

Chair Boyle called the regularly scheduled meeting to order at 10:02 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present.

GENERAL ADMINISTRATION

Notice was duly published August 13, 2003, on Page 11 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held August 19, 2003, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceeding:

Tuesday, August 19, 2003:

C-2872 Commission Hearing Room, Lincoln.
1:30 Great Plains Communications, Inc., Blair, seeking arbitration to resolve issues relating to an interconnection agreement with WWC License L.L.C., Issaquah, Washington. Commissioner Landis chairing.

COMMUNICATIONS DEPARTMENT

FC-1313 In the Matter of A&H Enterprises, d/b/a Platte Valley Internet, Columbus, vs. Citizens Communications, d/b/a Frontier, Burnsville, Minnesota, regarding a billing dispute: Gene Hand informed the Commission that Frontier filed an answer on August 12, 2003.

C-1128 In the Matter of the Commission, on its own motion, seeking
PO No. 3 to set guidelines for mediation, arbitration, and reviews of negotiated agreements under the Telecommunications Act of 1996: Upon agreement of all Commissioners, an order was entered adopting revisions to the mediation/arbitration policy.

C-2910 In the Matter of Lincoln Electric System, Lincoln, seeking
C-2925 contract carrier permit authority and Petition for Declaratory Ruling of Lincoln Electric System seeking a determination that Title 291, Chapter 5, Telecommunications Rules and Regulations, Sections 001, 002 and 003, as amended and enacted March 31, 2003, governing telecommunications contract carriers, shall not be applied retroactively to the application of Lincoln Electric System for Contract Carrier Permit Authority (Application C-2910) filed on March 27, 2003: Upon agreement of all Commissioners, orders were entered denying a stay in Application C-2910 and issuing a declaratory ruling in Application C-2925.

C-2943 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of a wireline interconnection agreement with Lightyear Communications, Inc., Louisville, Kentucky: Upon agreement of all Commissioners, an order was entered to withdraw the application at applicant's request.

COMMUNICATIONS DEPARTMENT (Cont.)

C-2944 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of an amendment to a wireline interconnection agreement with Lightyear Communications, Inc., Louisville, Kentucky: Upon agreement of all Commissioners, an order was entered to withdraw the application at applicant's request.

C-2969/
DC-63 In the Matter of the Nebraska Public Service Commission, Communications Department, seeking an order to cease and desist operations and to revoke the Certificates of Public Convenience and Necessity issued to the named defendants: Upon agreement of all Commissioners, the complaint was dismissed in part.

Upon agreement of all Commissioners, a public meeting was scheduled for August 26, 2003, at 1:30 p.m. to receive a report from the Statewide Synchronous Video Network Work Group on activities and recommendations.

Gene Hand discussed a recent ruling by the Minnesota Public Utilities Commission that voice over Internet protocol (VoIP) service is telephone service.

Gene Hand provided the Commission with a Local Number Portability (LNP) and 402 area code relief update. Upon agreement of all Commissioners, the staff will request updated information on proposed relief plans for the 402 area code.

Gene Hand discussed the recent Qwest press release announcing that Alliance residents can now receive Qwest high-speed digital subscriber line (DSL) service.

C-2712 In the Matter of NOW Communications, Inc., Lawrenceville, Georgia, seeking a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of interexchange telecommunications services within the state of Nebraska: Gene Hand informed the Commission that the company notification was received regarding voluntary Chapter 11 bankruptcy with U.S. Bankruptcy Court for the Southern District of Mississippi.

C-2950 In the Matter of Advanced Tel, Inc., d/b/a ATI, Trabuco Canyon, California, seeking authority to operate as a resale carrier of intrastate interexchange telecommunications services within the state of Nebraska: Gene Hand informed the Commission that notice was received from the United States Bankruptcy Court, Middle District of Florida, Orlando Division, of Chapter 11 bankruptcy proceeding.

UNIVERSAL SERVICE FUND

Jeff Pursley reported on the Late-Filed Carrier Remittances Report. The proposed fine of \$50.00 against Transcommunications, Sodtown and KDD was approved without objections. The late fee was waived for CommuniGroup of KC on a one time basis.

