

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



NEBRASKA PUBLIC SERVICE COMMISSION

September 30, 2002

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2002 ANNUAL REPORT TO THE LEGISLATURE
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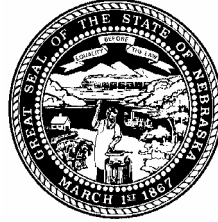
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September 30, 2002

From the Chairman:

Over the past year, wireless telephone use has continued to make inroads on landline systems in the state. Wireless companies have now captured 38 percent of the total 1,831,780 access lines, up from 34.6 percent in 2000. The figures represent telephone use on December 31 of each year. The number of cellular access lines assigned to Nebraskans stood at 695,865 at the close of 2001, an increase of 89,065 lines from the end of 2000 to 2001. Meanwhile, landline access lines in use through local exchange providers, both incumbent and competitive carriers, dropped by 8,196 to 1,144,111 during the same period. In 1999, wireless telephone lines reached one-third of the total access lines in use in Nebraska and the market share continues to climb.

The Commission has made great progress with the implementation of the first phase of its two-phase E911 program this past year. Fourteen public safety answering points were implemented across Nebraska. We are working diligently and planning for future implementations.

Qwest continues to be the state's largest provider of local exchange telephone company with 495,672 residential and business lines in use. The smallest company with 98 lines is Sodtown, a rural central Nebraska operator near Kearney. Nebraska's three largest local telephone companies B Qwest, Alltel and Frontier (formerly Citizens) B have seen their share of the landline market shrink for the second consecutive year. Qwest's access line total for 2001 represents a drop of two percent, Alltel declined one percent, and Frontier was down one-half of one percent.

Gains were made by competing companies. Cox, the state's largest competitive local telephone company grew to six percent of the market. Cox provides telephone service in the metropolitan Omaha area. All other competitive carriers had seven percent of the landline access lines in 2001. That is a gain of one percent for Cox from the previous year and an increase of nearly 2.5 percent for the rest of the competitive carriers for the same period.

Service outages dropped during the fiscal year to 127, a decrease of 46 from the previous year. The outages, which include multiple individual service interruptions, were primarily attributed to cable cuts, with 47 reported in the fiscal year. Equipment malfunctions, with 30, was the second leading culprit.

The three-year effort to forestall the creation of a third area code for Nebraska, primarily by adopting the assignment of blocks of 1,000 telephone numbers, instead of the previous 10,000-number blocks, has resulted in a voluntary return of over 350,000 numbers for use in Nebraska. Thousands-block pooling will be expanded on November 24 to include all wireless as well as landline providers in the Omaha 402 area code rate center. Similar pooling is scheduled for an April implementation next year in the 308 area code. The number conservation plan has been successful in delaying the need for costly and potentially confusing area code relief measures.

In a continuing effort to employ three-digit dialing for those services determined to be for the public good, the Commission granted authority to the United Way of the Midlands to use 211 in Douglas, Sarpy, Dodge and Cass Counties. The service provides a contact for those in need of health and human services providers.

Finally, with the assistance of a summer intern from the University of Nebraska at Lincoln, the Commission has redesigned its website in an effort to make the site more user friendly and helpful to Nebraskans.

The Commission appreciates the opportunity to provide you with the Annual Report on Telecommunications. If you have questions or comment, please call our offices at 402-471-3101.

Sincerely,

Anne C. Boyle
Chair

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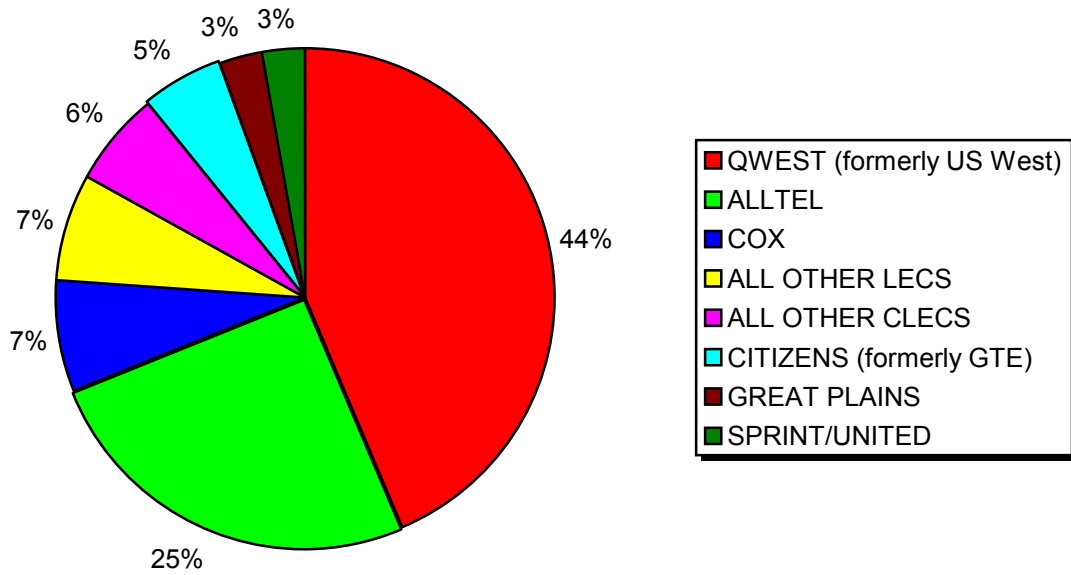
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ACCESS LINE & EXCHANGE DATA			
JANUARY 1, 2002			
COMPANY	ACCESS LINES		
	BUSINESS	RESIDENTIAL	TOTAL
QWEST (formerly US West)	195,743	299,929	495,672
ALLTEL	99,617	187,984	287,601
CITIZENS (formerly GTE)	21,170	37,188	58,358
COX TELECOM II	8,080	73,986	82,066
GREAT PLAINS	8,321	25,814	34,135
SPRINT/UNITED	10,402	19,599	30,001
AT&T	28,043	0	28,043
ALLTEL - MIDWEST	16,116	3,144	19,260
BLAIR	3,218	6,162	9,380
NEBRASKA CENTRAL	1,655	7,092	8,747
HAMILTON	2,240	4,604	6,844
MCLEOD USA	7,998	5,728	13,726
IONEX	1,325	773	2,098
NORTHEAST NEBRASKA	849	3,743	4,592
SOUTHEAST NEBRASKA	1,112	3,285	4,397
NT&T	5,351	627	5,978
CONSOLIDATED	916	2,283	3,199
NEBCOM	657	2,556	3,213
COZAD	825	2,232	3,057
EASTERN NEBRASKA	988	2,131	3,119
GLENWOOD	454	2,296	2,750
ARAPAHOE	557	1,987	2,544
PIERCE	525	1,515	2,040
HOULTON/EZ PHONES	0	985	985
CONSOLIDATED TELCO	387	1,311	1,698
HARTINGTON	571	1,028	1,599
HOOPER	309	1,052	1,361
DALTON (SKT)	292	1,086	1,378
THREE RIVER	238	1,020	1,258
CAMBRIDGE	336	909	1,245
STANTON	272	905	1,177
BENKELMAN	323	878	1,201
PLAINVIEW	281	900	1,181
ARLINGTON	168	983	1,151
HENDERSON	131	704	835
ROCK COUNTY	271	747	1,018
HEMINGFORD	173	792	965
CLARKS	134	817	951
DILLER	63	861	924
HOME (Consolidated Telcom)	207	724	931
CURTIS	233	604	837
HERSHEY	137	671	808
K&M	152	547	699
WAUNETA	145	532	677
KEYSTONE-ARTHUR	93	557	650
EUSTIS (Consolidated Telecom)	117	428	545
HARTMAN	59	385	444
COMM SOUTH	0	73	73
ELSIE (SKT)	49	190	239
PINPOINT	8	105	113
GOLDEN WEST	0	54	54
SODTOWN	92	6	98
TOTAL	421,403	714,512	1,135,915

**ACCESS LINES - 2001
State of Nebraska**



Note: Wireless access lines reported for Relay remittances purposes represent 695,865 lines in addition to the access lines listed above.

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), interexchange carriers (IXCs), also known as long distance companies and wireless carriers.

	1999-2000	1999-2000 Percentage	2000-2001	2000-2001 Percentage	2001-2002	2001-2002 Percentage	Percentage Increase (Decrease)
LECs	475	36.1%	420	30.5%	1072	45.2%	155.2%
IXCs	818	62.3%	941	68.2%	895	37.7%	(4.9%)
Wireless	*	*	*	*	366	15.4%	N/A
Misc.	21	1.6%	18	1.3%	40	1.7%	122.2%
TOTAL	1,314	100.0%	1,379	100.0%	2,373	100.0%	72.1%

* Not tracked or recorded.

Complaints were separated into the following categories:

Types	97-98	98-99	99-00	00-01	01-02
Service	114	273	191	175	469
Billing	204	431	724	911	1,354
Slamming	148	137	121	63	115
Miscellaneous	184	167	268	183	120
Telemarketing	N/A	N/A	N/A	4	74
On Hold Time	N/A	N/A	N/A	N/A	63
Internet	N/A	N/A	N/A	4	40
Local Carrier Change	N/A	N/A	N/A	N/A	18
Directory/Directory Assistance	N/A	N/A	N/A	7	16
Taxes & Surcharges	N/A	N/A	N/A	N/A	10
Customer Service	N/A	N/A	N/A	8	30
Disconnect	15	10	6	7	21
Deposit	N/A	N/A	N/A	N/A	16

Types	97-98	98-99	99-00	00-01	01-02
Excess Construction	N/A	N/A	N/A	N/A	4
Buried Cable	N/A	N/A	N/A	7	10
Held Order	N/A	N/A	N/A	6	1
800/900	9	10	2	0	5
Annoyance	N/A	N/A	N/A	N/A	1
Cable Cut	N/A	N/A	N/A	N/A	1
Faxes	N/A	N/A	N/A	N/A	5
Wireless	1	3	2	4	**
TOTAL	675	1,031	1,314	1,379	2,373

**There were a total of 366 Wireless complaints. These complaints are divided into the individual categories above.

While the Commission lacks statutory authority over wireless telecommunications service and billing, it continues to receive an increasing number of such complaints. The Commission strives, utilizing existing resources, to address these complaints and assist the wireless customer.

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 94 competitive local exchange carriers. Qwest is the largest LEC with 495,672 access lines, while Sodtown Telephone Company has only 98 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, Alltel and Qwest.

LECs	99-00	99-00 Access Lines	99-00 Percent Of Total Lines	00-01	00-01 Access Lines	00-01 Percent of Total Lines	01-02	01-02 Access Lines	01-02 Percent of Total Lines
Alltel	94	291,004	27.1%	112	297,988	26.0%	510	287,514	25.4%
Qwest	264	506,002	47.2%	186	528,004	46.2%	359	495,672	43.6%
Citizens	16	67,402	6.3%	43	62,203	5.4%	45	58,358	5.1%
Cox	48	35,303	3.3%	28	52,832	4.6%	24	82,066	7.2%
Great Plains	12	34,862	3.2%	6	34,389	3.0%	7	34,135	3.0%
United	15	30,222	2.8%	14	30,410	2.7%	14	30,001	2.7%
McLeodUSA	0	0	0	0	0	0	71	13,726	1.2%
NT&T	0	0	0	0	0	0	10	5,978	0.5%
New Access	0	0	0	0	0	0	10	**	**
Others	36	108,214	10.1%	31	138,285	12.1%	22	128,465	11.3%
TOTAL	485	1,073,009	100.0%	420	1,144,111	100.0%	1,072	1,135,915	100.0%

**No access lines reported as of December 31, 2001.

B. Interexchange Carriers (IXCs)

The number of long distance companies certificated to operate continues to grow. Currently, there are 295 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 AT&T and MCI. Customers can verify they have the long distance carrier of their choice by dialing the toll-free telephone number (700) 555-4141.

IXCs	2000-2001	Percentage	2001-2002	Percentage	Percentage Increase (Decrease)
AT&T	575	60.0%	512	57.2%	(11.0%)
MCI	140	14.6%	132	14.7%	(5.7%)
Excel	27	2.8%	12	1.3%	(55.6%)
Sprint	26	2.7%	56	6.3%	115.4%
Touch America	23	2.4%	9	1.0%	(60.9%)
VarTec	21	2.1%	25	2.8%	19.0%

IXCs	2000-2001	Percentage	2001-2002	Percentage	Percentage Increase (Decrease)
Talk.Com	17	1.8%	6	0.7%	(64.7%)
ILD Teleservices	0	0	15	1.7%	N/A
Integretel	0	0	32	3.6%	N/A
Miscellaneous	130	13.6%	96	10.7%	(26.2%)
TOTAL	959	100.0%	895	100.0%	(6.7%)

C. Formal Complaints

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

FC-1289 Century Sprinkler & Landscapes, Joe and Tina Ward, Complainant, vs. Alltel Communications, alleging unacceptable service.

Century Sprinkler and Joe and Tina Wards alleged that they received unacceptable service. On August 13, 2001, Alltel filed an answer and a motion to dismiss. On September 25, 2001, Tina Ward advised the Commission staff that she desired to drop her allegations and a written request to drop the complaint was subsequently filed on October 1, 2001. The Commission ordered the complaint dismissed on October 4, 2001.

FC-1290 *Nebraska Technology & Telecommunications, Inc., vs. Aliant Communications Co., dba Alltel, alleging failure to fully comply with terms of their interconnection agreement.*

Nebraska Technology & Telecommunications, Inc. (NT&T) alleged that Alltel engaged in a pattern and practice of dilatory and anti-competitive conduct so as to prevent NT&T from effectively competing against Alltel.

On October 1, 2001, Alltel filed an answer requesting dismissal of the complaint and offered to work with the Commission and NT&T in a mediation setting to establish a date to negotiate. On October 29, 2001, parties filed a joint motion for the Commission to dismiss the complaint without prejudice and stipulated the Commission as arbitrator if no interconnection agreement is made by December 14, 2001. On October 30, 2001, the Commission dismissed the complaint without prejudice and approved the arbitration schedule stipulated by the parties.

FC-1291 Talent Plus, Inc., vs. Global Crossing Telecommunications, alleging unfair billing.

Talent Plus alleged that Global Crossing failed to cancel telecommunications services as requested which resulted in unfair billing. On December 17, 2001, the parties reported that the differences had been settled and both sides had settled outstanding accounts. On January 8, 2002, the Commission dismissed the formal complaint.

FC-1292 Credit Bureau of Scottsbluff, Inc., vs. Sprint, Inc., alleging violations relating to call blocking.

Credit Bureau of Scottsbluff, Inc., requested the Commission require Sprint to offer per-line blocking. On November 20, 2001, Sprint filed an answer with the Commission. A joint motion for dismissal was filed on February 28, 2002. On March 19, 2002, the Commission dismissed the complaint without prejudice.

FC-1294 RVW, Inc., vs. MCI WorldCom Communications, Inc., alleging unfair billing.

RVW sought an order from the Commission inter alia, requiring MCI WorldCom to honor the terms of their contract, and requiring MCI WorldCom to credit their account for erroneous billing. On December 17, 2001, MCI WorldCom filed a motion to strike, which states the complaint is based on irrelevant, prejudicial and inadmissible statements. On January 8, 2002, the Commission granted part and denied part of the motion to strike, with regard to certain paragraphs and exhibits submitted by RVW. On April 29, 2002, the Commission received a statement of satisfaction and acceptance executed by both parties. The terms of the formal complaint were fulfilled; so the Commission dismissed the complaint on May 7, 2002.

FC-1295 Gail Gingrich, Lincoln, vs. Alltel Nebraska, Inc., Lincoln, alleging incorrect directory listing.

This complaint was filed by Gail Gingrich in response to an incorrect listing in the Alltel directory. Alltel responded by letter on February 27, 2002, stating that they have fixed the directory listing. The Commission is awaiting a letter from Mrs. Gingrich regarding her satisfaction of the complaint before issuing a final order.

FC-1296 Cox Nebraska Telcom, L.L.C., Omaha, and Illuminet, Olympia, Washington, vs. Qwest Communications, Inc., Omaha, alleging violations of state law and policy, as well as tariff obligations.

FC-1297 Alltel Nebraska, Inc. and Alltel Communications of Nebraska, Inc., Complainant, vs. Qwest Corporation, Respondent, requesting a review of Qwest's Common Channel Switched Access Capability Signaling rate elements as set forth in Qwest's Access Service Catalog.

Cox Nebraska Telcom, LLC, Alltel Nebraska, Inc. and Alltel Communications of Nebraska, Inc. (Alltel) and Illuminet (collectively the Complainants) filed two complaints with the Commission seeking an order requiring Qwest to cease and desist from applying the new signaling charges contained in Section 15 of its tariff, which became effective on June 6, 2001. The complainants further requested an order finding that the new SS7 messaging charges were levied in violation of agreements on file with the Commission, that charges be based on the arrangement that governs the handling of the traffic, and finding that charges wrongfully assessed be trued-up with the complainants back to June 6, 2001. Qwest filed an answer to the complaint on March 20, 2002, denying any wrong-doing and requesting the Commission find that no requested relief is warranted.

The Commission consolidated the complaints at the request of the complainants. The Commission entered a progression order, which sets forth a procedural schedule for discovery and the exchange of testimony and exhibits. A hearing on the complaints is currently scheduled for October 15 and 16, 2002.

FC-1298 A.B.I. Universal Messaging Center, Fremont, vs. Qwest Corporation, alleging unacceptable service (call forwarding).

