 17.50 19.25 19.25 17.50 19.25 17.50 17.50 17.50 17.50 17.50 17.50 17.50 17.50 19.25

**NEBRASKA LOCAL EXCHANGE CARRIERS  
BASIC LOCAL EXCHANGE RATES**

<b>Company</b>	<b>Exchange</b>	<b>Business</b>	<b>Residential</b>
Cox Communications	(A) Flat Rate	\$30.75	\$17.65
	Add=1. Line	30.75	16.35
	(B) Comb. Ser.	30.75	15.89
	Second Line	30.75	7.89
	Add=1. Line	30.75	15.89
Cozad Tel. Co.		24.00	15.30
Curtis Tel. Co.		27.50	17.50
Dalton Tel. Co.	Bushnell	23.50	15.75
	Dalton	22.50	14.50
	Dix	23.50	15.75
	Gurley	22.50	14.50
	Lodgepole	22.50	14.50
Diller Tel. Co.		21.29	17.50
Eastern Neb. Tel. Co.		27.50	17.50
Elsie		24.17	17.50
Eustis Acquisition Company, Inc.		22.80	14.20
Glenwood Tel. Membership Corporation		25.02	16.05
Great Plains Communications	Schedule A	26.62	17.50
	Schedule B	27.50	17.50
Hamilton Tel. Co.		10.75	10.75
Hartington Tel. Co.		27.50	17.50
Hartman Tel. Exchange		20.85	16.20
Hemingford Cooperative		27.50	17.50
Henderson Cooperative		22.00	17.50
Hershey Cooperative		22.50	17.50

**NEBRASKA LOCAL EXCHANGE CARRIERS  
BASIC LOCAL EXCHANGE RATES**

<b>Company</b>	<b>Exchange</b>	<b>Business</b>	<b>Residential</b>
Home Acquisition Company, Inc.	Non-Rural Rural B \$.50 per month per mile (limit 7 miles out = \$3.50)	\$20.60	\$12.80
Hooper Tel. Co. of Neb.		22.50	14.00
Houlton		43.45	49.95
Ionex		37.55	23.97
K&M Tel. Co.		17.50	17.50
Keystone-Arthur Tel. Co.		25.00	17.50
McLeodUSA		32.84	18.14
NT&T	Group 1 Group 2 Group 3 Group 4 Group 5 Group 6	27.55 27.50 27.50 27.50 27.50 27.50	18.15 17.50 17.50 17.50 17.50 17.50
NebCom	Allen/Waterbury, Butte, Decatur, Long Pine, Spencer/Bristow, Stuart, Winside	27.50	17.50
Neb. Central Tel. Co.		27.50	17.50
Northeast Neb. Tel. Co.	Group 1 Group 2	21.00 21.50	13.25 13.75
Pierce Tel. Co., Inc.		20.45	17.50
Plainview Tel. Co.		27.50	17.50
Qwest, f/k/a US West	First Line	27.55	18.15

	Each Add=l Line	27.55	16.35
Rock County Tel. Co.		27.50	17.50

**NEBRASKA LOCAL EXCHANGE CARRIERS  
BASIC LOCAL EXCHANGE RATES**

Company	Exchange	Business	Residential
Sodtown		14.75	14.75
Southeast Neb. Tel. Co.		\$27.50	\$17.50
Sprint Comm. Co., LP		40.00	N/A
Stanton Tel. Co., Inc.		27.50	17.50
TCG		42.55	N/A
Three River Telco		27.50	17.50
United Tel. Co. of the West		27.50	17.50
Wauneta Tel. Co.		27.50	17.50

Company	Exchange Groupings
Arapahoe Telephone Company:	Group 1: Arapahoe, Hendley, Holbrook Group 2: Brule, Farnam, Loomis, Overton
Great Plains Communications:	Schedule A: Archer, Arnold, Bancroft, Beemer, Bloomfield, Bryan, 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, Petersburg, Ponca, Red Cloud/Riverton, St. Edward, Scribner, Snyder, Stapleton, Sutherland, Tryon, Venango, Verdigre, Walnut, Wausa, Wilcox, Winnetoon, Wisner, Wolbach, Wood Lake, Wynot Schedule B: Cedar Rapids, Cody, Crookston, Culbertson, Gordon, Rushville, Stratton, Spalding, Trenton
Northeast Nebraska Telephone Company:	Group 1: Bartlett, Clearwater, Coleridge, Dixon, Jackson, Martinsburg, Newcastle and Obert Group 2: Craig, Linwood/Morse Bluffs, Prague and Weston

## **2. Financial Statistics**

The financial information related to local exchange company earnings is not being reported for 2000. Competition is being introduced into this market and company-specific data may reveal competitively-sensitive information. The annual reports filed by local exchange companies remain available at the Commission.

