

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

GENERAL ADMINISTRATION

Notice was duly published January 13, 2004, on Page 9 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held January 21, 2004, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Wednesday, January 21, 2004:

Rule and Commission Hearing Room, Lincoln.
Regulation The Commission, on its own motion, seeking to amend Title
#156 291, Chapter 13, Modular Housing Unit Construction Rules
1:30 and Regulations, by creation of an ad hoc committee and to
adopt rules in accordance with current construction codes.
Commissioner Vap chairing.

C-3030 Commission Hearing Room, Lincoln.
3:00 Harold Shriner, Guide Rock, currently receiving telephone
service from Alltel Nebraska, Inc., seeking authority to
change the boundary area to receive telephone service from
the Lawrence exchange of Glenwood Telephone Membership
Corporation. Commissioner Vap chairing.

COMMUNICATIONS DEPARTMENT

C-3026 In the Matter of the Commission, on its own motion, seeking
to conduct a 9-month proceeding as contemplated by the
Federal Communications Commission in its Triennial Review Order
adopting new rules for network unbundling obligations: Gene Hand
reported that two motions had been filed to exceed discovery limita-
tions and a motion to require Alltel to provide their batch hot cut
process was also pending awaiting response by Alltel. The Commis-
sioners discussed discovery, discovery limitations, deadlines,
objections, et cetera. Hearing Officer Boyle recommended a 150-
question limit on interrogatories. Paul Schudel, on behalf of Alltel,
addressed the motions and the timing of Alltel's response. Hearing
Officer Boyle will wait until next week to enter a Hearing Officer
order on motions and will correspond with the FCC on the matter. No
action taken.

C-3044 In the Matter of Business Network Long Distance, Inc.,
Denver, Colorado, seeking authority to operate as a resale
common carrier of telecommunications services within the State of
Nebraska: Motion made by Commissioner Lowell Johnson, seconded by
Commissioner Anne Boyle to grant the request to withdraw the appli-

COMMUNICATIONS DEPARTMENT (Cont.)

C-3044 cation. Motion passed with Commissioners Anne Boyle,
(Cont.) Lowell Johnson, Frank Landis, Jerry Vap voting AYE,
Commissioner Rod Johnson Absent Not Voting.

C-3059 In the Matter of Reduced Rate Long Distance, LLC, Maitland,
Florida, seeking to transfer control of Dominion Business
Group, Inc., Orlando, Florida: Motion made by Commissioner Lowell
Johnson, seconded by Commissioner Frank Landis to grant the applica-
tion. Motion passed with Commissioners Anne Boyle, Lowell Johnson,
Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent
Not Voting.

C-3064 In the Matter of CityNet Telecom, Inc., Silver Spring,
Maryland, seeking to withdraw their competitive local
exchange authority previously granted in C-2349: Motion made by
Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle to
grant the application. Motion passed with Commissioners Anne Boyle,
Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod
Johnson Absent Not Voting.

C-3065 In the Matter of LightYear Communications, Inc. and Light-
Year Network Solutions, LLC, both of Louisville, Kentucky,
jointly seeking authority necessary to consummate a corporate
reorganization involving a transfer of assets and certificate of
authority: Motion made by Commissioner Frank Landis, seconded by
Commissioner Lowell Johnson to grant the application. Motion passed
with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap
voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3058 In the Matter of Qwest Communications, Denver, Colorado,
seeking approval of UNE-P Line Splitting Amendment to the
Interconnection Agreement for the State of Nebraska with Allo Communi-
cations, LLC, Imperial, previously granted in C-2936: Motion made by
Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to
grant the application. Motion passed with Commissioners Anne Boyle,
Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod
Johnson Absent Not Voting.

C-3062 In the Matter of Qwest Communications, Denver, Colorado,
seeking approval of an amendment to a paging connection
agreement for the State of Nebraska with Arch Wireless Operating
Company, Inc., f/k/a Mobile Communications Corporation of America,
West-borough, Massachusetts, previously granted in C-2361: Motion
made by Commissioner Anne Boyle, seconded by Commissioner Lowell
Johnson to grant the application. Motion passed with Commissioners
Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE,
Commissioner Rod Johnson Absent Not Voting.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3063 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of a UNE-P Amendment to the interconnection agreement for the State of Nebraska with Comm South Companies, Inc., Dallas, Texas, previously granted in C-2833: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3067 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of an amendment to the interconnection agreement for the State of Nebraska with WWC License, L.L.C., Bellevue, Washington, previously granted in C-2640: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3068 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of an amendment to the interconnection agreement for the State of Nebraska, with DIECA Communications, Inc., d/b/a Covad Communications Company, Denver, Colorado, previously granted in C-2325: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3069 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Clarks Telecommunications Co., Clarks: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3070 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Consolidated Telco, Inc., Lincoln: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3071 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Consolidated Telecom, Inc., Lincoln: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3072 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Consolidated Telephone Company, Inc., Lincoln: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3073 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Hartington Telecommunications Co., Hartington: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3074 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Hershey Cooperative Telephone Co., Hershey: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3075 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with K & M Telephone Company, Inc., Chambers: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3076 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Nebraska Central Telephone Co., Gibbon: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3077 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Northeast Nebraska Telephone Co./NebCom, Inc., Jackson: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3078 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Stanton Telecom, Inc.: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

C-3079 In the Matter of WWC License, L.L.C., Bellevue, Washington, seeking approval of a wireless interconnection and reciprocal compensation agreement with Three River Telco, Lynch: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson to grant the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, Commissioner Rod Johnson Absent Not Voting.

