

Chairman Lowell Johnson called the regularly scheduled meeting to order at 10:02 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. Chairman Johnson also invited the public to address the Commission at any point during the meeting. He also announced that a copy of the Nebraska Open Meetings Act was available in the meeting room.

GENERAL ADMINISTRATION

Notice was duly published September 26, 2006 on Page 7 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held October 3, 2006 at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Tuesday, October 3, 2006:

FC-1322 Commission Hearing Room, Lincoln.
1:30 In the Matter of the Petition of Amy Miller, Legal Director and Representative of the American Civil Liberties Union Nebraska, Lincoln vs. AT&T, Lincoln, alleging disclosure of customer's private phone records without customer's knowledge or consent. Commissioner Boyle presiding as Hearing Officer.

FC-1324 Commission Hearing Room, Lincoln.
1:30 In the Matter of the Petition of Amy Miller, Legal Director and Representative of the American Civil Liberties Union Nebraska, Lincoln, vs. Verizon, Lincoln, alleging disclosure of customer's private phone records without customer's knowledge or consent. Commissioner Boyle presiding as Hearing Officer.

Wednesday, October 4, 2006:

911-020/ Commission Hearing Room, Lincoln. Oral Argument.
DC-73 In the Matter of Jeffrey L. Pursley, Director, Nebraska
10:00 Telecommunications Infrastructure and Public Safety Department, Complainant, v. Budget Phone, Inc., d/b/a Budget Prepay; BullsEye Telecom, Inc.; Excel; Ionex Communications North, Inc., a/k/a Birch Telecom, Inc.; MCImetro Access Transmission Services, LLC; NOS Communications, Inc.; Orbitcom.com; and Vartec, Respondents. Commissioner Vap presiding as Hearing Officer.

CC 01-92 Commission Hearing Room, Lincoln. Workshop.
1:30 Missoula Comprehensive Intercarrier Compensation Reform Plan.

GENERAL ADMINISTRATION (Cont.)

Thursday, October 5, 2006:

B-1688 Commission Library, Lincoln and Panhandle Learning Center,
10:30 CST High Plains Room, 4502 Avenue I, Scottsbluff.
9:30 MT In the Matter of Darin P. VanNatter, d/b/a Prestige Limo,
Sidney, seeking authority as a common carrier in Nebraska
intrastate commerce in the transportation of passengers and
their baggage in limousine service between points in
Cheyenne County, and between points in said county, on the
one hand, and, on the other hand, points in Nebraska over
irregular routes. All trips will originate and terminate
in Cheyenne County. Commissioner Vap presiding as Hearing
Officer.

COMMUNICATIONS DEPARTMENT

Cheryl Elton informed the Commission of the complaints
received in the preceding month. She reported that there were a total
of 82 complaints taken in the month of September 2006, 57 - wireline
and 25 - wireless. The complaints were categorized as follows: 38
billing, 32 service and 12 miscellaneous issues.

C-3559/ In the Matter of the Commission, on its own motion, seeking
DC-72 compliance of the 2005 Annual Report Filings. Commissioner
Boyle presiding as Hearing Officer: Motion made by Commis-
sioner Jerry Vap, seconded by Commissioner Anne Boyle, to enter an
order reopening the docket and dismissing the defendant. Motion passed
with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank
Landis and Jerry Vap voting AYE.

C-3687 In the Matter of Acceris Management and Acquisition, LLC,
San Diego, California, seeking a transfer of assets to
First Communications, LLC, Akron, Ohio: The staff recommended holding
the matter over to resolve outstanding issues.

C-3692 In the Matter of CTC Communications Corporation, Waltham,
Massachusetts, seeking to adopt the d/b/a "One Communica-
tions": Motion made by Commissioner Anne Boyle, seconded by Commis-
sioner Rod Johnson, to enter an order granting the application.
Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod
Johnson, Frank Landis and Jerry Vap voting AYE.