## **3. Long Distance Telephone Rates/Access Charges**

### **A. Competition in the Long Distance Market**

The Commission has authorized just over 300 long distance carriers to compete in the Nebraska market. One of the goals of the Federal Telecommunications Act of 1996 was to provide for customer choice. This has been carried out by the Commission in the long distance market. Not only do carriers compete for interLATA service, but they now can compete for calls made within each LATA.

The choice of long distance carriers has brought about an increase in the solicitation of customers by long distance companies. As a result, the Commission has received an increase in the number of customers who have allegedly been slammed (change of their long distance carrier without authorization). Commission staff works with the customer and long distance company to assure that the customer is served by its carrier of choice and to re-rate any calls which were made at a rate higher than the customer's preferred carrier's rates.

In 1999, the Legislature responded to the challenge of slamming by passing the Telephone Consumer Slamming Prevention Act (Slamming Act). The Slamming Act prohibits certain practices, requires separate notification of a carrier change and empowers the Commission to investigate slamming complaints and to impose a \$2,000 fine on violating carriers.

Since that time, the Federal Communications Commission (FCC) has released new slamming rules and procedures which, among other provisions, eliminate carrier-to-carrier resolution of slamming claims and provide that consumers who are slammed receive an absolution of charges levied by the unauthorized carrier within 30 days from the date of an unauthorized change. In addition, the new rules provide that states must notify the FCC if they intend to administer the investigation and enforcement of slamming complaints rather than leaving enforcement to the FCC.

The Commission has already notified the FCC that it has elected to administer the resolution and enforcement of slamming complaints. To that end, the Commission has developed internal processes and has developed rules to enable it to aggressively challenge carriers who engage in the practice of changing the customer's carriers, or imposing unnecessary charges, without the consent or authorization of the telephone subscriber. The Commission's slamming rules became effective November 6, 2000.

The Commission opened the following three subscriber slamming complaint enforcement proceedings to investigate complaints filed with the Commission:

- SC-001      *In the Matter of Gene Hand, Director of the Communications Department of the Nebraska Public Service Commission, v. Sprint.*
- SC-002      *In the Matter of Gene Hand, Director of the Communications Department of the Nebraska Public Service Commission, v. AT&T.*
- SC-003      *In the Matter of Gene Hand, Director of the Communications Department of the Nebraska Public Service Commission, v. AT&T.*

All were dismissed for various reasons without the imposition of civil penalties.

On May 15, 2001, the FCC released its *First Report and Order* in CC Docket No. 00-257 and *Fourth Report and Order* in CC Docket No. 94-129. The FCC amended its carrier change rules to provide for situations where one telecommunications carrier acquires another through a sale or transfer of part or all of another carrier's subscriber base. Now, acquiring telecommunications carriers must certify to the FCC in advance of the transfer that such carrier will follow the procedures enacted therein pertaining to notice and disclosure. The notice and disclosure rules provide in pertinent part that the acquiring carrier must provide to each affected subscriber no less than 30-days advance written notice of the proposed transfer. Notice must include the effective change date; the rates, terms and conditions of the service(s) to be provided by the acquiring carrier; the toll-free customer service telephone number of the acquiring carrier; the entity responsible for customer complaints filed prior to and during the transfer; that the customer has a right to select a different preferred carrier for that telecommunications service at issue, if available; and that the change will occur despite any preferred carrier freezes and that the customer must arrange a new freeze with the local service provider subsequent to the change. Customers must also be told that the acquiring carrier will be responsible for any carrier change charges associated with the transfer. 47 C.F.R. ' 64.1120(e).

The FCC also amended its rules to require reporting by carriers of the number of slamming complaints received, the number of valid slamming complaints, the number of resolved slamming complaints, and the total number of subscribers the reporting carrier is serving. These rules also require wireline and fixed wireless local exchange service providers to report the name of each entity against which each slamming complaint received during the reporting period was directed and the number of slamming complaints received against each entity. 47 C.F.R. ' 64.1180.



## **B. Access Charges and Long Distance Company Pricing**

The long distance market in Nebraska offers customers a wide variety of long distance companies (called interexchange carriers). The Commission took steps in 1998 to require that all subscribers be allowed to choose both their interLATA and their intraLATA long distance company. Now, some 300 long distance companies compete for long distance service in the state. The long distance companies, however, were faced with higher wholesale costs in Nebraska for originating and terminating their calls; and thus, Nebraska customers were paying higher prices for long distance calls within the state than for calls outside of the state.

