

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the Application     ) Application No. C-2589  
of Citizens Telecommunications     )  
of Nebraska, Mound, Minnesota,     )  
seeking approval by the Commission )  
of its wholesale service quality    ) APPROVED  
performance plan, submitted in     )  
response to Commission Order        )  
No. C-2248/PI-37.                    ) Entered: October 8, 2002

BY THE COMMISSION:

On August 31, 2001, Citizens Telecommunications of Nebraska (Citizens), Mound, Minnesota, filed with this Commission an application seeking approval of its wholesale service quality performance plan, submitted in response to Commission Order No. C-2248/PI-37. Notice of the application was published in The Daily Record, Omaha, Nebraska, on September 7, 2001. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

F I N D I N G S     A N D     C O N C L U S I O N S

The Commission opened Docket No. C-2248/PI-37 for the purpose of investigating the implementation of wholesale service performance standards for incumbent local exchange carriers (ILECs). On March 20, 2001, the Commission determined that the quality of service that ILECs provide to their wholesale competitive local exchange customers (CLECs) is a critical component in the overall picture of improving the competitive environment. Without adequate service to wholesale customers, even the best efforts of a CLEC to compete could be harmed.

While the Commission determined that it is the proper regulatory body to oversee wholesale service quality standards, the Commission determined that promulgating detailed statewide industry standards would not be the most appropriate method for ensuring wholesale service quality in light of the differences between large and small local exchange carriers.

As competition is developing at different rates within the service areas of the various ILECs, the Commission determined that a phased-in process was appropriate. Accordingly, the Commission requested that the three largest ILECs: Qwest Corporation (Qwest), ALLTEL Nebraska, Inc. (ALLTEL) and Citizens, should develop and submit service quality performance plans for Commission approval. Such plans were required to allow a wholesale service customer to attain parity as compared to the ILEC's retail customer or satisfy the applicable sections of the Commission's Rules and Regulations on retail service quality, whichever is a higher standard. The plans also need to provide for sufficient levels of reporting to

ensure compliance with the intent of the Commission's Docket No. C-2248/PI-37 order.

Having reviewed the wholesale service quality plan submitted by Citizens Telecommunications of Nebraska, the Commission is of the opinion and finds that said plan satisfies the criteria set forth in Docket No. C-2248/PI-37 and should be approved. Should Citizens Telecommunications of Nebraska fail to comply with the terms and conditions set forth in its wholesale service quality plan it shall be subject to the Civil Penalty Procedures outlined in Commission Rules and Regulations, Title 291, Chapter 1, Section 027.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the wholesale service quality plan submitted by Citizens Telecommunications of Nebraska, should be, and is hereby, approved as set forth above.

MADE AND ENTERED at Lincoln, Nebraska, this 8th day of October, 2002.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONER CONCURRING:

Chair

ATTEST:

Executive Director