A.B.I. Universal Messaging Center alleges that its customers use Qwest's "Call-Forwarding Busy" option, which is set to ring to the complainant's answering service if the customer's line is busy. According to the complainant, this feature was not functioning properly. Qwest corrected the problem and notified the Commission of the correction. The complainant was satisfied with Qwest's response, but requested that the complaint remain open in order to ensure that all of complainant's customers were not experiencing the same problem.

FC-1299 Marcia Dammann, Saint Libory, vs. Qwest Corporation, alleging unfair billing.

Marcia Damman, the complainant, alleges that Qwest Corporation has unfairly billed her for telephone line construction charges to her home in Saint Libory. According to the complainant, the charges are too high and the footages provided by Qwest are incorrect. In its answer to the complaint, Qwest states that standardized rates have been applied, that the footages are accurate, and that it has provided a credit of \$875 against the construction charges, in accordance with Qwest policy. The Commission entered an order September 18, 2002, granting

in part the complaint. The Commission slightly reduced the charges based upon linear measurements verified by Commission staff.

D. Relay Service Complaints

Consumer complaints related to the Relay system totaled 44 for the fiscal year ending June 30, 2002, as compared to 15 for the fiscal year ending June 30, 2001. Of the 44 complaints received, six of these complaints related to external complaints. These complaints reside outside of the direct control of the Relay facility and consequently are not attributed to Relay non-performance. Two of these complaints were due to “busy” responses, which would indicate the public switched network congestion. The remaining four are due to harassing/annoyance calls. Service complaints totaled 14 during this period. The “miscellaneous” category is comprised mainly of voice carry-over (VCO) connection delays and inability to process certain calling cards. Twenty-four complaints comprised the technical complaint category. Thirteen of these are related to 711 implementation problems. A large portion of these complaints related to PBX equipment programming problems or the switch not being configured by the local carrier to facilitate 711 dialing. Five carrier-of-choice complaints were received. Three of these were for Alltel, one for Cox and one for Vartec. To date, Alltel and Cox have not made the necessary arrangements with Hamilton Telecommunications to be designated as a long distance carrier at the Relay network. The complaint for Vartec was due to a configuration problem at the Hamilton switch, which has been corrected. The two complaints relating to miscellaneous technical complaints concern wireless related problems.

On September 2, 2001, at 1:00 a.m. Monday morning, Hamilton experienced a dropped Ethernet (network) connection in the Louisiana switch. This particular failure affected Nebraska customers since calls after 12:00 midnight automatically route to the Wisconsin center, which makes use of the Louisiana switch. Because spare parts were on hand, the problem was corrected by 2:30 a.m.

The following charts reflect the complaints taken by category for the fiscal year ending June 30, 2002.

Service Complaints

Complaint Category	Complaints
CA Accuracy/Spelling	1
CA Did Not Keep User Informed	1
CA Hung Up On Caller	1
CA Procedures for Relaying Information	2
CA Typing	1
Customer Dislikes Policy/Procedure	2
Miscellaneous	3
Ringin g/No Answer	3
Subtotal – Service Related	14

*CA – Communications Assistant

Technical Complaints

Complaint Category	Complaints
711 Related	13
Carrier of Choice/Other Equal Access Related	5
Connect Time	3
Garbling	1
Miscellaneous Issues	2
Subtotal – Technical Related	24

External Complaints

Complaint Category	Complaints
Local Exchange Carrier/Public Switched Telephone Network (PSTN) Busy	2
Miscellaneous	4
Subtotal – External Related	6

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 natural gas pumping station in Lincoln County to assist both Curtis Telephone Company and McCook Public Power District 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) on expanding the capacity of natural gas pumping operations in Lincoln and Kearney Counties, and continues to monitor the situation. The staff also investigated another power interference problem in rural Adams County.

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. Six-and-a-half years after the Act was passed, competitive local carriers now serve approximately 13 percent of the state's access lines. In addition, cable companies are providing basic telephone service; wireless providers are serving 38 percent of the combined wireline and wireless market. Nebraska continues to experience growth in the availability of high-speed 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 and promoting local exchange competition have all contributed to the number of issues before the Commission. One of the largest issues before the Commission over the past year was the issue of bankruptcy filings by various telecommunications providers. On August 13, 2002, the Commission opened Docket No. C-2777/PI-62/NUSF-29 to examine the effects of the telecommunications carriers' bankruptcies in Nebraska. This issue, as well as others, has 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 Qwest Communications, f/k/a 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).

Qwest Communication's application to re-enter the interLATA long distance market in Nebraska remained a major proceeding before the Commission over the past year. In order to once again provide interLATA long distance, Qwest had to demonstrate compliance with Section 271 of the federal Telecommunications Act, which sets out several preconditions that must be satisfied before a Bell Operating Company (BOC), 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. After more than three years of hearings and other

proceedings before the Commission, Qwest satisfied the Nebraska Commission, on June 12, 2002, that it had, in fact, irreversibly opened its Nebraska market to competition. Qwest subsequently filed its application with the Federal Communications Commission (FCC) seeking formal 271 relief, and the Nebraska Commission filed comments in support of their application.

While the Commission expected Qwest to win FCC approval on September 11, 2002, Qwest unexpectedly withdrew its application on September 10, after some accounting concerns were raised. The Commission expects that Qwest will work quickly to resolve this issue and refile with the FCC by early October.

Once Qwest is authorized to re-enter the interLATA market, the Commission expects to continue to participate in a collaborative effort with other Qwest states to monitor Qwest's on-going 271 compliance.

C-1889 In the Matter of the Application of GCC License Corporation, seeking designation as an Eligible Telecommunications Carrier that may receive Universal Service Support.

Western Wireless, a wireless telecommunications carrier, filed an application to receive an eligible telecommunications carrier (ETC) designation. This 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 as an ETC. Following the entry of that order, a collective group of telecommunications providers (the Intervenor) appealed the Commission's decision. In late June, the Nebraska Supreme Court affirmed the Commission's decision.

The Commission has undertaken a lengthy review process of Western Wireless' advertising plan. The Commission rejected the first three filings finding that the advertising plan did not give consumers sufficient information about Western Wireless' proposed service. The Commission approved the Second Amended Advertising Plan on August 13, 2002. The Intervenor filed a motion for rehearing and reconsideration which is currently pending before the Commission.

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

The Commission opened this docket to re-examine its retail service quality standards. The Commission placed its comment cycle on hold pending the outcome of a service quality hearing regarding Alltel. The Commission found Alltel's service quality was inadequate and ordered improvements. To demonstrate improvement, Alltel was required to report 12 service quality measurements on a monthly basis.

After a year of reporting, Alltel demonstrated steady improvements in its service. Alltel now asserts that it has met the Commission's 12 standards for at least six consecutive measurement periods. The Commission staff is currently auditing Alltel's records to ensure that it is accurately reporting performance information to the Commission. If the Commission is

satisfied with the audit results, Alltel will be permitted to discontinue its monthly reporting requirements. The Commission plans to open a generic rulemaking proceeding to update its service quality rules in accordance with the outcome of the investigation in C-2483/PI-43.

C-2516/PI-49 *In the Matter of the Commission, on its own motion, seeking to investigate Qwest Corporation's rates for interconnection, unbundled network elements, transport and termination and resale services.*

On April 17, 2001, the Commission opened a replacement "cost docket" after finding much of the evidence received in the Commission's predecessor cost investigation (C-1415) had become stale. The Commission previously opened C-1415 in 1996, in response to the Telecommunications Act of 1996 (the Act).

The Commission divided C-2516/PI-49 into three phases. Phase 1 included pricing the loop element, and subloop elements (intra-building cable and campus wire). Phase 2 hearings concentrated on recurring charges for transport, switching, entrance facilities, cross-connect and line and trunk ports. Phase 3 included evidence to price, inter alia, nonrecurring charges, collocation, line sharing, unbundled dark fiber, local switching and wholesale discount rates. The hearings on all three phases concluded at the end of October 2001.

In determining the appropriate cost of the unbundled network elements (UNEs), the Commission was required to follow Section 252(d)(1) of the Act and the FCC's pricing rules which direct state commissions to use a forward-looking total element long run incremental cost (TELRIC) pricing methodology. Under federal standards, the rates for interconnection and UNEs must be "based on the cost (determined without reference to rate-of-return or other rate-based proceeding) of providing the interconnection or network element." Section 252(d)(1)(A)(I). The Commission previously determined that TELRIC-compliant cost models should use realistic inputs as opposed to imaginary costs.

Interested parties were permitted to file cost models or pricing methodologies for comment and review. Qwest filed its Integrated Cost Model (ICM), AT&T filed its Hatfield Cost Proxy Model (HAI), and the Commission staff requested that the Commission look at the Benchmark Cost Proxy Model (BCPM) and the FCC's cost synthesis model (SM). Dr. David Rosenbaum, the Commission's economic consultant, recommended that the Commission use a blend of AT&T's HAI model, the FCC's model and the BCPM, which was originally an incumbent local exchange carrier (ILEC) cost model to derive the cost for the loop. He released a recommendation which would have created four groups of exchanges which were to be divided based on cost of providing service in that exchange, consistent with the FCC's rule which requires states to deaverage UNEs geographically based on cost. Dr. Rosenbaum and the Commission staff further argued that some inputs needed to be altered to create reasonable cost-based prices.

On April 23, 2002, the Commission released its findings and conclusions. The Commission ultimately decided that the Commission staff's approach and the adjustment of various inputs was reasonable and TELRIC-compliant; however, the Commission decided to

create three zones rather than four. The Commission also accepted the stipulations filed with respect to intra-building cable/campus cable and interconnection tie pairs finding that these rates fell within a range of reasonableness and were TELRIC-compliant. The Commission priced wholesale discounts and line sharing but found that further investigation was needed on both line sharing and collocation. The Commission accepted the use of Qwest's ICM for the remainder of the elements involved but accepted the staff's recommendation to adjust various inputs in the model to reflect prior Commission determinations and to reflect what it determined to be more accurate cost-based pricing.

The Commission ordered Qwest to file a rate schedule consistent with the Commission's ordered costing methodology. The compliance filing was approved on June 5, 2002. Qwest has also made further voluntary price reductions that were ordered effective in the Commission's June 5, 2002, order.

C-2621/PI-53 The Commission, on its own motion, seeking comment on the request by United Way of the Midlands to be assigned the use of "211" in Douglas and Sarpy Counties for access to First Call for Help (FCFH), a comprehensive information and referral service.

On October 16, 2001, United Way of the Midlands filed an application to be assigned use of "211" for access to "First Call For Help" in Douglas and Sarpy Counties. "First Call for Help" connects people in need of health and human services assistance with the appropriate providers of such services. The Federal Communications Commission has designated "211" for health and human services information and referral nationwide, but parties interested in utilizing "211" must seek approval from the applicable state commission. On February 20, 2002, the Commission entered an order assigning "211" to United Way for Douglas and Sarpy Counties. Dialing "211" does not result in any additional telephone charges for the consumer.

United Way approached the program for Douglas and Sarpy Counties as a pilot project, with the intent to expand. Subsequently, United Way made an application to expand "211" access to Dodge and Cass Counties, which was approved by the Commission on July 23, 2002, in Application No. C-2732.

C-2648 Petition of Nebraska Technology & Telecommunications, Inc., seeking arbitration of the interconnection rates, terms and conditions with Aliant Communications Co., dba Alltel.

By application filed January 7, 2002, Nebraska Technology & Telecommunications, Inc. (NT&T), is seeking arbitration of interconnection rates, terms and conditions with Alltel, in order to interconnect and provide service to customers as a competitive local exchange carrier over Alltel's network. The hearing before a staff arbitrator was held August 2, 2002. Pending issuance of the arbitrator's order, the Commission will enter a final order establishing rates, terms and conditions for NT&T's interconnection with Alltel.

C-2662/PI-55 In the Matter of the Commission, on its own motion, to investigate the effects of local service freezes in Nebraska.

On January 29, 2002, as a result of two complaints filed with the Commission by competing local exchange carriers with respect to Qwest's local service freeze offering, the Commission opened an investigation to determine the effects of local service freezes on local competition in Nebraska.

A local service freeze is an order placed upon a subscriber's account that would prohibit the customer from being switched to another carrier without direct contact from the customer to the local exchange carrier. For example, if a customer wanted to switch from Qwest to another carrier, the customer must not only contact their new carrier, the customer must also contact Qwest to change from their service.

Qwest maintained that the local service freeze was a consumer choice and protection issue. The local service freeze measure, Qwest asserted, was intended to prevent local slamming. However, the position of the competing local carriers was that Qwest was trying to lock in customers making it more difficult for them to compete for customers, that Qwest's intentions were anti-competitive, that there was no sufficient evidence of local slamming and that Qwest had not adequately informed competing carriers about lifting the freeze.

The Federal Communications Commission (FCC) both endorsed and voiced reservations about local service freezes. Because of the FCC's reservations that local service freezes may serve an anti-competitive purpose, the FCC gave states the right to adopt a moratorium on local service freezes. The Commission determined that, based on the arguments of competing carriers, it should adopt a moratorium on local service freeze offerings. Qwest was ordered to forbear from offering local service freezes to its customers until further order from the Commission.

C-2683 Nebraska Public Power District, Columbus, seeking authority to lease dark fiber to Frontier Telecommunications Company of Nebraska, Burnsville, Minnesota.

Pursuant to LB 827, passed during the 2001 Legislative Session, Nebraska Public Power District (NPPD) filed an application on February 22, 2002, for a lease of dark fiber to Frontier Telecommunications Company. The lease covers two routes, one from Kearney to Columbus and one from Columbus to Rising City, and is part of a distance-learning project. As required by law, the Commission determined the market rate for the lease and evaluated the proposed distribution of profit. Fifty percent of the profit from the lease must be remitted to the Nebraska Internet Enhancement Fund (NIEF), which was also created by the 2001 Legislature. The NIEF may be used to provide financial assistance to communities for advanced telecommunications services. The Commission entered an order on May 7, 2002, establishing the market rate at \$510 per fiber, per mile, per year. According to NPPD's calculations, approximately \$60,834.76 per year will be deposited into the NIEF as a result of this lease.

*C-2777 The Commission, on its own motion, seeking to investigate the impact of
PI-62 telecommunications carrier bankruptcies.
NUSF-29*

The Commission initiated this docket to examine the effects of past and possible future bankruptcy filings by telecommunications carriers in the state of Nebraska. In addition, the Commission opened the docket to investigate the impact insolvent carriers have on eligible telecommunications carriers (ETCs) serving high-cost areas of the state and the impact on universal service.

The Commission requested comments be filed on two sets of questions relevant to the Communications Department and Nebraska Universal Service Fund Department. Two procedural cycles were adopted. Significantly, the Commission requested input on how the Commission can ensure that potential customer migration can be handled efficiently and smoothly. The Commission has concerns with ensuring that adequate customer notice is given prior to service discontinuances and that sufficient protective mechanisms are put in place for consumers experiencing sudden service discontinuances. The Commission also asked whether it should implement procedures to protect ETCs who are unable to collect access charges from insolvent or bankrupt carriers. The initial comment cycle closed on September 23, 2002. The Commission is currently considering whether a hearing should be scheduled based on the comments received.

*RR-155 In the Matter of the Commission, on its own motion, seeking to amend Title 291,
Chapter 5, Telecommunications Rules and Regulations, by adding new sections in
accordance with the provisions of LB 1211 and to clarify and harmonize existing
sections.*

In response to LB 1211, the Commission opened this rulemaking docket to establish a wireless registration system. The wireless registration process will ensure that all carriers are contributing fairly to the Nebraska Relay System for the deaf and hard-of-hearing, the Enhanced 911 program and the Nebraska Universal Service Fund. The wireless registry will also ensure that the Commission has the information to connect wireless subscribers with their wireless carrier representatives for complaint resolution. The first draft of proposed rules has been released for public comment and the Commission will hold a hearing on the proposed rules in late October.

2. Local Competition

A. Competitive Local Exchange Carriers

The following companies received new or extended authority during the 2001-2002 fiscal year to provide local service in the corresponding territories in Nebraska:

Carrier	Territory to be Served	Granted Authority
Avera Communications, LLC	Statewide	08/21/01
NOS Communications, Inc.	Statewide	09/05/01
New Access Communications, LCL	Qwest and GTE	10/30/01
Fast Phones of Nebraska, Corp.	Statewide	08/21/01
FiberComm, L.C.	Statewide	09/05/01
VarTec Telecom, Inc.	Statewide	10/30/01
Action Communications, Inc.	Statewide	11/06/01
El Paso Networks, LLC	Statewide	12/04/01
Citistream Communications, Inc.	Statewide	12/04/01
NTERA, Inc.	Statewide	12/18/01
ICG Telecom Group, Inc.	Statewide	04/09/02
Ex-Op of MO, dba Unite	Alltel	07/09/02
VP Telecom, Inc.	Qwest	08/06/02
Budget Phone, Inc.	Statewide	09/11/02

There are currently 94 carriers who have received certificates of public convenience and necessity to provide competitive local exchange services in Nebraska; however, not all 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.psc.state.ne.us>. 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 six years.

	Cable Cuts	Telephone Equipment Malfunction	Weather	Accidental	Maintenance	Unknown
1996-1997	40	33	8	6	0	12
1997-1998	98	33	12	4	4	13
1998-1999	90	43	6	3	3	11
1999-2000	62	17	4	9	11	21
2000-2001	60	22	5	4	12	70
2001-2002	47	30	3	2	6	40

	Total Service Outages	Total Affected Access Lines	Average Number of Access Lines Affected per Outage
1996-1997	99	244,899	2,474
1997-1998	164	199,900	1,219
1998-1999	156	225,248	1,444
1999-2000	124	276,261	2,228
2000-2001	173	300,276	1,746
2001-2002	127	280,447	2,208

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 voice-based wireless lines. The monthly surcharge was ten cents per access line in 1993 and 1994. It was seven cents in 1995, 1996 and 1997. In 1998, the surcharge was reduced to six cents. It was reduced to five cents for the years 1999 through 2001. In 2002, the surcharge increased to six cents and the rate for 2003 will be seven cents.