WT 06-150 In the Matter of Federal Communications Commission dockets
WT 01-309 regarding rules specific to the 700 MHz spectrum: The Com-
CC 94-102 mission approved the Chairman signing and sending letters
to the Congressional delegation along with comments.

COMMUNICATIONS DEPARTMENT (Cont.)

FC-1324 In the Matter of Amy Miller, Legal Director and Representative of the American Civil Liberties Union Nebraska, Lincoln, Complainant v. Verizon, Lincoln, Defendant. Commissioner Boyle presiding as Hearing Officer: Gene Hand informed the Commission of a Hearing Officer order entered October 3, 2006, granting Verizon's Motion for Admission Pro Hac Vice.

DC-71/
NUSF-53 In the Matter of Maurice Gene Hand, Director, Communications Department and Jeffrey L. Pursley, Director, Nebraska Universal Service Fund Department, Complainants v. Qwest Corporation, Respondent. Commissioner Vap presiding as Hearing Officer: Upon agreement of all Commissioners, a post-order workshop was scheduled for October 10, 2006 at 1:30 p.m. in the Commission Library, Lincoln.

CC 01-92 In the Matter of developing a Unified Intercarrier Compensation Regime: Gene Hand updated the Commission on the status of the Missoula Plan Workshop scheduled for October 4, 2006, at 1:30 p.m. in the Commission Hearing Room. Interested parties may participate by conference at 402-472-6295.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT

911-002 In the Matter of the Commission, on its own motion, seeking to determine the surcharge for the Enhanced Wireless 911 Fund: Motion made by Commissioner Rod Johnson, seconded by Commissioner Jerry Vap, to enter an order retaining the surcharge at \$.50 per access line. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to enter an order approving funding for GIS mapping on applications 911-23.11 through 911-23.46. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

911-23.11 In the Matter of Merrick County Public Safety Answering Point, Central City, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

911.23.21 In the Matter of Boyd-Holt County Public Safety Answering Point, O'Neill, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

911-23.26 In the Matter of Antelope County Public Safety Answering Point, Neligh, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT (Cont.)

911-23.28 In the Matter of Clay County Public Safety Answering Point, Clay Center, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

911-23.45 In the Matter of Johnson-Pawnee Counties Public Safety Answering Point, Tecumseh, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

911-23.46 In the Matter of Madison County Public Safety Answering Point, Madison, seeking funding approval for recurring and non-recurring costs of Enhanced Wireless 911 implementation.

Jeff Pursley informed the Commission that the Wireless E911 Advisory Board Meeting was moved from October 20, 2006 to November 6, 2006 at 10:00 a.m. in the Commission Library, Lincoln. Andy Pollock reported that Dan Hoffman from the Governor's office would attend the E911 Wireless Advisory Board meeting.

Jeff Pursley discussed the fining policy for late-filed Remittance Worksheets and/or late surcharge payments for the Nebraska Universal Service Fund and the Wireless E-911 Fund. The Commissioners had no objections to its use.

NUSF-37.95 In the Matter of Jeffrey L. Pursley, Director, Nebraska Universal Service Fund v. Globalcom, Inc.: Motion made by Commissioner Anne Boyle, seconded by Commissioner Frank Landis, to enter an order dismissing the complaint. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

NUSF-37.96 In the Matter of Jeffrey L. Pursley, Director, Nebraska Universal Service Fund v. Long Distance of Michigan, Inc., d/b/a LDMI Long Distance: Motion made by Commissioner Anne Boyle, seconded by Commissioner Frank Landis, to enter an order dismissing the complaint. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

NUSF-57 In the Matter of the Commission, on its own motion, seeking PO #1 to administer the Nebraska Telehealth Program: Motion made by Commissioner Jerry Vap, seconded by Commissioner Anne Boyle, to enter an order adopting procedures for the Nebraska Telehealth Program. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

TELECOMMUNICATIONS INFRASTRUCTURE AND PUBLIC SAFETY DEPARTMENT (Cont.)