This Commission began the process of revising access charges to remove implicit support in January of 1999. To do this, the Commission required a phased-in reduction in access charges, reducing the subsidy that local telephone companies received from long distance revenues. Thus, the access charges to long distance companies were significantly reduced, and these reductions were flowed through to retail customers in the form of lower long distance rates.

Although there are a number of companies competing in Nebraska, the long distance market is dominated by AT&T, MCI, ALLTEL and Sprint. As a result of the divestiture of AT&T in 1984, Qwest, f/k/a US West, was prevented from providing interLATA service. With the enactment of the Telecommunications Act of 1996, Qwest will be able to provide interLATA service once it proves to the State Commission and the Federal Communications Commission that its local network is open to competition. Officials at Qwest contend that its entry into this market will provide an even more competitive environment which ultimately will result in further reductions in long distance rates to Nebraska customers.

## **4. Long Distance Carriers**

There are just under 300 long distance companies certificated to operate in the state. Long distance companies may offer any combination of pre-subscribed 1+ services, operator services, calling cards, debit cards and 800/888 services. Most companies serve both residential and business customers; however, some focus solely on providing service to payphones and inmate facilities.

## **5. Sample Telephone Bill**

The following is a sample residential telephone bill and a brief explanation of the various elements which would appear on a bill:

## **Explanation of Individual Charges Which May Appear on Your Telephone Bill**

**Basic Residence Line** - The monthly rate for providing service to a residence (home or apartment) and includes local calling within the exchange.

**Extended Area Service** - The monthly charge for provision of local calling to other exchanges in addition to customer's serving exchange.

**Number Portability Charge** - A charge set by the Federal Communications Commission (FCC) to cover a part of the costs of facility upgrades necessary to allow customers to retain their telephone number when changing from one local service provider to another.

**Federal Access Charge (Federal Subscriber Line Charge)** - A charge set by the FCC to cover part of a local telephone company's cost of operating and maintaining its local telephone network. This charge ranges between \$3.50 and \$5.00 for the first residential & single business lines; additional lines are extra.

**Telecommunications Dual-Party Relay Fund (Nebraska Relay Fund)** - A charge set by the Nebraska Public Service Commission to provide a statewide network to allow communication between hearing and/or speech-impaired customers and individuals without such disabilities. This charge is currently 5 cents per access line and the Commission has authorized the rate to increase to 6 cents per line effective January 1, 2002.

**911 Service Surcharge** - A charge assessed by the city or county to provide funding to operate emergency service centers. Typically this charge is between \$.50 and \$1.00 per month per access line.

**Nebraska Universal Service** - A charge set by the Nebraska Public Service Commission to provide funds to local exchange companies to assist in the provision of services to high-cost areas and low income customers. This charge is currently 6.95 percent of the Nebraska portion of the bill.

**Federal Tax (Excise Tax)** - A 3 percent tax which funds general government operations and will appear on both the local and long distance portion of the bill.

**State Tax (Sales Tax)** - The state sales tax, which is 5 percent of the Nebraska portion of the bill, to fund general government obligations. This tax will appear on both the local and long distance portion of the bill.

**City Tax (Sales Tax, If Applicable)** - The rate varies by city, but the funds will go towards general municipal obligations.

**City Tax (Occupation or Franchise Tax, If Applicable)** - The percentage (varies by city) assessed by the city to the telephone company and passed on to the customers, for the right to do business.

**Universal Connectivity Charge** - (Rate varies with each long distance company) A federal charge assessed to long distance companies to support low income consumers, consumers in high-cost areas, and support for schools, libraries, and rural health care providers.

**SAMPLE RESIDENTIAL TELEPHONE BILL**

(Local Portion of the Bill)

	Explanation	Amount	Total
	SERVICE AND EQUIPMENT MONTHLY CHARGES		
	Local Charges:		
(1)	Basic Residence Line	\$17.50	
(2)	Extended Area Service	2.50	
(3)	Number Portability	0.43	
	TOTAL SERVICE AND EQUIPMENT CHARGES		\$20.43
	FEDERAL SUBSCRIBER LINE CHARGE		
(4)	Federal Access Charge	5.00	
	TOTAL FEDERAL SUBSCRIBER LINE CHARGE		5.00
	GOVERNMENT SURCHARGES AND TAXES		
(5)	Telecommunications Dual-Party Relay Fund	0.05	
(6)	911 Service Surcharge	0.50	
(7)	Nebraska Universal Service	1.39	
	TOTAL GOVERNMENT SURCHARGES		1.94
	TAX CHARGES		
(8)	Federal (Excise Tax)	0.84	
(9)	State (Sales Tax)	1.34	
(10)	City (Sales Tax, If Applicable)	0.40	
(11)	City (Occupation Tax, If Applicable)	1.40	
	TOTAL TAXES		3.95
	TOTAL CHARGES		\$31.32