The definition of TRS now extends to speech-to-speech (STS), video relay services (VRS) and non-English language relay services (Spanish-to-Spanish). These services (other than VRS which was encouraged, but not required by permitting recovery of intrastate and interstate minutes from the NECA fund) were mandated by 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*, (See also, *Order On Reconsideration* CC Docket 98-67, FCC 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).

In 1995, the Legislature created the Nebraska Equipment Distribution Program, which enables qualifying deaf, hard-of-hearing and/or speech-impaired citizens to obtain specialized telecommunications equipment at no expense, subject to certain program restrictions. Funded by the Relay Surcharge, expensive telecommunications equipment, such as text telephones, amplifiers, and signaling devices have been made available to deaf, hard-of-hearing and/or speech-impaired consumers. Since the program began in April 1996 through June 2002, \$756,808 has been spent on specialized telecommunications equipment. There have been 706 households served during this same period.

Recent Developments in Telecommunications Relay Services – State Level

- 1) **Request For Proposal For Relay Services.** In the December 2001 timeframe, the Public Service Commission issued a Request For Proposal for purposes of selecting a qualified provider to provide Telecommunications Relay Services. The existing contract with Hamilton expired at midnight, June 30, 2002. As a result of the competitive bid process, Hamilton was selected as the successful bidder March 19, 2002. The new contract is for an initial contract period of July

1, 2002, through June 30, 2005, with the option to renew for two additional two-year periods as mutually agreed upon by all parties. Highlights of the new contract includes:

- Hamilton Relay will provide 60 word-per-minute typing. This was already being provided as of December 21, 2000, via contract addendum but is now formerly incorporated in the new contract;
- Speech-to-Speech and Spanish-to-Spanish is formerly incorporated into the new contract. Speech-to-Speech is an improved TRS service that utilizes specially-trained CAs who understand the speech patterns of persons with speech disabilities to relay or “voice” for persons with such disabilities. Spanish-to-Spanish is a non-English relay service defined as TRS that allows a person 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. Both of these services are provided through Hamilton’s Wisconsin Relay Center;
- Speed-of-answer for the Relay will now be measured as a two-tier measurement. 90 percent of all calls must be answered in 10 seconds for the day and a 95 percent in 10 seconds as measured on a monthly basis.

2) **State Certification of TRS programs with the FCC.** States desiring certification of their TRS program must establish with the FCC the following as per *47 C.F.R. Part 64.605(b)*:

- The state program must meet or exceed all operational, technical and functional minimum standards contain in *47 C.F.R. Part 64.604*;
- The state program has adequate procedures for enforcing their program; and
- Where the state program exceeds the mandatory minimum standards, the state establishes that its program does not conflict with federal law.

This certification must be done every five years and applications are taken one year prior to expiration of the current period. The FCC is accepting applications from July 26, 2002 until October 1, 2002. The PSC is currently working with Hamilton to file the appropriate documentation for recertification.

Recent Developments in Telecommunications Relay Services – Federal Level

1) **IP (Internet Protocol) Cost Recovery Guidelines.** On April 22, 2002, the FCC released a *Declaratory Ruling and Second Further Notice of Proposed Rulemaking* (Declaratory Ruling), which indicated that Internet Protocol (IP) Relay falls within

the statutory definition of Telecommunications Relay Service (TRS). This allows providers of such services eligible to recover their costs. Since there is currently no automatic means of determining whether a call made via IP Relay is intrastate or interstate, the FCC authorized recovery of all costs from the Interstate TRS Fund until a permanent IP Relay cost recovery formula could be developed.

The FCC directed the Interstate TRS Fund Administrator and the Interstate TRS Fund Advisory Council to develop cost recovery guidelines for IP Relay. These guidelines are due to the FCC no later than October 22, 2002.

- 2) **Cost Recovery for Wireless Telecommunications Relay Service Calls.** On July 22, 2002, the National Exchange Carrier Association, Inc. (NECA), on behalf of the Interstate TRS Advisory Council filed a petition for interim waiver requesting that the FCC waive Section 64.604 of its rules to permit recovery from the Interstate Fund to relay service providers for all TRS calls placed from wireless telecommunications devices. The petition requests a rulemaking be initiated by the FCC to decide how relay calls should be reimbursed where the jurisdiction of the call cannot be determined from the automatic number identification system.

Comments are to be filed on or before September 30, 2002, and reply comments are due on or before October 15, 2002. Parties should reference CC Docket No. 98-67.

The following table displays selected historical statistics that reflect the operation of the Nebraska Relay System. (Insert "Selected Historical Statistics (Session Minutes)" table).

Telecommunications Relay Service Selected Historical Statistics (Session Minutes)								
	Total Calls (Outbound)	Ave Call Length (Outbound)	Total Minutes Of Use	Interstate Minutes	Intrastate Minutes	Monthly Cost		Surcharge Revenue/ (Rate)
						TRS Program	Equipment Program	
1997								
Jul	37,865	3.82	133,714	20,990	112,724	\$77,779	\$9,048	\$87,927/(\$0.07)
Aug	31,460	4.21	134,831	19,030	115,801	79,903	4,390	88,326/(\$0.07)
Sep	23,191	5.17	121,306	19,436	101,870	70,291	1,692	89,483/(\$0.07)
Oct	23,737	5.26	126,834	19,834	107,000	73,830	1,412	89,598/(\$0.07)
Nov	22,967	5.22	122,245	19,860	102,385	70,646	2,157	90,400/(\$0.07)
Dec	23,290	5.34	125,655	19,280	106,375	73,128	2,937	91,040/(\$0.07)
1998								
Jan	23,535	5.23	124,389	17,713	106,676	73,607	2,180	81,084/(\$0.06)
Feb	20,970	5.25	111,317	16,478	94,839	65,438	951	78,671/(\$0.06)
Mar	25,344	5.35	137,052	21,197	115,855	79,940	4,986	79,603/(\$0.06)
Apr	22,286	5.21	117,377	21,910	95,467	65,872	2,011	80,797/(\$0.06)
May	21,462	5.08	110,088	19,009	91,079	62,894	2,804	81,037/(\$0.06)
Jun	22,718	5.20	119,269	20,596	98,673	68,129	1,082	81,524/(\$0.06)
Jul	23,437	5.19	123,015	23,729	99,286	68,606	3,300	82,038/(\$0.06)
Aug	23,488	5.31	126,101	22,067	104,034	72,002	1,119	82,480/(\$0.06)
Sep	22,161	5.22	117,064	19,825	97,239	67,150	6,311	82,826/(\$0.06)
Oct	22,422	5.25	119,203	21,085	98,118	67,746	1,505	83,265/(\$0.06)
Nov	21,522	5.25	114,304	20,186	94,118	65,028	4,455	83,333/(\$0.06)
Dec	22,141	5.33	119,099	21,738	97,361	67,336	1,244	83,934/(\$0.06)

	Total Calls (Outbound)	Ave Call Length (Outbound)	Total Minutes Of Use	Interstate Minutes	Intrastate Minutes	Monthly Cost		Surcharge Revenue/ (Rate)
						TRS Program	Equipment Program	
1999								
Jan	22,248	5.33	119,766	20,761	99,005	68,363	3,563	72,500/(\$0.05)
Feb	22,051	5.23	116,366	19,014	97,352	67,292	5,282	72,902/(\$0.05)
Mar	23,917	5.33	128,518	21,368	107,150	75,648	108	72,650/(\$0.05)
Apr	22,383	5.16	116,614	19,637	96,978	68,127	7,296	72,959/(\$0.05)
May	22,739	5.15	118,266	21,027	97,239	68,090	1,575	73,616/(\$0.05)
Jun	23,795	5.19	124,745	23,866	100,879	71,052	202	73,566/(\$0.05)
Jul	21,633	5.25	114,593	19,738	94,855	71,346	5,368	73,638/(\$0.05)
Aug	22,706	5.06	116,089	21,058	95,031	70,007	215	74,425/(\$0.05)
Sep	19,637	5.13	101,582	18,664	82,918	64,882	34,426	74,557/(\$0.05)
Oct	19,815	5.11	102,192	18,246	83,946	66,084	33,249	74,840/(\$0.05)
Nov	19,237	5.21	101,250	19,280	81,970	63,902	65,685	75,149/(\$0.05)
Dec	24,140	4.76	116,445	20,444	96,001	66,258	28,728	76,063/(\$0.05)
2000								
Jan	24,993	4.66	117,845	20,907	96,938	66,887	8,577	77,303/(\$0.05)
Feb	23,858	4.61	111,299	19,145	92,154	69,032	989	76,194/(\$0.05)
Mar	27,354	4.71	130,069	22,186	107,853	74,419	622	76,849/(\$0.05)
Apr	23,078	4.60	107,242	20,201	87,041	60,078	86	77,373/(\$0.05)
May	24,663	4.58	113,954	22,569	91,385	63,055	0	77,262/(\$0.05)
Jun	23,978	4.49	109,246	21,246	88,000	62,378	0	78,041/(\$0.05)
Jul	23,210	4.50	105,691	19,157	86,534	66,199	0	78,217/(\$0.05)
Aug	25,375	4.53	116,351	19,268	97,083	74,268	21,170	78,427/(\$0.05)
Sep	23,587	4.54	108,229	18,729	89,500	68,468	15,573	79,104/(\$0.05)
Oct	25,206	4.48	114,656	19,080	95,576	73,116	15,380	78,535/(\$0.05)
Nov	24,850	4.46	112,534	19,558	92,976	71,126	23,518	79,156/(\$0.05)
Dec	26,578	4.42	118,597	21,904	96,693	78,792	21,800	79,659/(\$0.05)

	Total Calls (Outbound)	Ave Call Length (Outbound)	Total Minutes Of Use	Interstate Minutes	Intrastate Minutes	Monthly Cost		Surcharge Revenue/ (Rate)
						TRS Program	Equipment Program	
2001								
Jan	25,907	4.56	119,396	21,442	97,954	91,195	2,430	79,380/(\$0.05)
Feb	25,116	4.55	115,432	20,451	94,981	88,428	22,984	80,720/(\$0.05)
Mar	25,971	4.55	119,482	21,545	97,937	91,179	10,470	80,643/(\$0.05)
Apr	25,068	4.32	109,649	17,499	92,150	85,792	2,407	80,664/(\$0.05)
May	25,919	4.37	114,785	18,981	95,804	89,193	23,107	81,256/(\$0.05)
Jun	25,025	4.36	111,005	17,595	93,410	86,964	18,349	82,157/(\$0.05)
Jul	26,473	4.30	116,938	18,970	97,968	91,209	18,008	82,547/(\$0.05)
Aug	25,600	4.29	112,934	17,334	95,600	89,003	538	83,253/(\$0.05)
Sep	23,032	4.30	101,850	16,115	85,735	79,819	35,698	81,100/(\$0.05)
Oct	24,029	4.36	107,952	16,766	91,186	84,895	0	81,698/(\$0.05)
Nov	23,013	4.51	106,690	17,533	89,157	83,005	43,059	81,300/(\$0.05)
Dec	23,724	4.47	108,842	18,020	90,822	88,242	14,579	85,283/(\$0.05)
2002								
Jan	25,252	4.44	114,750	18,696	96,054	89,426	12,267	97,643/(\$0.06)
Feb	23,910	4.48	109,564	16,050	93,514	87,062	23,508	103,140/(\$0.06)
Mar	26,800	4.30	118,028	17,465	100,563	93,624	9,895	100,190/(\$0.06)
Apr	25,425	4.27	111,436	17,738	93,698	87,233	24,108	101,909/(\$0.06)
May	26,429	4.16	112,848	17,671	95,177	88,610	9,074	101,460/(\$0.06)
Jun	26,248	4.17	112,313	17,649	94,664	88,132	37,075	99,930/(\$0.06)

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 community has a pending EAS petition:

Petitioning Exchange	Community Requested in the EAS Petition
Bertrand	Holdrege

Additionally, on March 12, 2002, an application was filed by the residents of Pilger requesting extended area service to Wisner; however, that application was dismissed on May 7, 2002 due to the fact that it didn't meet the criteria as set forth by the Commission.

6. 911 Information

The Public Service Commission is responsible for reporting on both wireline and wireless 911 service.

A. Wireline 911

Wireline or “landline” 911 service and funding are governed by *Neb. Rev. Stat.* § 86-1001 to 86-1009. Wireline 911 service is administered by local governing bodies, namely counties, cities, villages and fire protection districts. Most governing bodies may impose a surcharge of up to one dollar, subject to certain conditions and restrictions. See *Neb. Rev. Stat.* § 86-1003. The statutes provide the following guidance regarding the use of wireline 911 surcharge funds:

- 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 of 911 service. *Neb. Rev. Stat.* § 86-1007.

911 Terminology

The following terms apply to the information depicted in the map below:

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

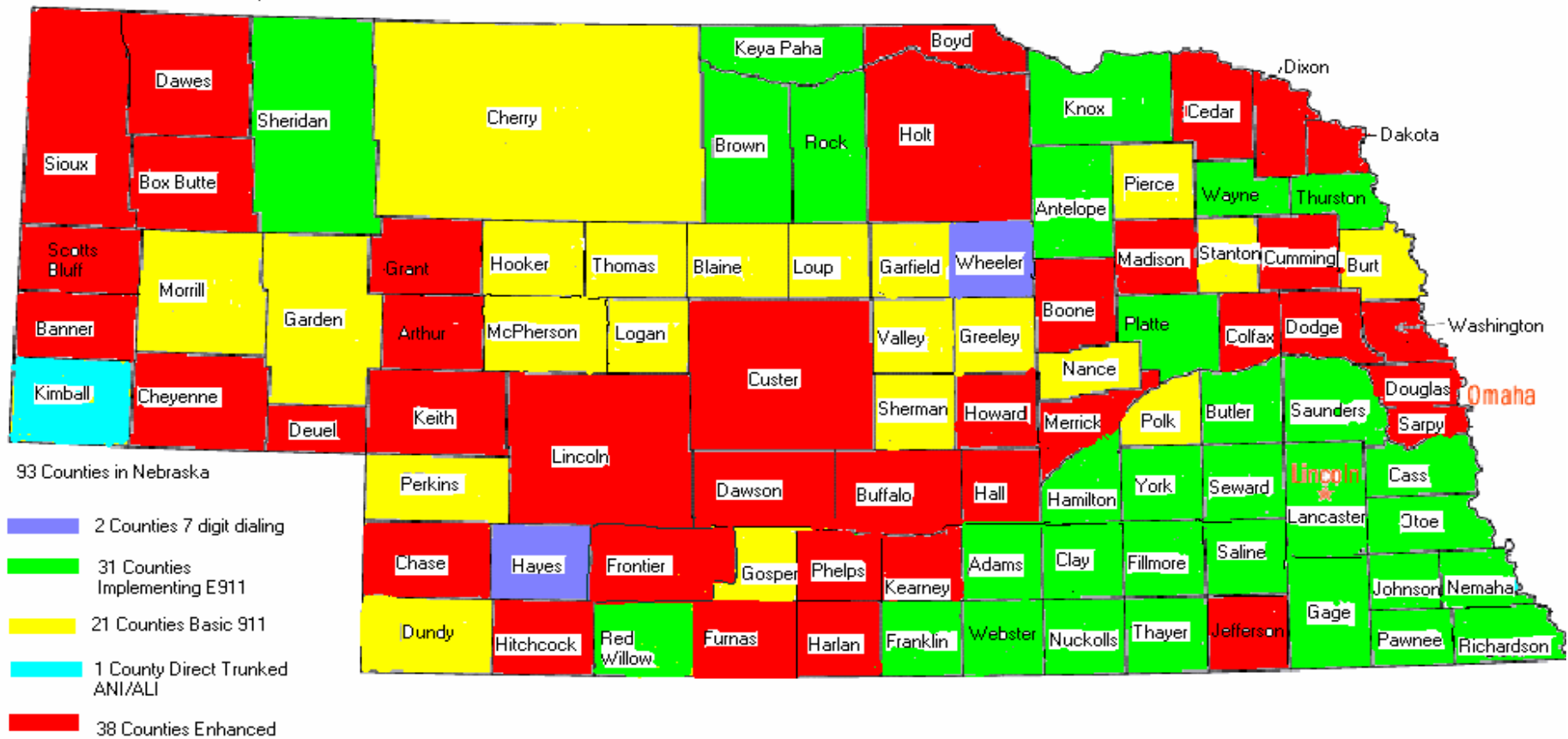
Basic 911: Emergency telephone system that connects 911 callers to a designated PSAP. Call routing is determined by originating central offices only. Basic 911 may or may not support ANI and/or ALI.

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

Pending Enhanced 911: PSAPs that are in the phase of implementing enhanced 911, which includes 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.

