

Chairman Vap called the regularly scheduled meeting to order at 10:00 a.m. with Commissioners Lowell Johnson, Rod Johnson, Landis and Vap present, and Commissioner Anne Boyle Excused.

#### GENERAL ADMINISTRATION

Notice was duly published on December 30, 2004 on Page 7 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held January 4, 2005, at 9:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln. The correct time should have been published as 10:00 a.m.

Attention was called to the following proceeding:

Monday, January 10, 2005:

1:30 Commission Hearing Room, Lincoln.  
Natural Gas Seminar Part II

#### COMMUNICATIONS DEPARTMENT

Cheryl Elton reported on telecommunications complaints received by the Communications Department during the preceding month.

FC-1320 In the Matter of Action Communications, Inc., Scottsbluff, vs. Qwest Corporation, Denver, Colorado, alleging numerous billing errors, delays, and failure to process transfer requests in an acceptable time frame: Gene Hand informed the Commission that a Formal Complaint had been received and the answer date will be January 13, 2005. Commissioner Jerry Vap presiding as Hearing Officer.

C-3213 In the Matter of the Commission, on its own motion, seeking DC-67 an order to cease and desist operations and to revoke the Certificates of Public Convenience and Necessity issued to the named defendants, Commissioner Vap presiding as Hearing Officer: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order reopening the docket and reinstating the defendant. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3232 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of its modification to Exhibit B of its Statement of Generally Available Terms and Conditions (SGAT), filed pursuant to Section 252(f) of the 1996 Telecommunications Act: Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to enter an order declaring the agreement effective. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3249 In the Matter of Network US, Inc., d/b/a CA Affinity, Naperville, Illinois, seeking authority to operate as a resale carrier of intrastate interexchange telecommunications services within the State of Nebraska: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3253 In the Matter of Network US, Inc., d/b/a CA Affinity, Naperville, Illinois, seeking approval of an asset purchase agreement: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3255 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of an amendment to the Interconnection Agreement for Elimination of UNE-P and Implementation of Batch Hot Cut Process and Discounts with MCImetro Access Transmission Services, LLC, Denver, Colorado, Commissioner Landis presiding as Hearing Officer: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to enter an order overruling the motion to dismiss and approving interconnection agreements. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3263 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of its revisions to Exhibit B of its Statement of Generally Available Terms (SGAT) pursuant to Section 252(f) of the 1996 Telecommunications Act: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter an order declaring the agreement effective. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3273 In the Matter of VCI Company, d/b/a Vilaire Communication Inc., Lakewood, Washington, seeking a Certificate of Public Convenience and Necessity as a local competitive exchange carrier in Nebraska and seeking designation as an eligible telecommunications carrier: A planning conference was scheduled for January 14, 2004, at 10:00 a.m. in the Commission Hearing Room, Lincoln. The telephone conference bridge number is 402-472-6290. Commissioner Rod Johnson presiding as Hearing Officer.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3286 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of its Wireline Interconnection Agreement with Qwest Communications Corporation, Denver, Colorado: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3296 In the Matter of OneStar Long Distance, Inc., Evansville, Indiana, seeking approval of an asset purchase agreement and transfer of customers with Telrite Corporation, Covington, GA: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3303 In the Matter of United States Advanced Network, Inc., Norcross, Georgia, seeking to cancel its authority to operate as a resale carrier of intrastate interLATA and intraLATA telecommunications services within the state of Nebraska, previously granted in Application C-2004: Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3305 In the Matter of MCI, Inc., Atlanta, Georgia, seeking cancellation of the Certificates of Public Convenience and Necessity to provide local exchange and interexchange telecommunications services and withdrawal of tariffs: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3306 In the Matter of Qwest Corporation, Denver, Colorado, seeking approval of its Interim Amendment for Certain Disputed Traffic with MCImetro Access Transmission Services, LLC, Denver, Colorado, previously granted in Docket C-2257: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

COMMUNICATIONS DEPARTMENT (Cont.)

C-3308 In the Matter of Dorothy J. Towle and Southeast Nebraska Telephone Company, Falls City, seeking approval of a change of controlling interest in Southeast Nebraska Telephone Company: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3309 In the Matter of Alltel Nebraska, Inc., Little Rock, Arkansas, seeking approval of its Interconnection Agreement with Cox Nebraska Telcom, LLC, Omaha: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

C-3312 In the Matter of Econodial, LLC, New York, New York, seeking to withdraw its authority as an interexchange carrier in the State of Nebraska, previously granted in Application C-2763: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

Gene Hand provided the Commission with the CapTel Project Report for November 2004.

Gene Hand informed the Commission that the Nebraska Telecommunications Relay Service Advisory Committee will meet at 12:30 p.m. on January 13, 2005, at 12:30 p.m. CDT in the Commission Hearing Room, Lincoln.

Gene Hand informed the Commissioners that Commissioner Elliott Smith (IA) and Commissioner Ray Baum (OR), who have been leaders of the National Association of Regulatory Utility Commissioners Task Force on Intercarrier Compensation Reform, chaired by Commissioner Smith, have been formally appointed to the Federal-State Joint Board on Universal Service.