Jeff Pursley reported on a letter received from Nextel regarding their request to exempt them from the late fee resulting from the late filing of their June, 2003 Worksheet. The request was denied without objection.

Jeff Pursley reported on a letter received from Advisory Board Member Richard Fleming stating his resignation from the Board.

E911 DEPARTMENT

Director Kara Thielen discussed the Association of Public-Safety Communications Officials (APCO) meeting she attended from August 10-14, 2003, in Indianapolis, Indiana.

NATURAL GAS AND WATER DEPARTMENT

NG-0001 In the Matter of Aquila, Inc., d/b/a Aquila Networks
NG-0002 (Aquila), Omaha, seeking a general rate increase for
NG-0003 Aquila's Rate Area One, Rate Area Two and Rate Area Three:
Upon agreement of all Commissioners, a Planning Conference and Notice of Hearing Order, an Order Ruling on Intervenor Status and an Order Consolidating Applications for Purposes of Discovery and Hearing were entered. A hearing was set for December 1, 2003, at 9:00 a.m. in the Commission Hearing Room, Lincoln.

NG-0004 In the Matter of Aquila, Inc., d/b/a Aquila Networks
(Aquila), seeking a waiver of notice and publication and to implement supply cost adjustment rate schedules for Aquila's Rate Area One, Rate Area Two and Rate Area Three: The hearing previously set for a date later to be determined was scheduled for August 28, 2003, at 10:30 a.m. in the Commission Hearing Room, Lincoln.

NG-0007 In the Matter of the tariff for natural gas service available in the entire territory served by Aquila, Inc., d/b/a Aquila Networks - Nebraska: Upon agreement of all Commissioners, an order was entered acknowledging the initial tariff filing.

Pipeline Division

P-0006 In the Matter of Aquila, Inc., Omaha, seeking resolution of a dispute under Neb. Rev. Stat. § 57-1306: Upon agreement of all Commissioners, an order was entered denying Aquila's Motion to Compel Production of Witness or Request for Subpoena and granting Metropolitan Utilities District's Motion for a Protective Order.

LEGISLATIVE REPORT

Laura Demman reported on the following legislative proposals:

Communications

Authority to oversee wireless billing and service quality.

Nebraska Universal Service Fund

Amend NEB. REV. STAT. § 86-329 to change the name of the Nebraska Lifeline Service Program to the Nebraska Telephone Assistance Program (NTAP).

Administration

Recodification clean-up: Amend NEB. REV. STAT. § 75-112 to change references to old statutes ("75-101 through 75-801") to references to new statutes ("86-101 through 86-329").

Amend open meetings law requirements to provide an exception for Commission deliberations in contested cases.

Transportation

Require criminal background checks for drivers of passengers for hire. (2003 LB 532)

Hazardous Waste Transportation: transfer authority to State Patrol.

Grain

Clean-up of LB 735: Make uniform the language requiring financial statements; calculate security based on previous fiscal year instead of previous license year; allow guarantee agreements at a review level, consistent with requirements of other provisions; and allow use of any (not just Nebraska certified) CPAs to provide financial statements.

GRAIN WAREHOUSE DEPARTMENT

The following shortage was discussed:

GW-19 Corn at J. E. Meureret Grain Co., Inc., Brunswick:

GW-1452 In the Matter of Lorensen Grain Company, Inc., Pender, seeking cancellation of its Public Grain Warehouse License: Application was granted effective August 1, 2003.

GRAIN WAREHOUSE DEPARTMENT (Cont.)

GW-1759 In the Matter of White Grain Company, Inc., Neligh and Oak-Dale, seeking cancellation of its Public Grain Warehouse License: Application was granted effective August 14, 2003.

GW-2112 In the Matter of Capitol Indemnity Corporation seeking cancellation of its Continuous Public Grain Warehouse Bond No. 738336 in the amount of 265,300.00 issued on behalf of James Nejezchleb dba Deweese Agri Services, Deweese: Upon agreement of all Commissioners, the application was granted effective August 17, 2003.