\*\*\*\*\*

**SAMPLE RESIDENTIAL TELEPHONE BILL**

(Long Distance Portion of Bill)

Long Distance Credits and Charges

(12)	1. Universal Connectivity Charge	\$0.99	
(7)	2. Nebraska Universal Service	0.19	
	TOTAL ADDITIONAL CHARGES		\$1.18

**LONG DISTANCE CALLS**

No.	Date	Time	Place	Number	Min.	Amount
1	07/21	0854P	To North Platte	308-534-6000	3	\$0.45
2	07/25	0900A	To Omaha	402-422-5789	15	2.25
3	07/30	0730P	To Des Moines, IA	515-555-1010	10	1.50
			TOTAL CALLS			\$4.20

	TAX CHARGES		
(8)	Federal (Excise Tax)		\$0.13
(9)	State (Sales Tax)		0.14
	TOTAL TAXES		0.27
	TOTAL LONG DISTANCE CREDITS AND CHARGES		\$5.65

# Part IV

## PART IV

### Recommendations for the 2001 Legislative Session

The following is a list of legislative recommendations formulated as of the date of this report. We note that the Commission does not necessarily intend to initiate a legislative draft for each of the recommendations provided; rather, the state statute directing this list of recommendations is intended to alert legislators to potential issues that may be addressed during the next session.

- X     **Consumer Protection:** Regulate wireless telephone service quality, including billing, number portability, customer service and provision of coverage as advertised.
  
- X     **Enforcement:** Amend the Commission's fining authority to allow fines for violations of Commission rules and regulations and to make authority to fine telecommunications carriers applicable to all industries that are regulated by the Commission; establish mandatory credits and/or rebates for failure to meet appointments for repairs, installations and out-of-service lines; establish automatic fines for failure to timely file Nebraska Universal Service Fund worksheets and remittances; and harmonize treatment of appeals from decisions affecting all industries regulated by the Commission.
  
- X     **Administrative:** Amend open meetings law requirements to provide an exception for Commission deliberations in contested cases; amend the Telecommunications Relay Act to set surcharge on fiscal year rather than calendar year basis; increase statutory \$50 limit on filing and hearing fees.

The Commission and its staff are available to review any proposed telecommunications legislation for the benefit of the Legislature and its committees. Senators and legislative staff are invited to contact Andy Pollock, Executive Director, at 471-0211 to request a review of proposed legislation at any stage of the legislative process or with any questions concerning telecommunications or its oversight.

# Part V



## PART V

### Applications and Tariffs

The Commission received a total of 227 applications during the period of July 1, 2000, to June 30, 2001. Once again this year, much of the activity centered around the Telecommunications Act of 1996 and its goal of promoting competition in the local market. During this period, 31 additional carriers applied for local authority and 78 requests for approval of interconnection agreements were received. Following is a summary of the applications received during this period.

<b>Type of Application</b>	<b>Number Filed</b>
Local Certification	31
Reseller Certification	38
Amend Certification	55
Cease and Desist	0
Boundary/LEC	1
Boundary/Customer	5
Depreciation	1
Rate Increase/LEC	0
Loan	2
Commission Initiated	12
EAS	1
Interconnection	78
Contract Carrier Certification	1
Other	2
<b>TOTAL</b>	<b>227</b>

There were 650 tariff changes filed with the Commission during this period. Individual applications and tariff filings can be obtained upon request.





# Part VI

## PART VI

### Nebraska Universal Service Fund

In 1997, the Legislature passed LB686, which authorized the Commission to create the Nebraska Universal Service Fund (NUSF). The goal of the NUSF is, in conjunction with federal universal service funds, to ensure that all Nebraskans have comparable access to telecommunications services at affordable prices. In 1999, the Legislature passed LB 514 which granted the Commission the authority to fund the NUSF through a surcharge and exempted persons receiving support from the Lifeline program from any NUSF surcharge. In 2001, the Legislature passed LB 389 which clarified the Commission's NUSF authority under the NUSF regarding wireless companies.