NUSF-4 In the Matter of the Commission, on its own motion, seeking
NUSF-50 to determine the level of the fund necessary to carry out
the Nebraska Telecommunications Universal Service Fund Act
to be effective for the fiscal year beginning July 1, 2006, and In the
Matter of the Commission, on its own motion, seeking to make adjust-
ments to the universal service fund mechanism established in NUSF-26.
Commissioner Landis presiding as Hearing Officer: Jeff Pursley in-
formed the Commission that comments in NUSF-4/NUSF-50 have been
received.

Jeff Pursley reported on the status of the lawsuit against
the NUSF/Commission, referencing the summary prepared by Shana
Knutson.

NUSF-53/ In the Matter of Maurice Gene Hand, Director, Communica-
DC-71 tions Department and Jeffrey L. Pursley, Director, Nebraska
Universal Service Fund Department, Complainants v. Qwest
Corporation, Respondent: A workshop was scheduled under the Communi-
cations agenda for October 10, 2006 at 1:30 p.m. in the Commission
Library, Lincoln.

Jeff Pursley reported on Wireless E-911 Late-Filed Carrier
Remittances: Motion made by Commissioner Vap, seconded by Commis-
sioner Landis, to grant a request from iwireless, Urbandale, Iowa, for
a one-time waiver for the late-filed second quarter 2006 remittance
worksheet and payment. Motion passed with Commissioners Anne Boyle,
Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

Jeff Pursley reported on the NUSF Late-Filed Carrier
Remittances: Motion made by Commissioner Vap, seconded by Commis-
sioner Landis, to file a Complaint against Globalcom, Inc., Chicago,
Illinois; Globalstar USA, LLC, San Jose, California and, that the
current complaint NUSF-37.101 against Opex Communications, Elk Grove
Village, Illinois, be amended to include the late-filed August, 2006
remittance worksheet. Jeff Pursley also recommended that iwireless,
Urbandale, Iowa, be granted a one-time waiver for their late-filed
second quarter 2006, and July 2006 remittance worksheets and payments.
Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod
Johnson, Frank Landis and Jerry Vap voting AYE.

NATURAL GAS DEPARTMENT

NG-0028/ In the Matter of the Commission, on its own motion, seeking
PI-97 to investigate and adopt policies for administration of
consumer choice programs offered by jurisdictional utili-
ties for natural gas service in Nebraska. Commissioner Vap presiding
as Hearing Officer: Motion made by Commissioner Jerry Vap, seconded
by Commissioner Frank Landis, to enter an order closing the docket.
Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod
Johnson, Frank Landis and Jerry Vap voting AYE.

NATURAL GAS DEPARTMENT (Cont.)

NG-0038 In the Matter of the Commission, on its own motion, seeking to consider requirements for implementation of LB 1249, addressing prospective resolution of natural gas main construction disputes. Commissioner Landis presiding as Hearing Officer: Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to enter an order closing the docket. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

NG-0039 In the Matter of Kinder Morgan, Inc., Houston, Texas; KM Retail Utilities Holdco LLC, Houston, Texas; Source Gas Distribution LLC, Lakewood, Colorado, Source Gas Holdings LLC, Stamford, Connecticut; and Source Gas LLC, Stamford, Connecticut; seeking approval of (1) the proposed transfer of Kinder Morgan, Inc.'s Nebraska Certificate of Convenience and utility assets to Source Gas Distribution LLC; and (2) the proposed change of control of Source Gas Distribution LLC from Kinder Morgan, Inc. to Source Gas LLC: Laura Demman reported that the application was filed September 29, 2006. Commissioner Vap was appointed Hearing Officer.

Laura Demman reported a total number of 122 consumer complaints and inquiries received at the Commission for each company during September 2006: Aquila - 11; Kinder Morgan - 109 (98 opposing the rate increase); NorthWestern - 0; and other entities - 2.