E-2061 In the Matter of Norris Public Power District, Beatrice, seeking authority to construct, operate and maintain electric transmission lines in Lancaster County: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to enter an order granting the application. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, and Commissioner Boyle Excused Not Voting.

UNIVERSAL SERVICE FUND

Camelia Rogers discussed Late-Filed Carrier Remittances: Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson, to levy late fees against TCG Omaha; AT&T Communications and Telenational Communications. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioner Anne Boyle Excused Not Voting.

NATURAL GAS DEPARTMENT

FC-1319 In the Matter of Kinder Morgan, Inc., Lakewood Colorado, vs. City of Hastings, Hastings, alleging installation of duplicative and redundant natural gas piping and services in the City of Hastings and its environs, Commissioner Rod Johnson presiding as Hearing Officer: A status conference was scheduled for January 31, 2005, at 2:00 p.m. in the Commission Hearing Room, Lincoln. The call-in number is 402-472-6296.

Laura Demman provided a report on the number and nature of natural gas consumer inquiries and complaints received during the previous month.

CI 03-4555 In the Matter of Aquila, Inc., Omaha, seeking resolution of (P-0006) a dispute under Neb. Rev. Stat. § 57-1306: Laura Demman informed the Commission that the District Court of Lancaster County, Nebraska, issued an order January 3, 2005, affirming the November 13, 2003 decision that was appealed by Metropolitan Utilities District of Omaha.

LEGISLATIVE REPORT

Laura Demman advised the Commissioners that a legislative bill regarding natural gas has been drafted to include the following principles: 1) Allow 30 days, instead of 15 days, for the Commission to issue a quarterly assessment to jurisdictional utilities; 2) change the cap on investigatory assessments from 6/10 of 1% of net jurisdictional revenues to 1% of net jurisdictional revenues, consistent with the Commission's budget request; and 3) change an inconsistency in the use of two defined terms in the statutory section on investigatory assessments, as suggested by the bill drafter: Motion made by Commissioner Landis, seconded by Commissioner Rod Johnson, to approve the draft of the legislative bill. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE. Commissioner Boyle Excused Not Voting.

Commissioner Lowell Johnson exited the Commission Hearing Room.

GRAIN WAREHOUSE DEPARTMENT

GW-19            In the Matter of J. E. Meuret Grain Co., Inc., Brunswick, seeking a \$25,000.00 deductible on its stock insurance: Motion made by Commissioner Rod Johnson, seconded by Commissioner Frank Landis, to enter an Order granting the application. Motion passed with Commissioners Rod Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioners Anne Boyle and Lowell Johnson Excused Not Voting.

Commissioner Lowell Johnson returned to the Commission Hearing Room.

GWC-394/  
GW-182            In the Matter of Haveman Grain Co., Inc., Murray: Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to enter an Order to Show Cause. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioners Anne Boyle Excused Not Voting. A hearing was scheduled for February 1, 2005 at 2:00 p.m. in the Commission Hearing Room, Lincoln. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioner Anne Boyle Excused Not Voting. Commissioner Landis presiding as Hearing Officer.

GW-1552            In the Matter of Schilling Grain, Inc., Pawnee City, seeking termination of a storage contract: Upon agreement of all Commissioners present, the application was granted.

GW-1599            In the Matter of Alvo Grain and Feed, Inc., Alvo: Upon agreement of all Commissioners present, Gordon Ganz will be asked to attend the January 11 Commission meeting to discuss his record keeping requirements.

GW-2134            In the Matter of Schaefer Grain & Feed, Inc. dba Schaefer  
GWC-393            Grain Company, Plainview: Motion made by Commissioner Lowell Johnson seconded by Commissioner Rod Johnson, to enter an Order approving a stipulation and dismissing the complaint. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE, Commissioner Anne Boyle Excused Not Voting.

Grain Dealer Division

GD-2820            In the Matter of Identity Seed & Grain Company, Cocoa Beach, Florida: Licensee will not renew license for 2005.

GD-2859            In the Matter of K & C Grain, Inc., Hadar: John Fecht discussed the financial statement due December 31. The licensee was given one week to file a 30 day extension.

GRAIN WAREHOUSE DEPARTMENT (Cont.)

GD-2141 In the Matter of Capitol Indemnity Corporation seeking cancellation of its Continuous Grain Dealer Bond No. 901058 in the amount of \$35,000.00, issued on behalf of Pender Grain, Inc., Pender: Bond was cancelled effective December 26, 2004.

GD-2861 In the Matter of Union Insurance Company seeking cancellation of its Continuous Grain Dealer Bond No. 249 07 93 in the amount of \$35,000.00, issued on behalf of Triple T Custom Farms, Inc., Mitchell: Bond was cancelled effective December 31, 2004.

TRANSPORTATION DEPARTMENT

B-1577 In the Matter of Laidback Limousine, Inc., Omaha, seeking to extend its authority in the transportation of passengers and their baggage by limousine between points in Douglas, Sarpy, and Lancaster counties over irregular routes. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized. Commissioner Boyle presiding as Hearing Officer: A video hearing was scheduled for January 12, 2005, at 9:30 a.m. in the Commission Library, Lincoln, and the Nebraska State Office Building, Room 207, 2nd Floor, 1313 Farnam Street, Omaha.