Status of Landline 911



Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Adams	Alltel		X		0.50	39.29	Gage/Beatrice	No
Ainsworth	NT&T	X			0.50	47.00	Brown/Ainsworth – FD	No
Ainsworth	Qwest	X			0.00	0.00	Brown/Ainsworth - FD	No
Albion	Citizens	X			1.00	1,616.00	Boone/Albion	No
Albion	NT&T	X			1.00	3.00	Boone/Albion	No
Alda	Ionex			X	0.50	1.67	Hall/Grand Island	Yes
Alexandria	Alltel		X		0.50	76.03	Thayer/Hebron	No
Allen	NebCom, Inc.	X			0.50	313.44	Dixon/Ponca	Yes
Alliance	Ionex			X	1.00	220.83	Box Butte/Alliance	Yes
Alliance	NT&T			X	0.50	2.50	Box Butte/Alliance	Yes
Alliance	Qwest			X	0.50	2,235.00	Box Butte/Alliance	Yes
Alma	Citizens		X		1.00	896.37	Harlan/Alma	No
Alma	NT&T		X		1.00	68.00	Harlan/Alma	No
Amherst	Citizens	X			0.65	180.83	Buffalo/Kearney	No
Anselmo	Consolidated	X			1.00	222.70	Custer/Broken Bow	Yes
Ansley	Nebraska Central	X			0.75	382.00	Loup/Taylor	Yes
Arapahoe	Arapahoe			X	1.00	794.00	Furnas/Beaver City	Yes
Arapahoe	Ionex			X	1.00	0.75	Furnas/Beaver City	Yes
Arcadia	Nebraska Central	X			0.75	250.00	Loup/Taylor	Yes
Archer	Great Plains	X			1.00	103.00	Merrick - CS/Central City	Yes
Arlington-City	Arlington			X	0.75	462.00	Washington/Blair	Yes
Arlington-Rural	Arlington			X	1.00	522.00	Washington/Blair	Yes
Arnold	Great Plains	X			1.00	692.00	Custer - CS/Broken Bow	No
Arthur	Consolidated	X			0.60	129.98	Keith/Ogallala	Yes
Ashby	Consolidated	X			1.00	90.49	Keith/Ogallala	Yes
Ashland	Alltel		X		0.50	1,179.77	Saunders/Wahoo	No
Ashton	Nebraska Central	X			0.75	140.00	Loup/Taylor	Yes
Atkinson	Qwest	X			1.00	4,316.00	Holt/O'Neill	Yes
Atkinson/O'Neill	NT&T	X			1.00	2.00	Holt/O'Neill	Yes
Atlanta	Qwest			X	1.00	276.00	Phelps/Holdrege	No
Auburn	Alltel		X		0.50	1,256.17	Nemaha/Auburn	No
Auburn	NT&T		X		0.50	7.50	Nemaha/Auburn	No
Aurora	Hamilton			X	0.75	2,796.19	Hamilton/Aurora	No
Avoca	Alltel		X		1.00	237.69	Cass/Plattsmouth	No
Axtell	Ionex			X	1.00	0.08	Kearney/Minden	Yes
Axtell	Qwest			X	1.00	467.00	Kearney/Minden	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Bancroft	Great Plains			X	1.00	495.00	Cuming – CS/West Point	Yes
Barneston	Alltel		X		0.50	12.77	Gage/Beatrice	No
Bartlett (7 Digit)	Northeast	N/A	N/A	N/A	0.00	0.00	Wheeler/Bartlett	No
Bartley	Cambridge	X			0.00	0.00	Red Willow/Bartley - FD	No
Bassett	Rock County	X			0.00	0.00	Rock/Bassett	No
Battle Creek	Citizens	X			1.00	517.45	Madison/Madison	No
Bayard	Sprint	X			1.00	941.00	Morrill/Bridgeport	No
Beatrice	Alltel		X		0.75	6,044.78	Gage/Beatrice	No
Beatrice	NT&T		X		0.75	104.25	Gage/Beatrice	No
Beaver City	Citizens			X	1.00	514.44	Furnas/Beaver City	No
Beaver City	NT&T			X	0.50	6.00	Furnas/Beaver City	No
Beaver Crossing	Alltel		X		1.00	340.52	Seward/Seward	No
Beemer	Great Plains			X	1.00	572.00	Cuming – CS/West Point	Yes
Belden	Eastern			X	1.00	111.00	Cedar/Hartington	Yes
Belgrade	Great Plains	X			0.50	80.50	Nance/Belgrade - FD	No
Belgrade	Ionex	X			0.50	3.67	Nance/Belgrade – FD	No
Bellevue	Alltel-CLEC			X	1.00	1,102.15	Sarpy/Papillion	Yes
Bellevue	Cox NE TelecomII			X	1.00	12,084.74	Sarpy/Papillion	Yes
Bellevue	Ionex			X	1.00	14.92	Sarpy/Papillion	Yes
Bellevue	Qwest			X	1.00	11,353.00	Sarpy/Papillion	Yes
Bellwood	Alltel		X		1.00	390.84	Butler/David City	No
Benedict	Alltel		X		0.50	123.21	York/York	Yes
Benkelman	Benkelman	X			0.00	0.00	Dundy –CS/Benkelman	Yes
Bennet	Alltel		X		0.50	318.78	Lancaster/Lincoln	No
Bennington	Ionex			X	0.50	0.79	Douglas/Omaha	Yes
Bennington	McLeod USA			X	0.50	26.50	Douglas/Omaha	Yes
Bennington	Qwest			X	0.50	558.00	Douglas/Omaha	Yes
Bertrand	Citizens	X			1.00	648.00	Gosper & Phelps/ Holdrege	Yes
Big Springs	Qwest			X	0.50	231.00	Deuel/Ogallala	Yes
Bingham	Consolidated	X			1.00	51.71	Keith/Ogallala	Yes
Blair-426 City	Blair			X	.75	3,039.75	Washington/Blair	Yes
Blair-426 Rural	Blair			X	1.00	1,314.00	Washington/Blair	Yes
Blair-533 City	Blair			X	.75	763.00	Washington/Blair	Yes
Blair-533 Rural	Blair			X	1.00	384.00	Washington/Blair	Yes
Bloomfield (Cedar Co.)	Great Plains			X	1.00	2.00	Cedar - CS/Hartington	Yes
Bloomfield (Knox Co.)	Great Plains	X			1.00	1,251.00	Knox - CS/Center	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Bloomington	Citizens			X	1.00	296.11	Franklin/Franklin	No
Boelus	Ionex			X	1.00	1.67	Howard/St. Paul	Yes
Boelus	Nebraska Central			X	1.00	185.00	Howard/St. Paul	Yes
Boys Town	Ionex			X	0.50	0.21	Douglas/Omaha	Yes
Boystown/Omaha/Ralston	Qwest			X	0.50	100,121.00	Douglas/Omaha	Yes
Bradshaw	Alltel		X		0.50	128.98	York/York	Yes
Brady	Consolidated			X	1.00	535.20	Dawson/Gothenburg	Yes
Brainard	Alltel		X		1.00	388.98	Butler/David City	No
Brewster	Consolidated	X			0.75	91.55	Loup/Taylor	No
Bridgeport	Ionex	X			1.00	88.58	Morrill/Bridgeport	Yes
Bridgeport	Qwest	X			1.00	1,327.00	Morrill/Bridgeport	Yes
Bristow	NebCom, Inc.	X			1.00	99.00	Holt/O'Neill	Yes
Broadwater	Sprint	X			1.00	173.00	Morrill/Bridgeport	No
Brock	Alltel		X		0.50	69.53	Nemaha/Auburn	No
Broken Bow	Ionex			X	0.50	8.50	Custer/Broken Bow	Yes
Broken Bow	NT&T			X	0.50	4.50	Custer/Broken Bow	Yes
Broken Bow	Qwest			X	1.00	2,818.00	Custer/Broken Bow	Yes
Brownlee	Consolidated	X			0.50	43.29	Thomas/Thedford	Yes
Brownville	Alltel		X		0.50	94.42	Nemaha/Auburn	No
Brule	Arapahoe	X			1.00	355.00	Keith/Ogallala	Yes
Bruning	Alltel		X		0.50	151.11	Thayer/Hebron	No
Bruno	Alltel		X		1.00	193.56	Butler/David City	No
Brunswick	Citizens	X			0.50	150.80	Antelope/Neligh	No
Brunswick	Ionex	X			0.50	2.50	Antelope/Neligh	No
Burchard	Alltel		X		0.60	48.84	Johnson/Tecumseh	Yes
Burr	Alltel		X		0.50	114.09	Otoe/Nebraska City	No
Burwell	Nebraska Central	X			0.75	1,014.00	Loup/Taylor	Yes
Bushnell	SKT			X	1.00	196.00	Kimball/Kimball	Yes
Butte	NebCom, Inc.	X			1.00	361.16	Holt/O'Neill	Yes
Byron & S Byron (KS)	Great Plains			X	0.50	95.50	Thayer - CS/Hebron	Yes
Cairo	McLeod USA			X	0.50	18.00	Hall/Grand Island	Yes
Cairo	Qwest			X	0.50	164.00	Hall/Grand Island	Yes
Callaway	Great Plains	X			0.00	0.00	Custer/Callaway - FD	No
Cambridge	Cambridge			X	1.00	1,106.00	Furnas/Beaver City	Yes
Carleton	Alltel		X		0.50	60.92	Thayer/Hebron	No
Carleton	Ionex		X		0.50	1.75	Thayer/Hebron	No
Carroll	Eastern	X			.50	144.00	Wayne/Wayne	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Cedar Bluffs	Alltel		X		0.50	242.13	Saunders/Wahoo	No
Cedar Rapids	Great Plains	X			1.00	378.00	Boone - CS/Albion	Yes
Center	Great Plains	X			1.00	152.00	Knox - CS/Center	Yes
Central City	Ionex			X	0.50	8.25	Merrick/Central City	Yes
Central City	McLeod USA			X	1.00	99.00	Merrick/Central City	Yes
Central City	NT&T			X	1.00	6.00	Merrick/Central City	Yes
Central City	Qwest			X	1.00	2,919.00	Merrick/Central City	Yes
Ceresco	Alltel		X		0.50	286.75	Saunders/Wahoo	No
Chadron	Ionex			X	1.00	180.50	Dawes/Chadron	Yes
Chadron	McLeod USA			X	1.00	146.00	Dawes/Chadron	Yes
Chadron	NT&T			X	1.00	1.00	Dawes/Chadron	Yes
Chadron	Qwest			X	1.00	3,709.00	Dawes/Chadron	Yes
Chambers	K&M	X			1.00	1.00	Holt/Chambers - FD	Yes
Chambers	K&M	X			1.00	12.00	Holt/Chambers - FD	Yes
Chambers	K&M	X			.50	113.50	Holt/Chambers - FD	Yes
Chambers	K&M	X			.50	125.50	Holt/Chambers - FD	Yes
Chapman	Great Plains	X			1.00	415.00	Merrick - CS/Central City	Yes
Chappell	Sprint			X	1.00	850.00	Keith/Ogallala	No
Chester/(Hubbell)	Great Plains			X	0.50	170.00	Thayer - CS/Hebron	Yes
Chester/(Reynolds)	Great Plains			X	0.50	65.00	Jefferson (Ambulance Dist. #33)/Fairbury	Yes
Clarks	Clarks			X	1.00	436.00	Merrick/Central City	Yes
Clarkson	Ionex			X	1.00	13.75	Colfax/Schuylar	Yes
Clarkson	Qwest			X	1.00	1,623.00	Colfax/Schuylar	Yes
Clatonia	Alltel		X		0.50	19.48	Gage/Beatrice	No
Clay Center	Alltel		X		0.50	306.43	Clay/Clay Center	No
Clay Center	NT&T			X	0.50	1.50	Clay/Clay Center	No
Clearwater	Northeast	X			0.50	259.83	Antelope/Neligh	Yes
Cody/N Cody	Great Plains	X			0.00	0.00	Cherry - CS/Valentine	Yes
Coleridge	Northeast			X	1.00	537.68	Cedar/Hartington	Yes
Colon	Alltel		X		0.50	69.79	Saunders/Wahoo	No
Columbus	Citizens	X			0.50	6,924.00	Platte/Columbus	No
Columbus	Ionex	X			0.50	163.96	Platte/Columbus	No
Columbus	NT&T	X			0.50	261.00	Platte/Columbus	No
Comstock	Nebraska Central	X			1.00	121.00	Custer/Broken Bow	Yes
Cook	Alltel		X		0.50	80.62	Johnson/Tecumseh	No
Cordova	Alltel		X		1.00	135.26	Seward/Seward	No
Cortland	Alltel		X		0.50	38.00	Gage/Beatrice	No

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Cotesfield	Great Plains			X	1.00	97.00	Howard - CS/St. Paul	Yes
Cozad	Cozad			X	.25	785.00	Dawson/Cozad	Yes
Crab Orchard	Alltel		X		0.50	20.63	Johnson/Tecumseh	No
Craig	Northeast			X	0.50	308.94	Burt/Tekamah	Yes
Crawford	McLeod USA			X	1.00	39.00	Dawes/Chadron	Yes
Crawford/Whitney	Ionex			X	1.00/0.50	29.17	Dawes/Chadron	Yes
Crawford/Whitney	Qwest			X	1.00	847.00	Dawes/Chadron	Yes
Creighton	Great Plains	X			1.00	1,021.00	Knox - CS/Center	Yes
Crete	Alltel		X		0.50	2,850.50	Saline/Crete	No
Crete	NT&T		X		0.50	13.50	Saline/Crete	No
Crofton (Cedar Co.)	Great Plains			X	1.00	180.00	Cedar - CS/Hartington	Yes
Crofton (Knox Co.)	Great Plains	X			1.00	799.00	Knox - CS/Center	Yes
Crookston/N Crookston(SD) 7-Digit	Great Plains	N/A	N/A	N/A	0.00	0.00	Cherry - CS/Valentine	No
Culbertson	Great Plains	X			0.50	295.00	Hitchcock - CS/Fremont	No
Curtis	Curtis			X	1.00	800.00	Frontier/Curtis	Yes
Dakota City	Ionex			X	1.00	0.08	Dakota/S. Sioux City	Yes
Dakota City/S. Sioux City	Qwest			X	1.00	7,820.00	Dakota/S. Sioux City	Yes
Dalton	SKT			X	1.00	370.00	Cheyenne/Sidney	Yes
Danbury	Hartman			X	0.75	18.75	Oberlin, KS	No
Dannebrog	Nebraska Central			X	1.00	374.00	Howard/St. Paul	Yes
Davenport	Alltel		X		0.50	157.25	Thayer/Hebron	No
Davey	Alltel		X		0.50	199.04	Lancaster/Lincoln	No
David City	Alltel		X		1.00	1,786.70	Butler/David City	No
David City	NT&T		X		1.00	63.00	Butler/David City	No
Dawson	Alltel		X		0.50	154.79	Johnson/Tecumseh	Yes
Daykin	Alltel		X		1.00	223.13	Jefferson/Fairbury	No
Decatur	NebCom, Inc.			X	0.50	440.42	Burt/Tekamah	No
Denton	Alltel		X		0.50	230.10	Lancaster/Lincoln	No
Deshler	Great Plains			X	0.50	351.50	Thayer - CS/Hebron	Yes
Deweese	Alltel		X		0.50	68.84	Clay/Clay Center	No
DeWitt	Alltel		X		0.50	176.56	Saline/Wilber	Yes
Diller	Diller			X	1.00	288.00	Jefferson/Fairbury	Yes
Dix	SKT			X	1.00	209.00	Kimball/Kimball	Yes
Dixon/Concord	Northeast			X	1.00	326.39	Cedar/Hartington	Yes
Dodge	Alltel		X		0.50	0.00	Dodge/Fremont	No
Dodge	Great Plains		X		0.50	320.00	Dodge - CS/Fremont	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Dodge	Ionex		X		0.50	0.46	Fremont	Yes
Doniphan	Hamilton			X	0.50	430.08	Hall/Grand Island	Yes
Dorchester	Alltel		X		0.50	164.67	Saline/Wilber	Yes
Douglas	Alltel		X		0.50	204.80	Otoe/Nebraska City	No
DuBois	Alltel		X		0.60	47.90	Johnson/Tecumseh	Yes
Dunbar	Alltel		X		0.50	273.06	Otoe/Nebraska City	No
Duncan	Citizens			X	0.00	0.00	Platte/Columbus	No
Dunning	Consolidated	X			0.75	114.44	Loup/Taylor	No
Dwight	Alltel		X		1.00	191.70	Butler/David City	No
Eagle	Alltel		X		0.50	428.31	Lancaster/Lincoln	No
East Lyman	Sprint			X	1.00	268.00	Scottsbluff/Gering	Yes
Edgar	Alltel		X		0.50	189.31	Clay/Clay Center	No
Edison	Citizens			X	1.00	172.39	Furnas/Beaver City	No
Elba	Nebraska Central			X	1.00	172.00	Howard/St. Paul	Yes
Elgin	Great Plains			X	0.50	406.50	Antelope - CS/Neligh	Yes
Elk Creek	Alltel		X		1.00	32.01	Johnson/Tecumseh	No
Elkhorn	Cox NE Telecom II			X	0.50	138.00	Douglas/Omaha	Yes
Elkhorn	Ionex			X	0.50	3.83	Douglas/Omaha	Yes
Elkhorn	McLeod USA			X	0.50	64.50	Dodge/Fremont	Yes
Elkhorn/Waterloo	Qwest			X	0.50	2,038.00	Douglas/Omaha	Yes
Elm Creek	Ionex			X	0.65	0.60	Buffalo/Kearney	Yes
Elm Creek	McLeod USA			X	0.65	23.40	Buffalo/Kearney	Yes
Elm Creek	Qwest			X	0.65	510.00	Buffalo/Kearney	Yes
Elmwood	Alltel		X		1.00	519.21	Cass/Plattsmouth	No
Elsie	SKT	X			1.00	236.00	Perkins/Grant	Yes
Elwood	Ionex		X		0.50	1.88	Gosper/Lexington	Yes
Elwood	Qwest	X			1.00	1,083.00	Gosper/Lexington	Yes
Emerson	Ionex			X	1.00	3.75	Dakota/S. Sioux City	Yes
Emerson	Qwest			X	1.00	602.00	Dakota/S. Sioux City	Yes
Ericson	Nebraska Central	X			0.75	142.00	Loup/Taylor	Yes
Eustis	Consolidated	X			1.00	540.36	Frontier/Curtis	Yes
Ewing	Great Plains	X			1.00	372.00	Holt - CS/O'Neill	Yes
Exeter	Alltel		X		0.75	340.89	Fillmore/Geneva	No
Fairbury	Alltel		X		1.00	2,994.24	Jefferson/Fairbury	No
Fairbury	NT&T		X		1.00	80.00	Jefferson/Fairbury	No
Fairfield	Alltel		X		0.50	167.32	Clay/Clay Center	No
Fairmont	Alltel		X		0.75	307.94	Fillmore/Geneva	No
Falls City	Southeast			X	0.30	1,017.00	Richardson/Falls City	No