RULES AND REGULATIONS

Rule and Regulation #167 In the Matter of the Commission, on its own motion, seeking to amend Title 291, Chapter 9, Natural Gas and Pipeline Rules and Regulations, to adopt rules in accordance with Nebraska Legislative Bill 1249[2006] and to add rules regarding meter errors, consumer choice programs, aggregators and suppliers and emergency curtailment plans: Motion made by Commissioner Frank Landis, seconded by Commissioner Jerry Vap, to enter an order opening the docket and seeking comments. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE. Commissioner Landis appointed Hearing Officer.

TRANSPORTATION DEPARTMENT

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 decreased to 56 cents per mile.

GRAIN WAREHOUSE DEPARTMENT

John Fecht discussed the following shortages:

GW-20 Farmers Union Co-operative Association of Lynch: oats.
GW-2061 Colon Elevator Co., Colon: corn.
GW-2176 L & L Pork, Inc., d/b/a Randolph Elevator, Randolph: corn.

GW-1887 In the Matter of Oak Cattle Company, Inc., d/b/a Stanton
Feed and Grain Company, Stanton, seeking to cancel its
Grain Warehouse License: License cancelled effective September 19,
2006.

Grain Dealer Division

GD-2913 In the Matter of Andersons Agriservices, Inc., Maumee,
Ohio, seeking a Grain Dealer License, subject to the
fulfillment of all statutory requirements, for the license period
ending September 30, 2007: Motion made by Commissioner Jerry Vap,
seconded by Commissioner Frank Landis, to enter an order granting the
application. Motion passed with Commissioners Anne Boyle, Lowell
Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

GENERAL ADMINISTRATION

Motion made by Commissioner Jerry Vap, seconded by Commis-
sioner Rod Johnson, to approve the following Commission invoices.
Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod
Johnson, Frank Landis and Jerry Vap voting AYE.

Anne Boyle	\$	427.20
Lowell Johnson		188.72
Frank Landis		213.57
Gerald Vap		213.57

Motion made by Commissioner Rod Johnson, seconded by Com-
missioner Frank Landis, to approve Commission minutes for September
2006. Motion passed with Commissioners Anne Boyle, Lowell Johnson,
Rod Johnson, Frank Landis and Jerry Vap voting AYE.

Upon agreement of all Commissioners, authorization was
granted for Commissioner Rod Johnson to travel to and attend the Mid-
America Telecom Showcase and Seminar (MATSS) to be held in Kansas
City, Missouri, from October 22-24, 2006.

Upon agreement of all Commissioners, authorization was
granted for Jeff Pursley and Gene Hand to travel to and attend the
Missoula Plan meeting to be held in Indianapolis, Indiana from October
11-13, 2006.

GENERAL ADMINISTRATION (Cont.)

Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to approve proposed revisions to the Commission Policy Manual. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE.

Upon agreement of all Commissioners, the time to begin the Commission meeting scheduled for October 11, 2006, was changed to 10:00 a.m.

Motion made by Commissioner Frank Landis, seconded by Commissioner Rod Johnson, to enter into closed session for the purpose of protecting the public interest and discuss pending litigation, to wit, the writ of mandamus action filed by Marvel Jones against the Public Service Commission in the Nebraska Supreme Court. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE. After vote on the motion, Chairman Lowell Johnson restated the limitation of the subject matter of the closed session, to wit, discussion of the writ of mandamus action filed by Marvel Jones against the Public Service Commission in the Nebraska Supreme Court. The Commission went into closed session at 10:39 a.m.

Motion made by Commissioner Jerry Vap, seconded by Commissioner Frank Landis, to return to open session. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis and Jerry Vap voting AYE. The Commission returned to open session at 10:54 a.m.

The meeting adjourned at 10:55 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on Wednesday, October 11, 2006, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on Tuesday, October 10, 2006.

Chairman

Executive Director