

Chairman Vap called the regularly scheduled meeting to order at 10:03 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, and Vap present and Commissioner Landis Excused.

#### GENERAL ADMINISTRATION

Notice was duly published January 11, 2005, on Page 9 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held Wednesday, January 19, 2005, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

#### COMMUNICATIONS DEPARTMENT

C-3319 In the Matter of Phonetec PCS, LLC, Midland, Texas, seeking to withdraw its authority to operate as a resale common carrier of telecommunications services within the State of Nebraska previously granted in Docket C-3161: Motion made by Commissioner Anne Boyle, seconded by Commissioner Rod Johnson, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

C-3204 In the Matter of Sprint Communications, L.P., Overland Park, Kansas, seeking approval of an amendment to its Certificate of Public Convenience and Necessity to provide local exchange telecommunications service in all exchanges within the State of Nebraska in which Sprint is not currently certificated. Commissioner Landis presiding as Hearing Officer: Gene Hand informed the Commission of the Hearing Officer Order regarding late filed exhibits.

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. Commissioner Rod Johnson presiding as Hearing Officer: A hearing was scheduled for March 22, 2005, at 1:00 p.m. in the Commission Hearing Room, Lincoln.

Gene Hand informed the Commission that an article written by Tyler E. Frost and David I. Rosenbaum, "Estimating Forward Looking Loop Costs for Telecommunications Services," was published in the NRRI Journal of Applied Regulation, November 2004, Volume 2.

E-2059 In the Matter of Niobrara Valley Electric Membership Corporation, O'Neill, seeking authority to construct, operate and maintain an electric transmission line in Holt County: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

UNIVERSAL SERVICE FUND

NUSF-37.40 In the Matter of Jeffrey L. Pursley, Director, Nebraska Universal Service Department, Complainant, vs. LDMI Telecommunications, Respondent: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson, to enter an order dismissing this complaint. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

NUSF-26 In the Matter of the Commission, on its own motion, seeking to establish a long-term universal service funding mechanism: Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to approve Jeff Pursley's recommendation that \$66,500,000 of the Fund be allocated for general distribution in the NUSF-26 methodology and that a total of approximately \$76,000,000 of high cost support be paid during the calendar year of 2005. Mr. Pursley also recommended that \$934,500 and \$1,500,000 be allocated for the Nebraska Telephone Assistance Program (NTAP) and Tele-Health programs respectively in the calendar year of 2005. Mr. Pursley informed the Commission that a portion of the high cost and tele-health support was contingent upon action by various parties and that that tele-health account was greater than the \$900,000/year cap because of retroactive payments. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

NUSF-26 In the Matter of the Commission, on its own motion, seeking to establish a long-term universal service funding mechanism: Jeff Pursley recommended approval of the Nebraska Universal Service Fund's HCP support schedules for Tele-Health fiber connections for Crete Area Hospital; Mary Lanning Memorial, Phelps Memorial; Beatrice Community Hospital, Tri-County Hospital and Great Plains Regional Hospital. Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson, to approve the support schedules. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

E911 DEPARTMENT

PSAP-037.1 In the Matter of Cass County, Plattsmouth, seeking funding approval for recurring and non-recurring costs of enhanced wireless E911 implementation: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

E911 DEPARTMENT (Cont.)

PSAP-031.1 In the Matter of Scottsbluff County, Scottsbluff, seeking funding approval for recurring and non-recurring costs of enhanced wireless E911 implementation: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

Kara Thielen reported on the summary of HR 5419, the Enhanced 911 Act of 2004.

RULES AND REGULATIONS

Rule and Regulation #163 In the Matter of the Commission, on its own motion, seeking to promulgate Title 291, Chapter 14, Recreational Vehicles Rules and Regulations, previously written under Title 178, Chapter 15, through Health and Human Services and to adopt current plan review and construction standards; create an ad hoc committee; correct technical errors, grammar, punctuation, spelling, sequential numbering and the like; and reprint the chapter in its entirety: Mark Breiner reported that the rules were rejected by the Attorney General's Office due to a statutory ruling, but they were resubmitted on January 18 with corrections.

WEB AND TECHNOLOGY REPORT

Tyler Frost informed the Commission that the installation of the new file server is complete. Fiber has also been installed in the agency and was operational on January 13, 2005. New video conferencing equipment is to be installed at a later date.

Tyler Frost provided an update on the state's e-mail conversion status. The new deadline for full conversion of all state agencies is January 1, 2006. No timeline for agency conversion is currently available.

Tyler Frost informed the Commission that, in compliance with the gubernatorial mandated deadline of December 31, 2005, forms are available, in editable pdf format, on the Commission's website.

Tyler Frost provided an overview of online complaints and various web statistics for 2004.