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Farnum	Arapahoe	X			1.00	201.00	Frontier/Curtis	Yes
Farwell	Qwest			X	1.00	160.00	Howard/St. Paul	Yes
Filley	Alltel		X		0.50	16.98	Gage/Beatrice	No
Firth	Alltel		X		0.50	247.26	Lancaster/Lincoln	No
Franklin	Citizens			X	0.65	426.66	Franklin/Franklin	No
Fremont	Alltel-CLEC			X	0.50	158.37	Dodge/Fremont	Yes
Fremont	Ionex			X	0.50	4.13	Dodge/Fremont	Yes
Fremont	McLeod USA			X	0.50	235.00	Dodge/Fremont	Yes
Fremont	NT&T			X	0.50	64.50	Dodge/Fremont	Yes
Fremont	Qwest			X	0.50	7,806.00	Dodge/Fremont	Yes
Friend	Alltel		X		0.50	296.54	Saline/Wilber	Yes
Friend	NT&T		X		0.75	57.75	Saline/Wilber	Yes
Ft. Calhoun-City	Blair			X	0.75	387.00	Washington/Blair	Yes
Ft. Calhoun-Rural	Blair			X	1.00	516.00	Washington/Blair	Yes
Fullerton	Ionex		X		0.50	2.04	Nance/Fullerton	Yes
Fullerton	NT&T	X			0.50	2.50	Nance/Fullerton	Yes
Fullerton	Qwest	X			0.50	488.00	Nance/Fullerton	Yes
Funk	Glenwood			X	1.00	312.00	Phelps/Holdrege	Yes
Garland	Alltel		X		1.00	262.01	Seward/Seward	No
Geneva	Alltel		X		0.75	1,296.22	Fillmore/Geneva	No
Geneva	NT&T		X		0.50	19.50	Fillmore/Geneva	No
Genoa	Citizens	X			0.50	333.50	Platte & Nance/Fullerton	Yes
Genoa	Ionex	X			0.50	12.29	Nance/Fullerton	Yes
Gering	Sprint			X	1.00	4,979.00	Scottsbluff/Gering	No
Gibbon	Nebraska Central			X	0.65	872.00	Buffalo/Kearney	Yes
Giltner	Hamilton			X	0.75	275.75	Hamilton/Aurora	No
Glenvil	Alltel		X		0.50	171.14	Clay/Clay Center	No
Gordon/N Gordon (SD)	Great Plains	X			0.50	843.50	Sheridan - CS/Rushville	No
Gothenburg	Ionex			X	0.50	17.29	Dawson/Gothenburg	Yes
Gothenburg	McLeod USA			X	1.00	99.00	Dawson/Gothenburg	Yes
Gothenburg	Qwest			X	1.00	2,425.00	Dawson/Gothenburg	Yes
Grafton	Alltel		X		0.75	100.98	Fillmore/Geneva	No
Grand Island	Alltel-CLEC			X	0.50	1,532.28	Hall/Grand Island	Yes
Grand Island	McLeod USA			X	0.50	337.50	Hall/Grand Island	Yes
Grand Island	NT&T			X	0.50	91.50	Hall/Grand Island	Yes
Grand Island/Alda	Ionex			X	0.50	93.38	Hall/Grand Island	Yes
Grand Island/Alda	Qwest			X	0.50	7,691.00	Hall/Grand Island	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Grant	Great Plains	X			1.00	1,180.00	Perkins - CS/Grant	No
Greeley	Citizens	X			0.00	0.00	Greeley/Taylor	No
Greeley	NT&T	X			0.75	4.50	Greeley/Taylor	No
Greenwood	Alltel		X		0.50	149.17	Lancaster/Lincoln	No
Gresham	Alltel		X		0.50	125.62	York/York	Yes
Gretna	Cox NE Telecom II			X	1.00	24.33	Sarpy/Papillion	Yes
Gretna	Ionex			X	1.00	0.92	Sarpy/Papillion	Yes
Gretna	McLeod USA			X	1.00	143.00	Sarpy/Papillion	Yes
Gretna	Qwest			X	1.00	2,305.00	Sarpy/Papillion	Yes
Guide Rock	Alltel		X		0.50	136.95	Nuckolls/Nelson	No
Gurley	SKT			X	1.00	215.00	Cheyenne/Sidney	Yes
Haigler (911 to 7 Digit @ firehouse)	Hartman	N/A	N/A	N/A	0.00	0.00	Dundy/Haigler - FD	No
Hallam	Alltel		X		0.50	114.84	Lancaster/Lincoln	No
Halsey	Consolidated	X			0.50	46.17	Loup/Theford	Yes
Hampton	Hamilton			X	0.75	337.44	Hamilton/Aurora	No
Hansen	Alltel		X		0.50	79.75	Adams/Hastings	Yes
Harbine	Diller			X	1.00	125.00	Jefferson/Fairbury	Yes
Hardy	Alltel		X		0.50	88.68	Nuckolls/Nelson	No
Harrison	McLeod USA			X	1.00	10.00	Dawes/Chadron	Yes
Harrison	Qwest			X	0.50	173.00	Sioux/Chadron	Yes
Hartington	Hartington			X	1.00	1,605.66	Cedar/Hartington	Yes
Harvard	Alltel		X		0.50	279.66	Clay/Clay Center	No
Hastings	Alltel		X		0.50	3,516.27	Adams/Hastings	Yes
Hastings	NT&T		X		0.50	24.75	Adams/Hastings	Yes
Hay Springs	Great Plains	X			0.50	315.00	Sheridan - CS/Duckville	No
Hayes Center	Great Plains	X			0.50	159.50	Hitchcock - CS/Trenton	Yes
Heartwell	Citizens			X	0.00	0.00	Kearney/Minden	No
Hebron	Alltel		X		0.50	661.10	Thayer/Hebron	No
Hebron	NT&T		X		0.50	.50	Thayer/Hebron	No
Hemingford	Hemingford Coop			X	0.50	546.34	Box Butte/Alliance	Yes
Henderson	Mainstay			X	0.50	531.50	York/York	Yes
Hendley	Arapahoe			X	1.00	54.00	Furnas/Beaver City	Yes
Herman	Great Plains	X			0.75/1.00	445.75	Washington - CS/Blair	Yes
Hershey	Hershey Coop			X	1.00	805.00	Lincoln/North Platte	Yes
Hickman	Alltel		X		0.50	405.43	Lancaster/Lincoln	No
Hildreth	Citizens			X	1.00	797.05	Franklin/Franklin	No
Holbrook	Arapahoe			X	1.00	212.00	Furnas/Beaver City	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Holdrege	Ionex			X	1.00	25.00	Phelps/Holdrege	No
Holdrege	NT&T			X	1.00	73.00	Phelps/Holdrege	No
Holdrege	Qwest			X	1.00	9,623.00	Phelps/Holdrege	No
Homer	Qwest			X	1.00	602.00	Dakota/S. Sioux City	Yes
Hooper	Hooper			X	1.00	91.00	Dodge/Fremont	Yes
Hooper & Uehling	Hooper			X	0.50	603.00	Dodge/Fremont	Yes
Hordville	Hamilton			X	0.75	115.10	Hamilton/Aurora	No
Hoskins	Pierce	X			0.50	200.00	Madison/Norfolk	Yes
Howells	Ionex			X	0.50	19.46	Colfax/Schuyler	Yes
Howells	Qwest			X	1.00	1,557.00	Colfax/Schuyler	Yes
Humboldt	Alltel		X		0.50	608.69	Johnson/Tecumseh	Yes
Humphrey/Creston	Ionex			X	0.50	14.25	Platte/Columbus	Yes
Humphrey/Creston	Qwest			X	0.50	503.00	Platte/Columbus	Yes
Huntley	Great Plains	X			1.00	60.00	Harlan/Alma	No
Hyannis	Consolidated	X			1.00	374.88	Keith/Ogallala	Yes
Imperial	Great Plains	X			1.00	2,070.00	Case - CS/Imperial	Yes
Indianola/(Frontier Co.)	Great Plains	X			1.00	30.00	Frontier - CS/Curtis	No
Indianola/(Red Willow County)	Great Plains	X			0.00	0.00	Red Willow/Indianola - FD	No
Inman	K&M	X			1.00	3.00	Holt/Inman - FD	Yes
Inman	K&M	X			1.00	176.00	Holt/Inman - FD	Yes
Inman	K&M	X			1.00	8.00	Holt/Inman - FD	Yes
Ithaca	Alltel		X		0.50	75.96	Saunders/Wahoo	No
Jackson/Hubbard	Northeast			X	1.00	672.26	Dakota/S. Sioux City	Yes
Jansen	Alltel		X		1.00	152.22	Jefferson/Fairbury	No
Johnson	Alltel		X		0.50	177.10	Nemaha/Auburn	No
Johnstown (7 Digit)	Three River Telco	N/A	N/A	N/A	0.00	0.00	Brown/Ainsworth - FD	No
Julian	Alltel		X		0.50	37.58	Johnson/Auburn	No
Juniata	Alltel		X		0.50	128.79	Adams/Hastings	Yes
Kearney	Alltel-CLEC			X	0.65	174.94	Buffalo/Kearney	Yes
Kearney	Citizens			X	0.65	11,090.60	Buffalo & Kearney/ Kearney	Yes
Kearney	Ionex			X	1.00	71.92	Buffalo/Kearney	No
Kearney	NT&T			X	0.65	547.95	Buffalo/Kearney	Yes
Kenesaw	Alltel		X		0.50	126.65	Adams/Hastings	Yes
Kennard-City	Blair			X	0.75	126.00	Washington/Blair	Yes
Kennard-Rural	Blair			X	1.00	179.00	Washington/Blair	Yes
Keystone	Keystone-Arthur			X	1.00	227.00	Keith/Ogallala	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Kilgore/N Kilgore, (SD) (7 Digit)	Great Plains	N/A	N/A	N/A	0.00	0.00	Cherry/Kilgore - FD	No
Kimball	Ionex	X			1.00	0.83	Kimball/Kimball	No
Kimball	Sprint	X			1.00	2,058.00	Kimball/Kimball	No
La Vista	Ionex			X	1.00	3.67	Sarpy/Papillion	Yes
Laurel	Ionex			X	1.00	2.92	Cedar/Laurel	Yes
Laurel	McLeod USA			X	1.00	27.00	Cedar/Laurel	Yes
Laurel	Qwest			X	1.00	733.00	Cedar/Laurel	Yes
LaVista/Millard/Papillion	Qwest			X	1.00	31,840.00	Sarpy/Papillion	Yes
LaVista/Papillion	Cox NE TelecomI			X	1.00	3,556.75	Sarpy/Papillion	Yes
Lebanon (911 to 7 Digit @ firehouse)	Hartman	N/A	N/A	N/A	0.00	0.00	Red Willow/Lebanon - FD	No
Leigh	Citizens			X	1.00	426.00	Platte/Columbus	No
Leigh	Ionex			X	1.00	9.83	Colfax/Schuyler	Yes
Lemoyme	Keystone-Arthur			X	1.00	402.00	Keith/Ogallala	Yes
Lewellen (Garden Co.)	Sprint	X			1.00	366.00	Garden/Oshkosh	Yes
Lewellen (Keith Co.)	Sprint	X			1.00	12.00	Garden/Oshkosh	No
Lexington	Ionex			X	0.50	93.04	Dawson/Lexington	Yes
Lexington	McLeod USA			X	1.00	175.00	Dawson/Gothenburg	Yes
Lexington	Qwest			X	1.00	4,766.00	Dawson/Lexington	Yes
Lexington/Gothenburg	NT&T			X	1.00	257.00	Dawson/Lexington	Yes
Liberty	Alltel		X		0.50	11.64	Gage/Beatrice	No
Liberty	NT&T		X		0.50	.50	Gage/Beatrice	No
Lincoln	Alltel		X		0.50	66,420.62	Lancaster/Lincoln	No
Lincoln	Ionex		X		0.50	0.08	Lancaster/Lincoln	No
Lincoln	NT&T		X		0.50	694.50	Lancaster/Lincoln	No
Lindsay	Citizens			X	0.00	0.00	Platte/Columbus	No
Linwood	Northeast			X	1.00	144.33	Butler/David City	Yes
Litchfield	Nebraska Central	X			0.75	195.00	Loup/Taylor	Yes
Lodgepole	Ionex			X	1.00	1.92	Cheyenne/Sidney	Yes
Lodgepole	SKT			X	1.00	351.00	Cheyenne/Sidney	Yes
Long Pine (7 Digit)	NebCom, Inc.	N/A	N/A	N/A	0.00	0.00	Brown/Ainsworth – FD	No
Loomis	Arapahoe			X	1.00	346.00	Phelps/Holdrege	Yes
Louisville	Alltel		X		1.00	1,293.64	Cass/Plattsmouth	No
Loup City	Ionex			X	0.75	2.50	Sherman/Taylor	Yes
Loup City	Qwest			X	0.75	662.00	Sherman/Taylor	Yes
Lynch (7 Digit)	Three River Telco	N/A	N/A	N/A	1.00	338.00	Holt/O'Neil	Yes
Lyons	Qwest			X	1.00	795.00	Burt/Tekamah	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Macy	Eastern	N/A	N/A	N/A	1.00	367.00	Thurston/Macy	Yes
Madison	Citizens	X			1.00	845.28	Madison/Madison	No
Madison	NT&T			X	1.00	47.00	Madison/Madison	No
Madrid	Consolidated Telco	X			1.00	214.50	Perkins/Grant	No
Malcolm	Alltel		X		0.50	260.75	Lancaster/Lincoln	No
Marquette	Hamilton			X	0.75	260.23	Hamilton/Aurora	No
Martell	Alltel		X		0.50	165.93	Lancaster/Lincoln	No
Martinsburg	Northeast			X	1.00	96.00	Dixon/Ponca	Yes
Mason	Ionex	X			0.50	0.04	Custer/Broken Bow	Yes
Mason City	Nebraska Central	X			1.00	209.00	Custer/Broken Bow	Yes
Maxwell	Consolidated			X	1.00	379.53	Lincoln/North Platte	Yes
Maywood	Consolidated Telco			X	1.00	267.62	Frontier/Curtis	Yes
McCook	Ionex	X			0.00	0.00	Red Willow/McCook	No
McCook	Qwest	X			0.00	0.00	Red Willow/McCook	No
McCool Junction	Alltel		X		0.50	201.66	York/York	No
Mead	Alltel		X		0.50	227.88	Saunders/Wahoo	No
Mead	Ionex		X		0.50	0.13	Saunders/Wahoo	No
Meadow Grove	Eastern	X			1.00	312.00	Madison/Madison - CS	Yes
Merna	Consolidated	X			1.00	495.70	Custer/Broken Bow	No
Merriman	Great Plains	X			0.00	0.00	Cherry/Merriman - FD	No
Milford	Alltel		X		1.00	1,395.17	Seward/Seward	No
Milford	Ionex		X		1.00	0.08	Seward/Seward	No
Millard	Ionex			X	1.00	0.83	Sarpy/Papillion	Yes
Miller	Citizens	X			0.65	76.24	Buffalo/Franklin	No
Milligan	Alltel		X		0.75	211.98	Fillmore/Geneva	No
Minatare	Sprint			X	1.00	1,336.00	Scottsbluff/Gering	Yes
Minden	Ionex			X	1.00	12.00	Kearney/Minden	Yes
Minden	NT&T			X	1.00	25.00	Kearney/Minden	Yes
Minden	Qwest			X	1.00	1,977.00	Kearney/Minden	Yes
Mirage Flats	Great Plains	X			0.50	82.50	Sheridan -	No
Mitchell	Ionex			X	1.00	28.83	Scottsbluff/Gering	Yes
Mitchell	Sprint			X	1.00	1,564.00	Scottsbluff/Gering	Yes
Monroe	Citizens			X	0.00	0.00	Platte/Columbus	No
Monroe	Ionex			X	0.50	3.88	Platte/Columbus	No
Morrill	Sprint			X	1.00	1,313.00	Scottsbluff/Gering	Yes
Morsebluff	Northeast			X	0.50	119.05	Saunders/Wahoo	Yes
Mullen	Consolidated	X			0.75	387.48	Loup/Taylor	Yes
Murdock	Alltel		X		1.00	328.28	Cass/Plattsmouth	No