GW-2112 In the Matter of John Fecht, Director, Grain Warehouse
GW-389 Department, Nebraska Public Service Commission, Lincoln, vs. James Nejezchleb, dba DeWeese Agri Services, DeWeese: Upon agreement of all Commissioners, an order was entered to suspend the license schedule a hearing for September 23, 2003, at 1:30 p.m. in the Commission Hearing Room, Lincoln. The hearing and suspension are necessary because Mr. Nejezchleb failed to maintain the proper security.

Grain Dealer Division

GD-252 In the Matter of Earl Grippin dba Earl Grippin Trucking seeking cancellation of his Grain Dealer License: The application was granted.

GD-2778 In the Matter of John A. Fecht, Director, Warehouse Department, Complainant, vs. Nebraska Popcorn, Inc., Clearwater: GDC-388 Upon agreement of all Commissioners, an Order was entered dismissing the complaint as satisfied.

TRANSPORTATION DEPARTMENT

B-1591 In the Matter of WW Service, Inc., Yutan, seeking authority as a contract carrier of passengers for the Department of Defense between points in Nebraska by sedan and van over irregular routes: Upon agreement of all Commissioners, the application was dismissed.

B-1593 In the Matter of Francoise Antoine, dba Bon Samaritan Transport, Lincoln, seeking authority as a common carrier of passengers between points in Lancaster County by van over irregular routes. To include the transportation of Department of Health and Human Services clients and their subcontractors thereof. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized: Upon agreement of all Commissioners, the Notice of Pending Dismissal was entered.

TRANSPORTATION DEPARTMENT (Cont.)

B-1598 In the Matter of Clifford Dennis, dba Heartland Transportation, Creighton, seeking authority as a common carrier of passengers by taxicab between points in the city of Norfolk and between Norfolk and points within a 15-mile radius of Norfolk over irregular routes. To include the transportation of Department of Health and Human Services clients and their subcontractors thereof. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized: Upon agreement of all Commissioners, the Notice of Pending Dismissal was entered.

B-1613 In the Matter of Rick Holloway, dba Taxi Specialties of Lexington, Lexington, seeking Commission approval for the use of an alternate vehicle for its taxi fleet: Commissioner Vap moved to grant the waiver and Commissioner Lowell Johnson seconded the motion. Following discussion, the motion was withdrawn and the request for the use of an alternative vehicle for its taxi fleet was set aside for further review by Commission staff.

After discussion, implementation of the premium fare policy was returned to the Commission staff for further review.

Rate Division

LR-239 In the Matter of A & R Klassic Kars Limousine Service, LLC, Omaha, seeking authority to establish limousine rates for its use: Upon agreement of all Commissioners, the application was granted.

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-E: The fuel surcharge was retained at 18 cents per mile and the taxi surcharge at 25 cents per trip.

GENERAL ADMINISTRATION

The Commission approved the following invoices:

DAS - IM Services	\$ 435.39
DAS - Materiel	1,753.00
Commercial Computer Systems Inc.	3,200.00
The Daily Record	438.80
Rod Johnson	425.56

Upon agreement of all Commissioners, authorization was granted for Commissioner Vap to attend the National Drinking Water Symposium to be held from October 12-15, 2003, in Colorado Springs, Colorado, with most expenses to be covered by an \$800 stipend provided by the National Association of Regulatory Utility Commissioners (NARUC).

GENERAL ADMINISTRATION (Cont.)

Commissioner Vap moved that the Commission go into closed session to discuss personnel issues and Commissioner Landis seconded the motion. Upon agreement of all Commissioners, the Commission went into closed session at 11:15 a.m.

Commissioner Landis moved that the Commission return to open session and Commissioner Rod Johnson seconded the motion. Upon agreement of all Commissioners, the Commission returned to open session at 11:27 a.m.

Upon agreement of all Commissioners, authorization was granted to approve a payment of reasonable litigation costs arising from the Revolving Loan Fund lawsuits.

Upon agreement of all Commissioners present, a public meeting was scheduled for August 25, 2003, at 1:00 p.m. in the Commission Library, Lincoln. The meeting will be in closed session to discuss personnel issues.

The meeting adjourned at 11:30 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on August 26, 2003, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on August 25, 2003.

Chair

Executive Director