Gene Hand advised the Commission that a "Request for Non-Binding General Information Letter" had been received from CCH Incorporated. A draft response was presented to the Commission for its review. Commissioner Vap will send the letter as edited.

UNIVERSAL SERVICE FUND

NUSF-26 In the Matter of the Commission, on its own motion, seeking to establish a long-term universal service funding mechanism: Jeff Pursley discussed the Telehealth Network and the forms used to evaluate the program.

Jeff Pursley reported on Commissioner Vap's letter to Education Commissioner Dr. Doug Christensen on his newly elected position on the Board of Directors of the Universal Service Administration Company (USAC). Commissioner Vap offered Dr. Christensen the Public Service Commission's assistance and expertise in the telecommunications industry and Universal Service.

Jeff Pursley reported that he had met with the new Nebraska State Treasurer, Mr. Ron Ross, regarding the current procedures performed by the Treasurer's office for the Universal Service Fund.

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.
Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson to approve Stipulation and Tariffs for NG-0001, NG-0002, NG-0003. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Frank Landis, Jerry Vap voting AYE, and Commissioner Rod Johnson Absent Not Voting.

LEGISLATIVE REPORT

Andy Pollock reported on pending legislation and John Burvainis addressed legislative fiscal notes.

GRAIN WAREHOUSE DEPARTMENT

GW-5 In the Matter of Thelen Grain Company, Wood River: John Fecht discussed the financial conditions of Thelen Grain Company, Wood River. A letter will be sent informing them that they will be given until January 27, 2004, to correct the conditions.

HOUSING DEPARTMENT

Mark Luttich reported on the status of the New Mexico situation.

TRANSPORTATION DEPARTMENT

B-1640 In the Matter of VIP Limousine, LLC, Omaha, seeking to change an existing operation, through transfer, the authority granted to Alford Oil Company, dba VIP Limousine, in Certificate B-1590, Supplement 1: Upon agreement of all Commissioners, an Order Nunc Pro Tunc was entered.

M-12993 In the Matter of Werner Enterprises, Omaha, seeking revocation and cancellation of the common carrier authority in Certificate M-12993: Upon agreement of all Commissioners, revocation was granted and the authority in M-12993 was revoked.

B-1634 In the Matter of Liberty Transportation, Inc., Omaha, seeking authority as a common carrier of passengers and their baggage in open class service by van over irregular routes between points in Douglas, Sarpy, Cass and Washington counties to include the transportation of clients of the Nebraska Department of Health and Human Services: A video hearing was set for March 3, 2004, at 10:00 in the Commission Library, Lincoln, and the Nebraska State Office Building, Room 207, 2nd Floor, 1313 Farnam Street, Omaha. Commissioner Boyle will preside as Hearing Officer.

B-1635 In the Matter of Herbert W. Brown, Omaha, seeking authority as a common carrier of passengers by vans in open class service between points in Douglas and Sarpy counties and between points in said counties, on the one hand, and, on the other hand, points in Nebraska over irregular routes. To include the transportation of Health and Human Services clientele and their subcontractors thereto. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized.

TRANSPORTATION DEPARTMENT (Cont.)

Rate Division

LR-245 In the Matter of Dwaine A. & Deborah Trease, dba Special Moments Limousines, Clearwater, seeking authority to amend its limousine rates: 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 reduced to 16 cents per mile and the taxi surcharge was raised to 30 cents per trip.

GENERAL ADMINISTRATION

The Commission approved the following invoices:

DAS - IM Services	\$ 315.34
DAS - Materiel - Postage	464.91
University of Nebraska	25,289.00
Daily Record	406.60
Executive Travel	299.70
Kelly Services	616.00
Jim Hames	454.32
Anne Boyle	529.24

Commissioner Lowell Johnson moved that the Commission go into closed session to discuss personnel issues and Commissioner Boyle seconded the motion. Upon agreement of all Commissioners, the Commission went into closed session at 11:10 a.m.

Commissioner Landis moved that the Commission return to open session and Commissioner Boyle seconded the motion. Upon agreement of all Commissioners, the Commission returned to open session at 11:30 a.m.

Upon agreement of all Commissioners present, the retirement of Nancy Vanourny was accepted and authorization granted to open the position for hire.

The meeting adjourned at 11:35 a.m. with Commissioners Boyle, Lowell Johnson, Landis and Vap present and Commissioner Rod Johnson excused. The next regularly scheduled meeting will be held on January 27, 2004, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on January 26, 2004.

Chairman

Executive Director