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Murray	Alltel		X		1.00	1,339.42	Cass/Plattsmouth	No
Naper	Three River Telco	X			1.00	196.00	Holt/O'Neil	Yes
Naponee	Citizens			X	1.00	273.85	Franklin/Franklin	No
Nebraska City	Alltel		X		0.50	4,537.32	Otoe/Nebraska City	No
Nebraska	NT&T		X		1.00	72.00	Otoe/Nebraska City	No
Nehawka	Alltel		X		1.00	257.17	Cass/Plattsmouth	No
Nehawka/Plattsmouth	NT&T		X		1.00	41.00	Cass/Plattsmouth	No
Neligh	Citizens	X			0.50	773.11	Antelope/Neligh	No
Neligh	Ionex	X			0.50	3.79	Antelope/Neligh	No
Neligh	NT&T	X			0.50	42.00	Antelope/Neligh	No
Nelson	Alltel		X		0.50	314.83	Nuckolls/Nelson	No
Nemaha	Alltel		X		0.50	65.77	Nemaha/Auburn	No
Newcastle	Northeast			X	1.00	350.13	Dixon/Ponca	Yes
Newman Grove	Citizens	X			1.00	408.36	Madison, Boone & Platte/Madison	No
Newport	Rock County	X			0.00	0.00	Rock/Bassett	No
Niobrara	Great Plains	X			1.00	584.00	Knox - CS/Center	Yes
Niobrara/Santee Res	Great Plains	X			0.00	0.00	Knox - CS/Center	Yes
No. Summerfield	Blue Valley			X	0.00	0.00	Marysville, KS	Yes
Norfolk	Ionex			X	0.50	212.96	Madison/Norfolk	Yes
Norfolk	NT&T			X	1.00	28.00	Madison/Norfolk	Yes
Norfolk	Qwest			X	1.00	14,998.00	Madison/Norfolk	Yes
Norman, Holstein, Roseland, Bladen, Lawrence, Blue Hill, Upland, Campbell.	Glenwood			X	1.00	2,367.00	Franklin/Campbell	Yes
North Bend	Great Plains			X	0.50	519.50	Dodge - CS/Fremont	Yes
North Bristow, SD (10 Digit)	NebCom, Inc.	N/A	N/A	N/A	0.00	0.00	Holt/O'Neill	Yes
North Burwell	Nebraska Central	X			0.75	79.00	Loup/Taylor	Yes
North Loup	Nebraska Central	X			0.75	235.00	Loup/Taylor	Yes
North Mahaska	JBN Telephone			X	0.00	0.00	Washington Co., KS/ Washington, KS	Yes
North Peetz	Peetz Coop			X	0.70	6.18	Sterling Hwy Patrol	Yes
North Platte	Alltel-CLEC			X	0.50	302.87	Lincoln/North Platte	Yes
North Platte	Ionex			X	0.50	169.79	Lincoln/North Platte	Yes
North Platte	NT&T			X	1.00	167.00	Lincoln/North Platte	Yes
North Platte	Qwest			X	1.00	14,287.00	Lincoln/North Platte	Yes
Oakdale	Great Plains			X	0.50	106.00	Antelope - CS/Neligh	Yes
Oakland	Qwest			X	1.00	1,042.00	Burt/Tekamah	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Obert/Maskell	Northeast			X	1.00	134.10	Cedar/Hartington	Yes
Oconto	Great Plains	X			1.00	206.00	Custer - CS/Broken Bow	No
Oconto (Eddyville)	Great Plains	X			0.50	102.00	Dawson -	Yes
Octavia	Alltel		X		1.00	112.60	Butler/David City	No
Odell	Diller			X	0.50	172.50	Gage/Beatrice	Yes
Ogallala	Ionex			X	1.00	161.33	Keith/Ogallala	Yes
Ogallala	NT&T			X	1.00	133.00	Keith/Ogallala	Yes
Ogallala	Qwest			X	1.00	3,783.00	Keith/Ogallala	Yes
Ohiowa	Alltel		X		0.75	118.16	Fillmore/Geneva	No
Omaha	Alltel-CLEC			X	0.50	3,993.28	Douglas/Omaha	Yes
Omaha	Cox NE TelecomII			X	0.50	26,319.00	Douglas/Omaha	Yes
Omaha	Houlton			X	0.50	749.50	Douglas/Omaha	Yes
Omaha	Ionex			X	0.50	812.58	Douglas/Omaha	Yes
Omaha	McLeod USA			X	0.50	4,021.50	Douglas/Omaha	Yes
Omaha	NT&T			X	0.50	209.50	Douglas/Omaha	Yes
Omaha	TCG			X	0.50	6,379.21	Douglas/Omaha	Yes
O'Neill	Qwest	X			1.00	3,531.00	Holt/O'Neill	Yes
Ong	Alltel		X		0.50	41.59	Clay/Clay Center	No
Orchard	Citizens	X			0.50	292.59	Holt & Antelope/Nalish	No
Ord	Citizens	X			0.00	0.00	Valley/Ord	No
Orleans	Citizens	X			1.00	324.71	Harlan/Alma	No
Osceola	Alltel	X			0.50	404.13	Polk/Osceola	No
Osceola	Ionex	X			0.50	0.46	Polk/Osceola	No
Osceola/Stromsburg	NT&T	X			0.50	3.50	Polk/Osceola	No
Oshkosh	Sprint	X			1.00	933.00	Garden/Oshkosh	No
Osmond	Eastern	X			1.00	613.00	Pierce/Osmond	Yes
Otoe	Alltel		X		0.50	139.34	Otoe/Nebraska City	No
Overton	Arapahoe			X	1.00	537.00	Dawson/Lexington	Yes
Oxford	Qwest			X	1.00	633.00	Furnas/Beaver City	Yes
Page	Great Plains	X			1.00	226.00	Holt - CS/O'Neill	Yes
Palisade	Great Plains	X			0.50	186.50	Hitchcock - CS/Trenton	Yes
Palmer	Citizens	X			1.00	168.00	Merrick & Nance/Central City	No
Palmyra	Alltel		X		0.50	577.92	Otoe/Nebraska City	No
Panama	Alltel		X		0.50	122.61	Lancaster/Lincoln	No
Papillion	Ionex			X	1.00	6.75	Sarpy/Papillion	Yes
Papillion/LaVista/Bellevue	NT&T			X	1.00	102.00	Sarpy/Papillion	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Pawnee City	Alltel		X		0.60	1,101.28	Johnson/Tecumseh	Yes
Pawnee City	NT&T				0.60	2.40	Johnson/Tecumseh	Yes
Paxton	Consolidated Telco			X	1.00	543.28	Keith/Ogallala	No
Pender	Qwest	X			1.00	1,144.00	Thurston/Pender	Yes
Peru	Alltel		X		0.50	430.31	Nemaha/Auburn	No
Petersburg	Great Plains	X			1.00	446.00	Boone – CS/Albion	Yes
Phillips	Hamilton			X	0.75	353.74	Hamilton/Aurora	No
Pickrell	Alltel		X		0.50	17.06	Gage/Beatrice	No
Pierce	Pierce	X			0.00	0.00	Pierce - CS/Pierce	No
Pilger	Ionex	X			1.00	13.67	Stanton/Norfolk	Yes
Pilger	Qwest	X			1.00	323.00	Stanton/Norfolk	Yes
Plainview	Plainview	X			0.50	585.00	Pierce/Plainview	No
Platte Center	Citizens			X	0.00	0.00	Platte/Columbus	No
Platte Center	Ionex			X	0.50	1.96	Platte/Columbus	No
Plattsmouth	Alltel		X		1.00	4,842.37	Cass/Plattsmouth	No
Pleasant Dale	Alltel		X		0.50	136.91	Lancaster/Lincoln	No
Pleasanton	Citizens	X			0.65	235.56	Buffalo/Kearney	No
Pleasanton	Ionex	X			0.65	0.65	Buffalo/Kearney	No
Plymouth	Alltel		X		1.00	415.05	Jefferson/Fairbury	Yes
Polk	Alltel	X			0.50	187.49	Polk/Osceola	No
Ponca	Great Plains	X			1.00	778.00	Dixon - CS/Ponca	Yes
Potter	Sprint	X			1.00	304.00	Cheyenne/Sidney	No
Prague	Northeast			X	0.50	229.31	Saunders/Wahoo	Yes
Primrose (7 digit)	Great Plains	N/A	N/A	N/A	1.00	101.00	Boone - CS/Albion	Yes
Purdum	Consolidated	X			0.75	80.11	Loup/Taylor	No
Ragan	Great Plains	X			1.00	86.00	Kearney – CS/Minden	Yes
Ralston	Cox NE TelecomII			X	0.50	332.33	Douglas/Omaha	Yes
Ralston	Ionex			X	0.50	1.17	Douglas/Omaha	Yes
Randolph	Ionex			X	1.00	3.83	Cedar/Laurel	Yes
Randolph	McLeod USA			X	1.00	42.00	Cedar/Laurel	Yes
Randolph	Qwest			X	1.00	739.00	Cedar/Laurel	Yes
Ravenna	Nebraska Central			X	0.65	764.00	Buffalo/Kearney	Yes
Raymond	Alltel		X		0.50	218.65	Lancaster/Lincoln	No
Red Cloud/ & S Red Cloud, KS	Great Plains			X	1.00	1,161.00	Franklin/Village of Campbell	Yes
Republican City	Citizens	X			1.00	261.48	Harlan/Alma	No
Rising City	Alltel		X		1.00	321.05	Butler/David City	No
Riverdale	Citizens	X			0.65	192.56	Buffalo/Kearney	No

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Rockville	Nebraska Central	X			0.75	65.00	Loup/Taylor	Yes
Rosalie	Eastern	X			1.00	141.00	Thurston/Pender	Yes
Rushville	Great Plains	X			0.50	439.00	Sheridan -	No
Ruskin	Alltel		X		0.50	80.28	Nuckolls/Nelson	No
S. Barneston, KS	Alltel		X		0.50	0.00	Gage/Beatrice	No
S. Hardy, KS	Alltel		X		1.00	0.00	Nuckolls/Nelson	No
S. Liberty, KS	Alltel		X		0.50	0.00	Gage/Beatrice	No
S. Sioux City	Ionex			X	1.00	53.50	Dakota/S. Sioux City	Yes
S. Sioux City	NT&T			X	1.00	2.00	Dakota/S. Sioux City	Yes
S. Superior, KS	Alltel		X		0.50	0.00	Nuckolls/Nelson	No
Sargent	Ionex	X			0.50	0.25	Custer/Broken Bow	Yes
Sargent	Nebraska Central	X			1.00	582.00	Custer/Broken Bow	Yes
Schuyler	Ionex			X	0.50	93.21	Colfax/Schuyler	Yes
Schuyler	NT&T	X			1.00	13.00	Colfax/Schuyler	Yes
Schuyler	Qwest			X	1.00	7,917.00	Colfax/Schuyler	Yes
Scotia	Nebraska Central	X			0.75	223.00	Loup/Taylor	Yes
Scottsbluff	Ionex			X	1.00	8.75	Scottsbluff/Gering	Yes
Scottsbluff	Sprint			X	1.00	12,733.00	Scottsbluff/Gering	Yes
Scribner	Great Plains			X	0.50	380.50	Dodge - CS/Fremont	Yes
Scribner	Ionex			X	0.50	0.04	Dodge - CS/Fremont	Yes
Seneca	Consolidated	X			0.50	31.74	Loup/Thedford	Yes
Seward	Alltel		X		1.00	3,879.05	Seward/Seward	Yes
Seward	NT&T		X		1.00	137.00	Seward/Seward	Yes
Shelby	Alltel	X			0.50	279.78	Polk/Osceola	No
Shelby	Ionex	X			0.50	0.92	Polk/Osceola	No
Shelton	Nebraska Central			X	0.65	528.00	Buffalo/Kearney	Yes
Shickley	Alltel		X		0.75	262.83	Fillmore/Geneva	No
Sidney	Ionex			X	1.00	246.83	Cheyenne/Sidney	Yes
Sidney	McLeod USA	X			1.00	102.00	Cheyenne/Sidney	Yes
Sidney	NT&T			X	1.00	37.00	Cheyenne/Sidney	Yes
Sidney	Qwest	X			1.00	4,529.00	Cheyenne/Sidney	Yes
Silver Creek	Ionex			X	1.00	7.92	Merrick/Central City	Yes
Silver Creek	McLeod USA			X	1.00	13.00	Merrick/Central City	Yes
Silver Creek	Qwest			X	1.00	570.00	Merrick/Central City	Yes
Snyder	Great Plains			X	0.50	180.50	Dodge - CS/Fremont	Yes
Sodtown	Sodtown	X			0.65	62.40	Buffalo/Kearney	Yes
South Ardmore	Golden West	X			0.00	0.00	Sheridan/Hot Springs	No

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Spalding	Great Plains	X			0.75	377.25	Region 26 Comm. Center/Taylor	Yes
Spencer	NebCom, Inc.	X			1.00	447.28	Holt/O'Neill	Yes
Springfield	Ionex			X	1.00	0.08	Sarpy/Papillion	Yes
Springfield	McLeod USA			X	1.00	17.00	Sarpy/Papillion	Yes
Springfield	Qwest			X	1.00	1,062.00	Sarpy/Papillion	Yes
Springview	Three River Telco	X			0.00	0.00	Keya Paha/Springview - FD	Yes
St. Edward	Great Plains	X			1.00	681.00	Boone/St. Edward - FD	Yes
St. Libory	Qwest			X	1.00	376.00	Howard/St. Paul	Yes
St. Paul	NT&T			X	1.00	4.00	Howard/St. Paul	Yes
St. Paul	Qwest			X	1.00	1,527.00	Howard/St. Paul	Yes
Stamford	Citizens	X			1.00	179.44	Furnas & Harlan/Alma	No
Stanton - City	Stanton	X			1.00	918.00	Madison/Madison	Yes
Stanton - Rural	Stanton	X			1.00	330.00	Madison/Madison	Yes
Staplehurst	Clarks			X	1.00	236.00	Seward/Seward	No
Stapleton	Great Plains	X			0.00	0.00	Logan/Stapleton - FD	No
Steele City	Alltel		X		1.00	86.04	Jefferson/Fairbury	No
Steinauer	Alltel		X		0.60	30.35	Johnson/Tecumseh	Yes
Sterling	Alltel		X		0.50	117.37	Johnson/Tecumseh	No
Sterling	Ionex		X		0.50	1.75	Johnson/Tecumseh	No
Stockham	Hamilton			X	0.75	51.75	Hamilton/Aurora	No
Stratton	Great Plains	X			0.50	192.00	Hitchcock -	No
Stromsburg	Alltel	X			0.50	462.90	Polk/Osceola	No
Stuart	NebCom, Inc.	X			1.00	583.30	Holt/O'Neill	Yes
Sumner	Citizens			X	0.50	71.50	Dawson/Lexington	No
Superior	Alltel		X		0.50	888.36	Nuckolls/Nelson	No
Superior	NT&T		X		0.50	1.50	Nuckolls/Nelson	No
Surprise	Alltel		X		1.00	88.40	Butler/David City	No
Sutherland	Great Plains			X	1.00	904.00	Lincoln/North Platte - PD	Yes
Sutton	Alltel		X		0.50	550.71	Clay/Clay Center	No
Swanton	Alltel		X		0.50	42.52	Saline/Wilber	Yes
Syracuse	Alltel		X		0.50	1,349.41	Otoe/Nebraska City	No
Table Rock	Alltel		X		0.60	63.78	Johnson/Tecumseh	Yes
Talmage	Alltel		X		0.50	226.30	Otoe/Nebraska City	No
Tamora	Alltel		X		1.00	209.04	Saunders/Seward	No
Taylor	Nebraska Central	X			0.75	228.00	Loup/Taylor	Yes
Tecumseh	Alltel		X		0.50	361.83	Johnson/Tecumseh	No

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Tecumseh	NT&T		X		0.50	2.00	Johnson/Tecumseh	No
Tekamah	NT&T			X	1.00	33.00	Burt/Tekamah	Yes
Tekamah	Qwest			X	1.00	1,544.00	Burt/Tekamah	Yes
Theford	Consolidated	X			0.50	167.36	Loup/Theford	Yes
Tilden	Citizens	X			1.00	440.92	Antelope/Neligh	No
Tilden	Ionex	X			0.50	9.58	Antelope/Neligh	No
Tobias	Alltel		X		0.50	54.77	Saline/Wilber	No
Trenton	Great Plains	X			0.50	284.00	Hitchcock -	No
Tri City	Southeast			X	0.30	188.00	Richardson/Falls City	No
Trumbull	Hamilton			X	0.75	138.55	Hamilton/Aurora	No
Tryon	Great Plains	X			0.00	0.00	McPherson/Tryon – FD	No
Uehling	Hooper			X	0.50	6.50	Dodge/Fremont	Yes
Uehling	Hooper			X	1.00	17.00	Dodge/Fremont	Yes
Uehling	Ionex			X	0.50	0.04	Dodge/Fremont	Yes
Ulysses	Clarks			X	1.00	279.00	Butler/David City	Yes
Unadilla	Alltel		X		0.50	280.54	Otoe/Nebraska City	No
Union	Alltel		X		1.00	402.31	Cass/Plattsmouth	No
Utica	Alltel		X		1.00	564.69	Seward/Seward	No
Valentine	Ionex	X			0.50	137.58	Cherry/Valentine	No
Valentine	Qwest	X			0.00	0.00	Cherry/Valentine	No
Valley	McLeod USA			X	0.50	30.50	Douglas/Omaha	Yes
Valley	Qwest			X	0.50	1,030.00	Douglas/Omaha	Yes
Valparaiso	Alltel		X		0.50	254.21	Lancaster/Lincoln	No
Venango & West Venango, CO	Great Plains	X			1.00	185.00	Perkins - CS/Grant	No
Verdel	Three River Telco	X			1.00	116.00	Knox – CS/Center	Yes
Verdigre	Great Plains	X			1.00	516.00	Knox - CS/Center	Yes
Virginia	Diller			X	0.50	45.50	Gage/Beatrice	Yes
Waco	Alltel		X		0.50	176.63	York/York	Yes
Wahoo	Alltel		X		0.50	1,316.98	Saunders/Wahoo	No
Wahoo	NT&T		X		0.50	24.00	Saunders/Wahoo	No
Wakefield	Ionex			X	0.50	1.38	Wayne/Wakefield	Yes
Wakefield	Qwest			X	1.00	674.00	Wayne/Wakefield	Yes
Wallace	Consolidated Telco			X	1.00	351.38	Lincoln/North Platte	No
Walnut	Great Plains	X			1.00	64.00	Knox - CS/Center	Yes
Walthill	Eastern	N/A	N/A	N/A	1.00	539.00	Thurston/Walthill	Yes
Waterbury	NebCom, Inc.	X			0.50	97.00	Dixon/Ponca	Yes
Waterloo	Ionex			X	0.50	2.29	Douglas/Omaha	Yes