B-1618 In the Matter of Royal Limousine, Inc., Omaha, seeking to extend its authority in the transportation of passengers and their baggage by limousine between points in Dodge and Saunders counties between points within said counties, on the one hand, and, on the other hand, points in Nebraska over irregular routes. SUPP. 1: Transportation of passengers by luxury limousine between points in Colfax, Platte, Butler, Douglas, Cuming, Burt, Washington and Lancaster counties over irregular routes. SUPP. 2: Transportation of passengers by luxury limousine between points in Sarpy, Cass, Otoe, Seward, Stanton and Madison counties, and between points within said counties, on the one hand, and, on the other hand, points in Nebraska over irregular routes. RESTRICTION: Restricted against the transportation of passengers by vans. To extend the authority by the addition of buses and vans, and to amend the authority by the deletion of the restriction against the use of vans. Commissioner Boyle presiding as Hearing Officer: A video hearing was scheduled for 9:30 a.m. on January 12, 2005, in the Commission Library, Lincoln, and Nebraska State Office Building, Room 207, 2nd Floor, 1313 Farnam, Omaha.

TRANSPORTATION DEPARTMENT (Cont.)

B-1621 In the Matter of Phoenix Counseling, Inc., dba Phoenix Transportation Services, Omaha, seeking authority as a common carrier of passengers in open class service by van between points in Douglas, Cass, Sarpy, and Washington counties over irregular routes. To include the transportation of Health and Human Services clientele and their subcontractors thereof. RESTRICTION: The transportation of railroad train crews and their baggage is not authorized. Commissioner Boyle presiding as Hearing Officer: A video hearing was scheduled for January 11, 2005, at 1:45 p.m. in the Commission Library, Lincoln, and the Nebraska State Office Building, 1313 Farnam Street, Room 207, Omaha.

Commissioner Rod Johnson left the Commission Hearing Room.

Rate Division

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-F: The fuel surcharge was reduced to 28 cents per mile, and the taxi surcharge to 35 cents per trip.

Commissioner Rod Johnson left the Commission Hearing Room.

GENERAL ADMINISTRATION

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to approve the following invoices. Motion passed with Commissioners Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE. Commissioner Boyle Excused Not Voting.

The following invoices have been paid and were ratified by the Commission:

Hamilton Communications	\$	70,457.52
Anne Boyle		279.75
Rod Johnson		349.49
Gerald Vap		713.88

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

Aksarben TDD Service	2,000.00
Carl A. Johnson	4,369.00
K & D Communications	7,701.00
Weitbrecht Communications	7,873.10
Associated Hearing Health	434.65
Grand Island Hearing Aid	1,139.44
Harris Communications	159.20
Hearing Clinic Inc	515.00
Hearing Aid Specialists	274.95
Johnson Hearing Aid Service	802.58

GENERAL ADMINISTRATION (Cont.)

McCook Pharmacy	\$	451.90
Professional Hearing Aid Service		1,294.75
R & J Enterprises		1,797.55
Sherard Hearing Aid Center		1,117.40
Teltex		2,023.31

The following payments were approved by the Commission:

DAS - Communications	\$	2,268.32
Ted Burkey		1,407.50
Larry Fauss		800.00
Kelly Services		625.63
Kelly Services		577.50
Kent Pribyl		1,193.55
Frank Landis		18.75

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Frank Landis, to approve Commission minutes for the months of November and December, 2004. Without official vote, the motion passed.

Upon agreement of all Commissioners present, Commission minutes for the months of November and December 2004, were approved.

Upon agreement of all Commissioners present, authorization was granted for Robert Bowman to travel to Clay Center, Kansas, on January 5, 2005, to perform a modular housing unit factory inspection of Wardcraft Homes with all expenses, including time, to be reimbursed to the Commission by Wardcraft Homes.

Upon agreement of all Commissioners present, authorization was granted for Commissioners Boyle, Landis and Vap to attend the National Association of Regulatory Utility Commissioners (NARUC) Conference to be held in Washington, DC from February 11-16, 2005.

Upon agreement of all Commissioners present, authorization was granted for Gene Hand, Jeff Pursley and Laura Demman to attend the National Association of Regulatory Utility Commissioners (NARUC) Conference to be held in Washington, DC from February 11-16, 2005.

Upon agreement of all Commissioners present, authorization was granted to surplus the following computers: Tag #1200, IBM 4019-E01 and a computer with no tag, serial number SN 693-9727.

Upon agreement of all Commissioners present, authorization was granted to surplus Vehicle #7965, 1996 Dodge Intrepid (Harrison).

The meeting adjourned at 11:10 a.m. with Commissioners Lowell Johnson, Rod Johnson, Landis and Vap present, and Commissioner Boyle Excused. The next regularly scheduled meeting will be held on January 11, 2005, 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 10, 2005.

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Chairman

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Deputy Director