

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Petition) Application No. C-1513
from the residents of the)
Madison exchange, served by)
GTE, requesting extended area) GRANTED
service (EAS) to the Norfolk)
exchange, served by US West)
Communications, Inc.) Entered: February 21, 2001

BY THE COMMISSION:

O P I N I O N A N D F I N D I N G S

On March 20, 1997, the Commission received a petition from the residents of the Madison, Nebraska exchange, then served by GTE (now served by Citizens Telecommunications of Nebraska), requesting extended area service (EAS) to the Norfolk, Nebraska exchange, served by US West Communications, Inc., n/k/a Qwest Corporation. On April 2, 1997, the Commission verified that the petition contained a sufficient number of valid signatures.

As required by Rule 002.27B2c of the Commission Telecommunications Rules and Regulations, Title 291, Chapter 5, a point-to-point usage study was commenced to determine if a community of interest existed. On May 22, 1997, the Commission verified that the traffic study information filed in the above-captioned docket represented a sufficient interest from the customers to meet Commission rules and directed GTE to establish proposed rates to implement the EAS plan.

On November 18, 1997, the Commission voted to hold the application in abeyance until March 16, 1998. Thereafter, the Commission requested proposed revised rates from GTE. Said rates were due April 1, 1999. On March 22, 1999, GTE filed revised rate estimates taking into consideration the proposed access reductions that were to take effect September 1, 1999. On October 14, 1999, the Commission requested a revised cost study for the Madison to Norfolk EAS petition. On November 3, 1999, GTE filed the requested information with proposed monthly rates. On November 12, 1999, US West submitted proposed rates as well. On February 28, 2000, the Commission's newly-revised EAS rules became effective.

On April 5, 2000, GTE's Nebraska exchanges were sold to Citizens Telecommunications of Nebraska (Application No. C-2148). As a result, Citizens Telecommunications of Nebraska (Citizens) was

requested to forward proposed rates for the Madison exchange. Citizens proposed the following rates to the Commission:

<u>Current Rates</u>		<u>Proposed EAS Rates</u>	
Res	Bus	Res	Bus
\$17.50	\$27.50	\$20.99	\$33.78

On August 2, 2000, Qwest notified the Commission that an additional \$.25 per access line, per month would give Norfolk customers, residential and business, unlimited local calling into Madison. In accordance with the Commission's Rules, Chapter 5, section 002.27D1, Qwest also requested that the Commission's survey requirement be waived because of the minimal per line increase.

In an effort to take public comment on the proposed rates and the necessity for a survey, the Commission scheduled public informational meetings in this docket for August 29, 2000, in Madison and for October 12, 2000, in Norfolk.

On November 8, 2000, after taking public comment and upon consideration of Qwest's request for waiver, the Commission approved waiving the balloting requirement for the Norfolk exchange. Furthermore, the Commission approved balloting the affected customers of the Madison exchange pursuant to Rule 002.27C6 and directed Citizens to submit a proposed customer letter and ballot for Commission approval.

The proposed ballot was approved by the Commission on November 28, 2000, with the ballots to be sent December 8, 2000, with a return date of January 12, 2001. Due to several problems with the mailing of the ballot, the Commission extended the return due date until February 9, 2001. Of the 1276 ballots sent, 849 were returned by the deadline. Of the 849 returned, 459 ballots were in favor of the EAS proposal and 331 ballots indicated opposition to the plan and 59 ballots were disqualified. Thus, 58 percent of the Madison subscribers who returned validated ballots voted in favor of the plan, exceeding the 50 percent benchmark required by Commission Rule 002.27B3b(3). The request to implement extended area service between the Madison exchange and the Norfolk exchange should be granted.

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According to Commission Rules, the extended area service should be established within one year of the ballot date, unless good cause is shown. Considering the length of this proceeding, the Commission is of the opinion and finds that the Madison/Norfolk extended area service should be implemented in an expedited manner. Citizens and Qwest should submit by March 15, 2001, for Commission approval, the extended area service implementation date.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1513 be, and it is hereby, granted.

IT IS FURTHER ORDERED that Citizens Telecommunications of Nebraska and Qwest Corporation submit by March 15, 2001, for Commission approval, an expedited proposed implementation date for the extended areas service between the Madison exchange and the Norfolk exchange.

IT IS FURTHER ORDERED that Citizens Telecommunications of Nebraska and Qwest are hereby authorized to revise their rates and charges for extended area service as set forth in this order between the Madison exchange and the Norfolk exchange concurrent with the availability of the new extended area service.

MADE AND ENTERED at Lincoln, Nebraska this 21st day of February, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Frank E. Landis

Frank E. Landis
Chairman

Anne C. Boyle

//s//Frank E. Landis
//s//Daniel G. Urwiller

ATTEST:

Shirley S. Pollak
Executive Director