Wireline 911/E911 Information

Exchange	LEC	Basic 911	ANI/ALI	E911	Monthly Surcharge	Monthly Revenue	PSAP County/PSAP City	Interlocal Agreement
Waterloo	McLeod USA			X	0.50	11.00	Douglas/Omaha	Yes
Wauneta	Wauneta	X			0.00	0.00	Chase/Imperial	No
Wausa/(Cedar Co.)	Great Plains	X			1.00	94.00	Cedar – CS/Hartington	Yes
Wausa/(Knox Co.)	Great Plains	X			1.00	555.00	Knox - CS/Center	Yes
Waverly	Alltel		X		0.50	657.18	Lancaster/Lincoln	No
Wayne	Ionex	X			0.50	36.79	Wayne/Wayne	Yes
Wayne	NT&T	X			1.00	5.00	Wayne/Wayne	Yes
Wayne	Qwest	X			1.00	2,417.00	Wayne/Wayne	Yes
Weeping Water	Alltel		X		1.00	886.45	Cass/Plattsmouth	No
Wellfleet	Consolidated Telco			X	1.00	157.18	Frontier/Curtis	Yes
West Point	Ionex			X	1.00	16.92	Cuming/West Point	Yes
West Point	Qwest			X	1.00	2,511.00	Cuming/West Point	Yes
Western	Alltel		X		0.50	92.24	Saline/Wilber	Yes
Weston/Malmo	Northeast			X	0.50	251.71	Saunders/Wahoo	Yes
White Clay	Golden West			X	0.50	27.00	Sheridan/Rushville	Yes
Whitman	Consolidated	X			1.00	129.29	Keith/Ogallala	Yes
Wilber	Alltel		X		0.50	455.45	Saline/Wilber	Yes
Wilcox	Great Plains	X			1.00	287.00	Kearney - CS/Minden	Yes
Wilsonville	Citizens			X	1.00	145.17	Furnas/Beaver City	No
Winnebago	Eastern	N/A	N/A	N/A	1.00	653.00	Thurston/Winnebago	Yes
Winnetoan	Great Plains	X			1.00	126.00	Knox - CS/Center	Yes
Winside	NebCom, Inc.	X			1.00	359.12	Wayne/Wayne	Yes
Wisner	Great Plains			X	1.00	1,176.00	Cuming - CS/West Point	Yes
Wolbach	Great Plains	X			1.00	271.00	Region 26 Comm. Center/Taylor	Yes
Wood River	Ionex			X	0.50	2.00	Hall/Grand Island	Yes
Wood River	Qwest			X	0.50	245.00	Hall/Grand Island	Yes
Woodlake (911 & 7 Digit)	Great Plains	X			0.00	0.00	Cherry – CS/Valentine & 7 digit to Woodlake	Yes
Wymore	Alltel		X		0.50	1,390.58	Gage/Beatrice	Yes
Wymore	NT&T		X		0.50	2.50	Gage/Beatrice	Yes
Wynot/(Fordyce, St. Helena)	Great Plains			X	1.00	696.00	Cedar – CS/Hartington	Yes
York	Alltel		X		0.50	2,749.40	York/York	Yes
York	NT&T		X		0.50	36.50	York/York	Yes
Yutan	Alltel		X		0.50	395.00	Saunders/Wahoo	No

PSAP Legend: CS="County Sheriff"; FD="Fire Department"; PD="Police Department."

B. Wireless E911

The Public Service Commission is responsible for administering the Enhanced Wireless 911 Fund, which provides funding to public safety answering points (PSAPs) and wireless carriers for implementation of wireless enhanced 911 service. Wireless enhanced 911 service allows PSAPs to identify and locate emergency calls originating from wireless phones. Upon application to the Commission, funds may be distributed to PSAPs throughout Nebraska and to wireless carriers for equipment and network upgrades necessary to process wireless calls. Funding is generated by a 50-cent monthly surcharge assessed on each wireless subscriber with a billing address in Nebraska. A 12-member advisory board, appointed by the Governor, assists the Commission with administration of the program.

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.

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.

FCC Requirements Overview

The Federal Communications Commission has developed wireless 911 rules that are intended to improve the quality and reliability of 911 emergency responses for wireless phone users. The FCC set forth three phases in which wireless 911 services should be implemented:

Wireless Phase 0

- Route the voice of the caller to the appropriate PSAP

Wireless Phase I

Wireless carrier provides a PSAP with:

- Call-back number of a wireless caller
- Location of the cell site or base station receiving the 911 call

Wireless Phase II

Wireless carrier provides a PSAP with:

- Call-back number of a wireless caller
- Location of the cell site or base station receiving the 911 call
- Geographic location of the caller according to the FCC's accuracy standards

Beyond the requirements imposed by the FCC, the Commission requires that for Phase I, additional information must be displayed on the computer screen of a PSAP receiving a wireless call. Wireless carriers must provide PSAPs with cell sector or cell face information at the time of each wireless call, which helps to significantly narrow the possible location of the caller. The Commission also requires that for each wireless call, a 24-hour contact number must be displayed for PSAPs to seek assistance with network problems or to further pinpoint the location of a 911 caller.

Conditions for Wireless Enhanced 911 Service:

The wireless E911 Phase I requirements, as well as some of the Phase II requirements, are applicable to wireless carriers only if the administrator of a PSAP has requested the service and is capable of receiving and utilizing the information that is provided.

Funding Requests				
Order Number	Date of Request for Funds	Filing Party	Amount Approved	Date Approved by Commission
WSP-001	12/10/01	Cricket Communications, San Diego, California, seeking approval of request for funding from Enhanced Wireless 911 Fund	\$21,255.00	2/20/02, first approval. Clarification Order Entered and Approved on 3/19/02
WSP-002	5/7/02	Verizon Wireless, Alpharetta, Georgia, seeking approval of request for funding from Enhanced Wireless 911 Fund	7,458.00	5/22/02
WSP-002.1	5/7/02	Verizon Wireless, Alpharetta, Georgia, seeking approval of request for funding from Enhanced Wireless 911 Fund	423.00	8/13/02
WSP-003	6/18/02	Sprint PCS, Overland Park, Kansas, seeking approval of request for funding from Enhanced Wireless 911 Fund	21,558.82	7/9/02
WSP-004	6/24/02	Nextel Partners, Kirkland, Washington, seeking approval of request for funding from Enhanced Wireless Fund		Pending receipt of Implementation Plan
WSP-005	6/17/02	Alltel Wireless, Little Rock, Arkansas, seeking approval of request for funding from Enhanced Wireless Fund		Pending receipt of Implementation Plan
WSP-006	6/11/02	Western Wireless, Bellevue, Washington, seeking approval of request for funding from Enhanced Wireless Fund	210,273.00	Pending receipt of complete Implementation Plan
PSAP-001	1/24/02	Sarpy County PSAP, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	115,564.40	2/05/02, first approval. Clarification Order Entered and Approved on 3/19/02
PSAP-001.1	4/24/02	Sarpy County PSAP, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	3,037.00	5/7/02
PSAP-002	1/24/02	Douglas County PSAP, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	309,126.00	2/05/02, first approval. Clarification Order Entered and Approved on 3/19/02

Funding Requests				
Order Number	Date of Request for Funds	Filing Party	Amount Approved	Date Approved by Commission
PSAP-003	3/19/02	Buffalo County PSAP, Kearney, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	\$31,919.50	4/2/02
PSAP-004	3/20/02	Custer County PSAP, Broken Bow, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	8,443.00	4/2/02
PSAP-004.1	3/20/02	Custer County PSAP, Broken Bow, seeking approval of funding for implementation of E911, associated training and salaries.		Denied 6/5/02
PSAP-005	3/21/02	Hall County PSAP, Grand Island, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	33,721.50	4/2/02
PSAP-005.1	5/2/02	Hall County PSAP, Grand Island, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	1,802.00	5/14/02
PSAP-006	3/26/02	Dodge County PSAP, Fremont, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	21,057.00	4/2/02
PSAP-006.1	4/22/02	Dodge County PSAP, Fremont, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	1,802.00	5/7/02
PSAP-006.2	7/17/02	Dodge County PSAP, Fremont, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	3,036.90	8/13/02
PSAP-007	3/27/02	Cedar County PSAP, Hartington, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	9,678.00	4/2/02
PSAP-008	4/3/02	Cumming County PSAP, West Point, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	8,443.00	4/9/02
PSAP-008.1	4/24/02	Cumming County PSAP, West Point, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	1,802.00	5/7/02

Funding Requests				
Order Number	Date of Request for Funds	Filing Party	Amount Approved	Date Approved by Commission
PSAP-009	4/22/02	Chase County PSAP, West Point, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	\$8,443.00	5/7/02
PSAP-10	5/7/02	Hamilton County PSAP, Aurora, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	12,046.90	6/5/02
PSAP-11	5/28/02	Merrick County PSAP, Central City, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	14,517.00	6/5/02
PSAP-12	6/14/02	Washington County PSAP, Blair, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	13,157.74	7/9/02
PSAP-13	6/20/02	Keith County PSAP, Ogallala, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	24,762.00	7/9/02
PSAP-14	6/24/02	Howard County PSAP, St. Paul, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	7,876.00	07/09/02
PSAP-15	6/28/02	Colfax County PSAP, Schuyler, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911		Pending Receipt of PSAP Registration
PSAP-16	09/04/02	Dakota County PSAP, South Sioux City, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911	10,259.78	09/11/02

Phase I Requests and Implementation Status						
PSAP Agency	Date of Request	Cellular Company	Phase I Solution	911 Infrastructure Provider	Date Implemented	Status
Custer County	01/10/01	Alltel	NCAS w/WID	Qwest	08/02	Implemented
Custer County	01/10/01	Western Wireless	NCAS	Qwest	02/02	Implemented
Buffalo County	04/04/01	Western Wireless	NCAS	Qwest	03/02	Implemented
Buffalo County	11/26/01	Alltel	NCAS w/WID	Qwest		Implementation targeted for September/October
Buffalo County	03/26/02	Sprint/Airgate PCS	NCAS	Qwest		
Buffalo County	11/26/01	Nebraska Wireless	NCAS	Qwest		Implementation targeted for Mid to late November
Omaha/Douglas County	04/06/01	Alltel	NCAS w/WID	Qwest		Implementation targeted for September
Omaha/Douglas County	04/06/01	AT&T	NCAS	Qwest		Implementation targeted for mid to late November
Omaha/Douglas County	04/06/01	Nextel	NCAS w/WID	Qwest		Implementation targeted for Mid to late September
Omaha/Douglas County	04/06/01	Qwest Wireless PCS	NCAS	Qwest	08/02	Implemented
Omaha/Douglas County	04/06/01	Sprint	NCAS	Qwest	11/01	Implemented
Omaha/Douglas County	04/06/01	Verizon	NCAS	Qwest	03/02	Implemented
Omaha/Douglas County	04/06/01	VoiceStream Wireless	NCAS	Qwest		
Omaha/Douglas County	08/02/01	Cricket Communications	NCAS	Qwest	10/01	Implemented
Sarpy County	04/06/01	Alltel	NCAS w/WID	Qwest		Implementation targeted for September/October
Sarpy County	04/06/01	AT&T	NCAS	Qwest		Implementation targeted for Mid to late November
Sarpy County	08/30/01	Cricket Communications	NCAS	Qwest	10/01	Implemented

Phase I Requests and Implementation Status						
PSAP Agency	Date of Request	Cellular Company	Phase I Solution	911 Infrastructure Provider	Date Implemented	Status
Sarpy County	04/06/01	Nextel	NCAS w/WID	Qwest	08/02	Implemented targeted for September/October
Sarpy County	04/06/01	Qwest Wireless	NCAS	Qwest	08/02	Implemented
Sarpy County	04/06/01	Sprint	NCAS	Qwest	11/01	Implemented
Sarpy County	04/06/01	Verizon	NCAS	Qwest	03/02	Implemented
Sarpy County	04/06/01	VoiceStream Wireless	NCAS	Qwest		
Cuming County E911 Communications	05/25/01	Alltel	NCAS w/WID	Qwest		Implementation targeted for September/October
Cuming County E911 Communications	03/26/02	Sprint/Airgate PCS	NCAS	Qwest		
Cuming County E911 Communications	05/25/01	Western Wireless	NCAS	Qwest	06/02	Implemented
Cedar County E911	06/06/01	Alltel	NCAS w/WID	Qwest	09/02	Implemented
Cedar County E911	06/06/01	Western Wireless	NCAS	Qwest	06/02	Implemented
Chadron PD, includes upper portion of Sioux City	08/17/01	Alltel	NCAS w/WID	Qwest		Implementation targeted for October/November
Fremont PD/Dodge County	08/31/01	Alltel	NCAS w/WID	Qwest	09/02	Implemented
Fremont PD/Dodge County	08/31/02	Sprint/Airgate PCS	NCAS	Qwest		Implementation targeted for September/October
Fremont PD/Dodge County	08/31/01	Nextel	NCAS w/WID	Qwest		Implementation targeted for September
Fremont PD/Dodge County	08/31/01	Qwest Wireless	NCAS	Qwest		Implementation targeted for September/October

Phase I Requests and Implementation Status						
PSAP Agency	Date of Request	Cellular Company	Phase I Solution	911 Infrastructure Provider	Date Implemented	Status
Chase County E911	09/25/01	Alltel	NCAS w/WID	Qwest	09/02	Implemented
Chase County E911	09/25/01	Nebraska Wireless	NCAS	Qwest		Implementation targeted for mid to late November
Dawson County Gothenburg and Lexington PSAPs	10/01/01	Alltel	NCAS w/WID	Qwest	08/02	Implemented
Dawson County Gothenburg and Lexington PSAPs	11/21/01	Western Wireless	NCAS	Qwest	07/02	Implemented
Dawson County Gothenburg and Lexington PSAPs	03/05/02	Nebraska Wireless	NCAS	Qwest		Implementation targeted for mid to late October
Madison County/City of Norfolk, includes portion of Stanton and Pierce Counties	10/14/01	Alltel	NCAS w/WID	Qwest		On hold due to contract issues
Madison County/City of Norfolk, includes portion of Stanton and Pierce Counties	03/26/02	Airgate PCS	NCAS	Qwest		On hold due to contract issues
Madison County/City of Norfolk, includes portion of Stanton and Pierce Counties	10/14/01	Nebraska Wireless	NCAS	Qwest		On hold due to contract issues
Madison County/City of Norfolk, includes portion of Stanton and Pierce Counties	10/14/01	Western Wireless	NCAS	Qwest		On hold due to contract issues
Hamilton County Sheriff's Office	11/01/01	Alltel	NCAS w/WID	Qwest	08/02	Implemented

Phase I Requests and Implementation Status						
PSAP Agency	Date of Request	Cellular Company	Phase I Solution	911 Infrastructure Provider	Date Implemented	Status
Hamilton County Sheriff's Office		Sprint/Airgate PCS	NCAS	Qwest		Implementation targeted for September/October
Hamilton County Sheriff's Office	11/01/01	Nextel	NCAS w/WID	Qwest		Implementation targeted for mid to late September
Howard County	12/01/01	Alltel	NCAS w/WID	Qwest		Implementation targeted for September/October
Howard County	12/01/01	Nebraska Wireless	NCAS	Qwest		Implementation targeted for mid to late November
Howard County	12/01/01	Western Wireless	NCAS	Qwest	07/02	Implemented
Merrick County	01/08/02	Alltel	NCAS w/WID	Qwest		Implementation targeted for September
Merrick County	01/08/02	Nebraska Wireless	NCAS	Qwest		Implementation targeted for mid to late October
Merrick County	01/08/02	Western Wireless	NCAS	Qwest	07/02	Implemented
South Sioux City/Dakota County	01/25/02	Western Wireless	NCAS	Qwest		Implementation targeted for September
South Sioux City/Dakota County	01/25/02	Nextel	NCAS w/WID	Qwest		Implementation targeted for September
South Sioux City/Dakota County	01/25/02	Verizon	NCAS	Qwest		
Colfax County	02/04/02	Alltel	NCAS w/WID	Qwest	09/02	Implemented
Colfax County	02/04/02	Sprint/Airgate PCS	NCAS	Qwest		Implementation targeted for September

Phase I Requests and Implementation Status						
PSAP Agency	Date of Request	Cellular Company	Phase I Solution	911 Infrastructure Provider	Date Implemented	Status
Hall County	11/28/01	Alltel	NCAS w/WID	Qwest		Implementation targeted for September
Hall County	11/28/01	Sprint/Airgate PCS	NCAS	Qwest		
Hall County	11/28/01	Nebraska Wireless	NCAS	Qwest		Implementation targeted for mid to late October
Hall County	11/28/01	Nextel	NCAS w/WID	Qwest		Implementation targeted for September
Hall County	11/28/01	Western Wireless	NCAS	Qwest	07/02	Implemented
Washington County	07/18/01	Alltel	NCAS w/WID	Qwest		Implementation targeted for September
Washington County	07/18/01	Sprint/Airgate PCS	NCAS	Qwest		
Washington County	07/18/01	Nextel	NCAS w/WID	Qwest		Implementation targeted for September
Washington County	07/18/01	Qwest PCS	NCAS	Qwest		Implementation targeted for September
Keith County (Includes Arthur, Deuel and Grant Counties)	05/06/02	Alltel Wireless	NCAS w/WID	Qwest		Implementation targeted for September
Keith County (Includes Arthur, Deuel and Grant Counties)	05/29/02	Nebraska Wireless	NCAS	Qwest		Implementation targeted for Mid to late October
Keith County (Includes Arthur, Deuel and Grant Counties)	05/06/02	Western Wireless	NCAS	Qwest		Implementation targeted for September
Scotts Bluff County, includes lower portion of Sioux County and all of Banner County	07/16/02	Cellular One		Sprint		

Phase I Requests and Implementation Status						
PSAP Agency	Date of Request	Cellular Company	Phase I Solution	911 Infrastructure Provider	Date Implemented	Status
Scotts Bluff County, includes lower portion of Sioux County and all of Banner County	07/16/02	Alltel Wireless		Sprint		
Jefferson County	08/01/02	Alltel Wireless		Alltel		
Jefferson County	08/01/02	Western Wireless		Alltel		
Furnas County	08/08/02	Alltel Wireless		Qwest		
Furnas County	08/08/02	Western Wireless		Qwest		
Furnas County	08/08/02	PinPoint Wireless		Qwest		

7. Numbering Issues

A. Area Code Conservation Efforts

In May 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.