LEGISLATIVE REPORT

Angela Melton provided the Legislative Report:

January 19th was the last day for bill introduction. As of January 18th, all bills proposed by the Commission have been introduced. The hearing on LB52 took place on January 18th. No other hearings on Commission proposed bills have been scheduled. The staff anticipates having recommendations regarding positions on the various bills that affect the Commission next week.

GRAIN WAREHOUSE DEPARTMENT

GW-1510 In the Matter of Kelley Bean Co., Inc., Scottsbluff, seeking to cancel receipts 11158 through 11200 and 545834 through 545850: Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to grant Application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

There is one grain warehouse license that has not been issued due to background check.

GW-1599 In the Matter of Alvo Grain and Feed, Inc., Alvo: John Fecht discussed the examination results.

Grain Dealer Division

GD-1887 In the Matter of Oak Cattle Company, Inc. dba Stanton Feed and Grain Company, Stanton, seeking a Grain Dealer License, subject to the fulfillment of all statutory requirements, for the license period ending December 31, 2005: Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to enter an Order granting the application. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

GD-2840 In the Matter of St. Paul Mercury Insurance Company seeking cancellation of its Continuous Grain Dealer Bond No. 400 SA 9073 in the amount of \$35,000.00, issued on behalf of Dakota Farms International, Ltd., Carpenter, SD: The bond was cancelled effective January 19, 2005.

There are eight grain dealer licenses that have not been issued due to background checks.

TRANSPORTATION DEPARTMENT

B-1505 In the Matter of Abbott Transportation, Inc., Council Bluffs, Iowa, seeking to extend its authority as a contract carrier for Abbott Parking, Inc., Omaha, in the transportation of passengers and their baggage by sedan, vans and buses between the facility of Abbott Parking in Omaha and Eppley Airfield over irregular routes: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson, to grant the application as amended. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

B-1660 In the Matter of Alford Oil Company dba Omaha Limousine, Omaha, seeking to acquire, by transfer, the certificate held by Omaha Limousine Co., LLC, dba Omaha Limousine in Certificate B-1548: Motion made by Commissioner Anne Boyle, seconded by Commissioner Lowell Johnson, to grant the application for temporary authority. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

B-1577 In the Matter of Laidback Limousine, Inc., Omaha, seeking to extend its authority on 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: The video hearing previously set for January 12, 2005, was continued to February 2, 2005, at 9:30 a.m. in the Commission Library, Lincoln, and the Nebraska State Office Building, 1313 Farnam Street, Room 207, Omaha.

B-1618 In the Matter of Royal Limousine, 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, Commissioner Boyle presides as Hearing Officer: The video hearing previously set for January 12, 2005, was continued to February 2, 2005, at 9:30 a.m. in the Commission Library, Lincoln, and the Nebraska State Office Building, 1313 Farnam Street, Room 207, Omaha.

Rate Division

TR-139 In the Matter of Servant Cab, Inc., dba Yellow Cab and Capital Cab, Lincoln, seeking to adjust its rates and Charges, Commissioner Vap presides as Hearing Officer: The hearing previously set for January 26, 2005, at 10:00 a.m. in the Commission Hearing Room was rescheduled for January 26, 2005, at 8:30 a.m. in the Commission Library, Lincoln, and Nebraska State Office Building, 1313 Farnam Street, Omaha.

TRANSPORTATION DEPARTMENT (Cont.)

MR-1020 In the Matter of Portable Storage of Nebraska dba PODS, Omaha, seeking to amend Official Household Goods Tariffs 7F and 22: Motion made by Commissioner Rod Johnson, seconded by Commissioner Lowell Johnson, to grant the application on an emergency basis. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

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 increased to 34 cents per mile, and the taxi surcharge decreased to 40 cents per trip.

GENERAL ADMINISTRATION

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

DAS IMServices	\$	2,684.10
DAS Materiel		584.81
Hamilton Telecommunications		74,415.91
Mark Luttich		970.10
Rod Johnson		370.99
Gerald Vap		747.34

Motion made by Commissioner Anne Boyle, seconded by Commissioner Rod Johnson, to authorize Gene Hand to attend the Qwest Regional Oversight Committee Meeting to be held in Scottsdale, Arizona, on March 13-14, 2005. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

Motion made by Commissioner Lowell Johnson, seconded by Commissioner Anne Boyle, to authorize Mark Luttich to attend the United States Department of Housing and Urban Development/Council of State Administrative States Workshop to be held in Alexandria, Virginia from March 14-17, 2005 with all expenses to be paid by HUD. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, and Jerry Vap voting AYE, Commissioner Frank Landis Excused Not Voting.

The meeting adjourned at 10:44 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, and Vap present, and Commissioner Landis Excused. The next regularly scheduled meeting will be held on January 25, 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 24, 2005.

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Chairman

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Executive Director