On July 1, 1999, the Commission implemented the NUSF with a surcharge of 6.95 percent on in-state retail telecommunications revenue. Interstate services are not subject to the NUSF surcharge. The Commission determined assessable services through the use of Federal Communications Commission (FCC) federal universal service definitions in order to minimize any additional work for telecommunications providers. Specific categories of services subject to the NUSF surcharge are:

- § Local service including connection charges, enhanced service such as Caller ID and extended area services (EAS).
- § Wireless services including cellular, PCS, and paging.
- § In-state long distance services including prepaid calling card, operator assisted, collect, calling card, and private line.

The Commission projected that the NUSF surcharge would generate \$55.7 million during the July 2000 through June 2001, fiscal year. During this period, the NUSF collected \$56.3 million, a variance of 1.1 percent. The Commission projected that during this same period the NUSF would pay out \$45.8 million. During this period, \$36.3 million was actually paid to telecommunication providers, a variance of 20%. This variance is due to less implicit subsidies needing to be replaced than projected, higher company earnings and fewer grants of additional funds. As of June 30, 2001, the NUSF was projected to have a fund balance of \$32.6 million compared to the actual balance of \$47.0 million. However, significant issues regarding universal service remain to be addressed.

The Commission has estimated that an additional \$23.4 million in subsidies may need to be removed from in-state access charges. The FCC is currently reviewing interstate access charges and additional reductions in these rates are anticipated. Further, the FCC has determined that Qwest and ALLTEL do not require any federal universal service support to construct the next generation of telecommunications network. The FCC found that the estimated \$65 million per year needed by Qwest and ALLTEL should be funded by Nebraska. It is estimated that to build a new telecommunications network throughout Nebraska that would be capable of supporting advanced services would require more than \$100 million per year in NUSF support at existing rate levels.

The Nebraska Lifeline and Link-Up programs assist qualifying low-income individuals with obtaining and keeping telephone services by lowering monthly service and connection rates. The Commission has adopted a policy to maximize the amount of federal support for the Nebraska Lifeline Program. At a minimum, federal support is available to waive the federal subscriber line charge (SLC), which ranges between \$3.50/month and \$5.00/month, and reduce basic local exchange rates by \$1.75/month. Additional federal matching support is available, equal to one half of any state support, up to a maximum of \$1.75/month. The Nebraska Universal Service Fund provides support of \$3.50/month so that the Nebraska Lifeline Program can receive this additional \$1.75/month in federal support. As a result, an additional \$5.25/month in support is available to qualifying Nebraska telephone subscribers. To qualify for the Nebraska Lifeline Program, a consumer must participate in one of the following programs:

- 1) Medicaid;
- 2) Food Stamps;
- 3) Supplemental Security Income (SSI);
- 4) Federal Public Housing Assistance; or
- 5) Low-Income Home Energy Assistance Program (LIHEAP).

The Nebraska Link-Up Program's eligibility requirements mirror the requirements for the Nebraska Lifeline Program. The Link-Up Program provides a credit for one-time connection charges of 50 percent up to \$30.00 on a single line of service and provides a deferred payment schedule for charges to establish service on which the consumer does not pay interest. Funding for the Nebraska Link-Up Program is provided solely through federal support, although the NUSF does cover administrative costs for the program.

Federal support is now available to low-income consumers living on tribal land up to an additional \$25.00 per month. This increased support cannot bring the basic local exchange rate below \$1.00 per month. Additionally, federal support of up to \$100 is available to consumers living on tribal lands to reduce the initial connections and line extension charges. Further, eligibility criteria for consumers living in tribal areas has been expanded to include the following additional federal assistance programs:

- 1) Bureau of Indian Affairs general assistance;
- 2) Tribally-administered Temporary Assistance for Needy Families;
- 3) Head Start (only those meeting its income qualifying standard); or
- 4) National School Lunch Program's free lunch program.

**Nebraska Lifeline/Link-Up Implementation**

The following is a statistical summary of applications processed for each fiscal year ending June 30 since program inception (January 1, 1998):

	<b>Fiscal Year Total</b>		<b>Cumulative To Date</b>	
	<b>Total Records Processed</b>	<b># of Link-Up Records</b>	<b>Total Records Processed</b>	<b># of Link-Up Records</b>
FY 97-98	11,355	435	11,355	435
FY 98-99	4,294	798	15,649	1,233
FY 99-00	4,607	829	20,256	2,062
FY 00-01	3,851	1,716	24,107	3,778

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