The Commission opened a public investigation, and as a result, was made aware of several problems regarding the utilization and conservation of assignable telephone numbers and the 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 Federal Communications Commission (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 a block of 10,000 numbers, which they would normally be given.

On July 20, 2000, the FCC released an order granting the Commission's petition, but did so on an interim basis. In accordance with that delegated authority, the Commission selected Neustar, Inc. as the interim state-pooling administrator.

The Commission set July 1, 2001, as the deadline for implementation of thousands-block number pooling in the Omaha Rate Center. Thousands-block pooling will be expanded on November 24, 2002, to include all wireless, as well as wireline providers in the Omaha 402 Rate Center. Such pooling is scheduled for April 2003 throughout the 308 area code.

At of this date, voluntary number reclamation has resulted in Nebraska carriers returning over 350,000 numbers to the number administrator. These numbers are now available for reassignment as needed. Additionally, requests for numbers have slowed significantly since the forecast in May 1999. Currently, we are investigating the potential for Rate Center consolidation, which should also reduce the demand for new numbering resources. The Commission believes that the number conservation plan that it adopted has been successful in delaying the need for costly and potentially confusing area code relief measures. The Commission will continue to implement additional number conservation methods and procedures, to conserve number resource within both of Nebraska's area codes.

B. Implementation of N11 Dialing Codes

The FCC designated various three-digit dialing, or "N11", codes for specific purposes in CC Docket No. 92-105, *In the Matter of the Use of N11 Codes and Other Abbreviated Dialing Arrangements*. State commissions, in turn, are delegated the responsibility of assigning such dialing codes. Nebraska has assigned the use of "211," "511" and "711." For each code, carriers seeking cost recovery are required to make an application to the Commission for reimbursement. To date, no carriers have applied for cost recovery.

211

The Commission assigned "211" to United Way of the Midlands for access to First Call for Help for Douglas and Sarpy Counties. First Call for Help connects people in need of health and human services assistance with the appropriate providers of such services. The Commission required that carriers implement "211" dialing for Douglas and Sarpy Counties by May 1, 2002. Dialing "211" does not result in any additional telephone charges for the consumer.

United Way approached the program for Douglas and Sarpy Counties as a pilot project, with the intent to expand. Subsequently, United Way made an application to expand "211" access to Dodge and Cass Counties, which has been approved by the Commission. The deadline for implementation of "211" dialing in Dodge and Cass Counties is October 1, 2002.

511

The Commission established “511” as a statewide three-digit calling number reserved for access to Nebraska’s Advanced Traveler Weather Information System (ATWIS), which is administered by the Nebraska State Patrol and Department of Roads. “511” access to ATWIS began October 1, 2001. The “511” system replaces the State Patrol’s 800 number for travel weather information.

711

All telecommunications relay services (TRS) can be accessed by dialing “711.” The FCC set October 1, 2001, as the mandatory deadline for all carriers to comply with “711” routing nationally, however, the Commission required all non-wireless carriers to comply with “711” routing by June 29, 2001, and encouraged all wireless carriers to comply prior to the mandatory deadline.

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.

Local rates, as shown in the following table, have been adjusted closer to the target rates established by the Commission in its January 1999 order. A few companies have filed and received exemptions from these targeted rates. A pending docket opened by the Commission is now reviewing the level of access charges and whether further access reductions are needed.

Other changes to local telephone bills took place in July of 2002, after the Federal Communications Commission (FCC) reviewed the subscriber line charge caps. The subscriber line charge, sometimes referred as a Federal Access Charge, helps to pay for the telephone facilities between the home or business and the company's central office switch. The previous cap of \$5.00 a month for residential and single line business customers was increased to \$6.00 on July 1, 2002, and is scheduled to increase to \$6.50 on July 1, 2003, customers of smaller independent companies have seen the increase from \$5.00 to \$6.00, where the customers of the larger companies have not experienced the same changes. Under the FCC order, Qwest residential and single line business customers have seen a change from \$5.00 to \$5.33 monthly.

Alltel residential and single line business customers will still be paying \$4.96, the rate which was previously established for their company.

Customers in western Nebraska served by Sprint/United Telephone Company received reductions in their zone charges this year. Zone charges are imposed on customers residing outside of the base rate area (the city limits), to compensate the company for the additional facilities to connect them to the central office switch. The company had established three zones with monthly additives of \$2.00, \$5.00 and \$9.00. The Commission approved a plan to remove all zone charges from Sprint/United customers' bills, with those funds being replaced from the Universal Service Fund.

The local rates on the following pages were effective as of September 1, 2002.

**Basic Local Rate Changes
Local Exchange Companies**

	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993
Alltel		1	1	X	X	X				
Arapahoe	X	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		X				
Consolidated Telco		X	X	X		X				
Cozad	X	X	X	X		X				
Curtis			X	X		X	X			
Dalton	X	X	X	X						
Diller	X	X	X	X		X				
Eastern			X	X	X					
Elsie	X	X	X	X						
Eustis	X	X	X	X		X				
Glenwood	X	X	X	X		X			X	
Great Plains	X	X	X	X		X				
Hamilton						X				
Hartington			X	X		X				X
Hartman	X	X	X	X						
Hemingford		X	X	X						
Henderson		X	X	X						
Hershey		X	X	X						
Home	X	X	X	X		X				
Hooper	X	X	X	X		X				
K & M			X	X						
Keystone-Arthur	X	X	X	X		X				
NEBCOM			X							
Nebraska Central		X	X	X	X					
Northeast	X	X	X							
Pierce			X	X						
Plainview			X	X			X			
Qwest		1		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) Business line rate reduction only.

**NEBRASKA LOCAL EXCHANGE CARRIERS
 BASIC LOCAL EXCHANGE RATES
 Effective September 1, 2002**

Company	Exchange	Business	Residential
AT&T	ALS	\$39.35	N/A
Alltel		27.50	\$17.50
Alltel – Nebraska		37.00	16.00
Arapahoe Telephone Co.	Group 1 Group 2	22.35 37.55	17.50 17.50
Arlington Telephone Co.		27.50	17.50
Benkelman Telephone Co.		27.50	17.50
Blair Telephone Co.		27.50	17.50
Cambridge Telephone Co.		26.80	17.50
Citizens		27.50	17.50
Clarks Telephone Co.		27.50	17.50
Comm South		41.99	41.99
Consolidated Telco		27.50	17.50
Consolidated Telephone Co.	Anselmo Arthur Ashby Bingham Brewster Brownlee Dunning Halsey Hyannis Merna Mullen Purdum Seneca Thedford Whitman	27.50 27.50 27.50 27.50 27.50 27.50 27.50 27.50 27.50 27.50 27.00 27.50 27.50 27.50 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
Cox Communications	(A) Flat Rate Add'l. Line (B) Comb. Ser. Second Line Add'l. Line	26.89 26.89 26.89 26.89 26.89	17.65 16.35 15.89 7.89 15.89
Cozad Telephone Co.		27.50	17.50
Curtis Telephone Co.		27.50	17.50
Dalton Telephone Co.		27.50	17.50
Diller Telephone Co.		27.50	17.50
Eastern Nebraska Telephone Co.		27.50	17.50

Company	Exchange	Business	Residential
Elsie		\$27.50	\$17.50
Consolidated Telcom, Inc. (Eustis Acquisition Company, Inc.)		27.50	17.50
Glenwood Telephone Membership Corporation		27.50	17.50
Great Plains Communications		27.50	17.50
Hamilton Telephone Co.		10.75	10.75
Hartington Telephone Co.		27.50	17.50
Hartman Telephone Exchange		27.50	17.50
Hemingford Cooperative		27.50	17.50
Henderson Cooperative (Mainstay)		27.50	17.50
Hershey Cooperative		27.50	17.50
Consolidated Telcom, Inc. (Home Acquisition Company, Inc.)		27.50	17.50
HTC (Hooper Telephone Company of Nebraska)		27.50	17.50
Houlton		43.45	49.95
Ionex		37.55	23.97
K&M Telephone Co.		17.50	17.50
Keystone-Arthur Telephone Co.		25.00	17.50
McLeodUSA		32.84	18.15
NT&T	Group 1	27.55	18.15
	Group 2	27.50	17.50
	Group 3	30.10	17.50
	Group 4	30.10	17.50
	Group 5	30.10	17.50
	Group 6	30.10	17.50
NebCom		27.50	17.50
Nebraska Central Telephone Co.		27.50	17.50
Northeast Neb. Telephone Co.		27.50	17.50
Pierce Telephone Co., Inc.		20.45	17.50
Pinpoint		29.95	16.95
Plainview Telephone 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 Telephone Co.		27.50	17.50
Sodtown		14.75	14.75

Company	Exchange	Business	Residential
Southeast Nebraska Telephone Co.		\$27.50	\$17.50
Sprint Communications Co., LP		40.00	N/A
Stanton Telephone Co., Inc.		27.50	17.50
TCG		42.55	N/A
Three River Telco		27.50	17.50
United Telephone Company of the West		27.50	17.50
Wauneta Telephone Company		27.50	17.50

Company	Exchange Groupings
Arapahoe Telephone Company:	
Group 1: Arapahoe, Hendley, Holbrook	
Group 2: Brule, Farnam, Loomis, Overton	

2. Financial Statistics

The financial information related to local exchange company earnings is not being reported for 2001. 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 approximately 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 in recent years. As a result, the Commission has received complaints from customers who have allegedly been slammed (change of their long distance carrier without authorization); however, most slamming complaints are dismissed as unfounded. 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 notified the FCC that it will 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.

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.

In this competitive market, many pricing promotions are being filed, and each customer needs to fully understand the details of the pricing plan to which they subscribe. A number of the complaints the Commission receives relate to a misunderstanding of the rates that are

advertised to the customer, or to provisions of a long distance plan that were not fully described to them. Generally, the long distance companies are willing to work with the customer to re-rate calls if the customer has been placed on a plan that may not be the best plan for their calling needs.

4. Long Distance Carriers

The long distance market in Nebraska is made up of approximately 300 companies. Many of these companies provide service in each community in the state, while others target a particular market such as business customers, inmate facilities, or data service providers. However, in this competitive arena, there have also been a number of failures and companies who have filed for Chapter 11 bankruptcy protection. Mergers and stock purchases have also taken place to continually change the number and names of the carriers competing in Nebraska.

As a result of the 1984 divestiture of the Bell System, the Regional Bell Holding Companies (RBOCs) were prevented from providing interLATA long distance services. The 1996 Telecommunications Act provided a means for RBOCs to return to the interLATA market once they had opened their local markets to competitive local exchange carriers. Once this determination was made by the state Commission, further review by the Department of Justice and the FCC would be required before entry into the interLATA market could be obtained. On June 12, 2002, this Commission approved Qwest's application for interLATA relief under section 271 of the Telecommunications Act of 1996, and recommended to the FCC that Qwest had fulfilled its obligations under the Act. This approval, and the record established, has been filed with the FCC, and their review is pending. Should this application be approved by the FCC, Qwest would enter the interLATA market as a competitor in Nebraska.

5. Explanation of Telephone Bill Charges

Recent changes to telephone bills have been directed at providing customers with the essential information to understand their bills and to make informed decisions. The following table provides a brief description of the various charges that may appear on telephone bills and relevant information as to the rate that applies to the charge.

Explanation of 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.

PART IV

Recommendations for the 2002 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.

Fees and Fines: Increase caps on filing fees, hearing fees and similar fees; amend the Commission's fining authority to allow fines for violations of Commission rules and regulations and for violations of the Enhanced Wireless 911 statutes, rules and regulations, and orders; amend Telecommunications Relay Act to set surcharge on fiscal year rather than calendar year basis.

Enforcement: Harmonize treatment of appeals from decisions affecting all industries regulated by the Commission.

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

Applications and Tariffs

The Commission received a total of 193 applications during the period of July 1, 2001, to June 30, 2002. Much of the activity involved competition in the local market where 10 additional carriers applied for local authority and 78 interconnection agreement approval requests were received. Following is a summary of the applications received during this period.

Type of Application	Number Filed
Local Certification	10
Reseller Certification	33
Amend Certification	46
Cease and Desist	3
Boundary/LEC	1
Boundary/Customer	1
Depreciation	0
Rate Increase/LEC	0
Loan	3
Commission-Initiated	5
EAS	3
Interconnection	78
Contract Carrier Certification	0
Other	10
TOTAL	193

There were 581 tariff changes filed with the Commission during this period. Individual applications and tariff filings can be obtained upon request.

PART VI

Nebraska Universal Service Fund

In 1997, the Legislature passed LB 686, authorizing 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, exempting persons receiving support from the Lifeline program from any NUSF surcharge. In 2001 and 2002, the Legislature passed LB 389 and 1211, respectively, clarifying the Commission's NUSF authority under the NUSF regarding wireless companies. Also, in 2002, the Legislature passed LB 1105, which re-codified the applicable NUSF statutes from §§ 86-1401–86-1411 to §§ 86-316–86-329. LB 37, passed in 2002 during the special session, allows the state to borrow monies from the Universal Service Fund with the following caveats: a 60-day reserve must be maintained in the fund, interest of five percent must be paid on any monies borrowed for more than 30 days. This provision sunsets on June 30, 2007.

On July 1, 1999, the Commission implemented the NUSF with a surcharge of 6.95 percent on in-state retail telecommunications revenue. After hearings on the matter, the Commission continued the surcharge at 6.95 percent in 2000, 2001 and 2002. Interstate and Internet services are not subject to the NUSF surcharge. The Commission determines 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 \$59.7 million during the July 2001 through June 2002, fiscal year. During this period, the NUSF collected \$58.9 million, a variance of -1.3 percent. The Commission projected that during this same period; the NUSF would pay out \$43.0 million. During this period, \$46.6 million was actually paid to telecommunication providers, a variance of 8.4 percent. This variance is due to more grants of additional funds for telecommunications infrastructure in rural areas. As of June 30, 2002, the NUSF was projected to have a fund balance of \$65.6 million compared to the actual balance of \$62.4 million.

Significant issues regarding universal service and implicit subsidies are currently being addressed. In-state access rates are now approximately \$30 million higher than interstate rates based upon recent FCC decisions. The Commission is considering requests from schools and rural health-care providers for assistance with obtaining telecommunications services from eligible telecommunications carriers (ETCs.) The Commission is also in the process of adopting a permanent

NUSF mechanism that, among other things, would also give competitive telecommunication providers access to the fund.

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 per month and \$6.50 per month, and reduce basic local exchange rates by \$1.75 per month. Additional federal matching support is available, equal to one-half of any state support, up to a maximum of \$1.75 per month. The Nebraska Universal Service Fund provides support of \$3.50 per month so that the Nebraska Lifeline Program can receive this additional \$1.75 per month in federal support. As a result, an additional \$5.25 per 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 lands 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.

Currently, approximately 15,000 Nebraskans are enrolled in the Lifeline/Link-Up program and receive support from the NUSF.

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):

	Fiscal Year Total		Cumulative to Date	
	Total Records Processed	# of Link-Up Records	Total Records Processed	# of Link-Up Records
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
FY 01-02	3,726	1,594	27,833	5,372

The Commission continues to work with Health and Human Services (HHS) offices, Area Aging Agencies and Housing Authorities across the State to provide information about the Lifeline and Link-Up Program. The Commission has also been working with the Mexican American Commission to obtain an improved Spanish translation of the Lifeline and Link-Up application form and to translate accompanying instructions into Spanish. Most recently, the Commission has been working with Health and Human Services on featuring information on the Lifeline and Link-Up program in "Connections", the newsletter sent to all HHS employees, assisting in HHS applicant screening and employee training processes.