

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the emergency ) Application No. C-1519  
petition of MCI Telecommunications ) ORDER ACCEPTING  
Corp. and AT&T Communications, ) STIPULATION, ISSUING  
both of Denver, Colorado, to in- ) FINDINGS AND CLOSING  
vestigate compliance of Nebraska ) DOCKET  
LECs with FCC payphone orders. ) Entered: August 3, 1999

BY THE COMMISSION:

This docket was opened by the Commission in response to the joint petition of MCI and AT&T to determine the degree of compliance of US West with orders issued by the Federal Communications Commission (FCC) on public paystation service. The FCC issued specific directions for LECs in CC Docket 96-128, released April 4, 1997, and in CC Docket 96-439, released November 8, 1996.

The Commission has subsequently allowed this docket to remain open to allow further inquiry and investigation of various issues regarding the provisioning of payphones within the state. On June 8, 1999, the Commission held a public hearing in Lincoln, Nebraska, to receive information related to the provisioning of payphones within the state, including but not limited to, pricing issues, technical problems and other conditions affecting the provisioning of public payphone service in the state.

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

A.        Emergency Petition

The matter of the emergency petition first came before the Commission in April 1997. On July 28, 1998, the parties to the petition entered into a Stipulation and Agreement which provided that, if the Commission entered an order on or before March 31, 1999, approving US West's proposed basic local exchange rate increase together with a reduction of their intrastate access charges of at least \$1.5 million required in US West's rate rebalancing application filed pursuant to Neb. Rev. Stat. § 86-803(9), then the parties would file a motion for an order from the Commission finding that the issues under review in this docket had been resolved.

On July 31, 1998, US West filed a rate rebalancing application. After public hearings held in Grand Island, Ainsworth and Omaha, the Commission entered a final decision in US West's rate rebalancing application approving US West's proposed increase in its basic local exchange rate and a reduction in its intrastate access charges. The order approving the application was entered on January 20, 1999.

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The Commission finds that it should accept the stipulation and agreement filed jointly by the aforementioned parties and that the issues under review in regard to the emergency petition filed in April 1997 have been resolved and that MCI's and AT&T's emergency petition should be dismissed.

The Commission also finds that this docket should be closed but that a separate docket should be opened pursuant to the discussion below.

B. Issues Regarding the Provisioning of Payphones

In response to complaints regarding the provisioning of payphones in Nebraska, the Commission found this docket to be an appropriate vehicle to examine issues, problems and concerns regarding the provisioning of public payphones in the state. More specifically, the Commission examined three areas: pricing, technical capabilities and technical problems experienced by payphone providers.

A public hearing was held June 8, 1999, in Lincoln, Nebraska, by the Commission following proper publication and notification. Mr. Keith Boller of Payphone Concepts, Inc., Junction City, Kansas, outlined technical problems that his company has encountered in the provisioning of public payphones. Among the technical problems highlighted are: the absence of SIT tones which should be provided by LECs along with all error messages, failure of some LECs to provide appropriate busy signals, problems with secondary dial tones resulting in opportunities for fraud, and cut-off-on-disconnect tones.

The Commission also heard testimony on pricing issues. Mr. Boller testified that rates charged payphone providers are not cost-based and that they are vastly diverse from prices charged in surrounding states. Bradley Olson, Product Manager at US West, testified that US West charges to payphone providers in Nebraska were cost-based and in compliance with FCC regulations.

The Commission, based upon the testimony heard, finds that additional examination into some payphone provisioning issues is necessary and directs that a new docket be opened to deal with the issues involving the provisioning of payphones, including minimum technical requirements such as SIT, fast busy, and disconnect tones.

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Additionally, the Commission may wish to address in that new docket pricing issues to determine if charges to payphone providers are consistent with FCC regulations and to determine reasons for the variant in state to state prices charged to payphone providers.

The Commission further finds that a docket should be opened to deal specifically with telephone service providers continuing to provide public interest payphones as well as the issue of compensation for such a service. This matter may be done either in conjunction with the docket to be opened as described above or separately, as the Commission may later decide.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the stipulated motion jointly filed by MCI, AT&T, and US West to dismiss the emergency petition filed by MCI and AT&T within the scope of this docket should be, and is hereby, granted and the petition is dismissed.

IT IS FURTHER ORDERED that Docket C-1519 should be, and is hereby, closed.

IT IS FURTHER ORDERED that the Commission shall, within thirty days, open a docket or separate dockets to address the additional issues regarding the provisioning of payphones within the state consistent with the findings as discussed above.

MADE AND ENTERED in Lincoln, Nebraska on this 3rd day of August, 1999.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Rock Johnson*

*Anne C. Boyle*

//s//Lowell C. Johnson  
//s//Frank E. Landis  
//s//Daniel G. Urwiller

*Lowell C. Johnson*  
Chairman

ATTEST:

*Robert H. Logsdon*  
Executive Director

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