

# Agency 14 - Public Service Commission

## Statutory Authority:

The State Railway Commission was established by constitutional amendment in 1906. The scope of authority and organization are contained in Article IV, Section 20, and Article X, Sections 1-8 of the Nebraska Constitution, as well as Chapters 71, 75, 86, 88 and 89 of the Nebraska Revised Statutes 1943. The agency name was changed in 1972 to the Public Service Commission. A complete set of the current rules and regulations is on file with the Revisor of Regulations.

## Vision Statement:

Our vision is for Nebraska citizens to be provided safe and affordable services in the areas under Public Service Commission jurisdiction.

## Mission Statement:

The Public Service Commission is charged with the responsibility of regulating and exercising general control of common carriers and natural gas utilities. That constitutional and specific statutory authority empowers the Commission to regulate telecommunications companies, privately owned natural gas utilities, rates for private water companies, intrastate transportation of household goods and passengers, grain buyers and sellers, grain warehouses, and the manufacture and sale of manufactured homes, modular housing units and recreational vehicles. The Commission also administers the Nebraska Relay System, the Nebraska Internet Enhancement Fund, the Nebraska Competitive Telephone Marketplace Fund, the Nebraska Universal Service Fund and the Wireless E911 Fund.

## Goals:

The goals of the Public Service Commission are to execute its constitutional and statutory duties in a consistent, professional and forthright manner at the least cost and for the greatest benefit to the State of Nebraska.

## Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	2,196,560	2,475,009	2,593,508	2,583,690	2,569,292	2,605,476
Cash Fund	85,564,662	94,399,836	106,777,892	78,815,882	106,935,011	78,428,260
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total Agency	87,761,222	96,874,845	109,371,400	81,399,572	109,504,303	81,033,736

## Agency 14 - Public Service Commission Program 014 - Commissioner's Salaries

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### Program Objectives:

This program includes only the personal service expenditures for the five elected Public Service Commissioners. LB 817, approved in the second session of the Ninety-Ninth Legislature, amended the statutes to raise the annual salary of each Commissioner to \$75,000 annually commencing January 4, 2007.

### Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	331,965	412,948	491,770	488,383	491,822	493,508
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>331,965</b>	<b>412,948</b>	<b>491,770</b>	<b>488,383</b>	<b>491,822</b>	<b>493,508</b>

### Performance Measures:

# Agency 14 - Public Service Commission Program 016 - Commissioner's Expenses

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## Program Objectives:

This program was created and begun during the 1976-77 fiscal year and contains "expense voucher" costs incurred by the five Public Service Commissioners.

## Financial Data:

	<u>Actual FY06</u>	<u>Approp FY07</u>	<u>Request FY08</u>	<u>Recom FY08</u>	<u>Request FY09</u>	<u>Recom FY09</u>
General Fund	48,049	50,723	56,449	53,500	58,464	57,000
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	48,049	50,723	56,449	53,500	58,464	57,000

## Performance Measures:

## Agency 14 - Public Service Commission Program 019 - Modular Housing Units Program

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### Program Objectives:

The department intends to continue to protect the health and safety of those that live in or use manufactured homes, modular housing units and recreational vehicles but without placing unnecessary burdens upon the manufacturers. In addition, when such occasions arise, the department will continue to educate the public in the use of such products and promote state and local agreements for interstate shipment of these products. This will further the acceptance and use of these products, therefore increasing these products rate of manufacturing, creating more jobs for Nebraskans.

### Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	549,011	664,162	695,251	587,100	680,134	507,991
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>549,011</b>	<b>664,162</b>	<b>695,251</b>	<b>587,100</b>	<b>680,134</b>	<b>507,991</b>

### Performance Measures:

All three (3) of these products monitored by the department are produced in Nebraska. However, many more are produced in Nebraska than can be absorbed by Nebraskans. A majority of their products are sold in other states. Significant attention is therefore placed upon the department's capabilities to not only enforce the manufacturer's compliance to the construction codes, but to also develop inspection agreements with other states and local communities so that the Nebraska products can ship across state lines with a minimum of additional expenses to the manufacturers.

The department's goal is to continue assisting in developing market areas for these products without sacrificing consumer protection. This is accomplished by continuing the training of divisional staff, keeping manufacturers abreast of construction code changes, following up on market area requests for these products and maintaining the state's low level of consumer complaints.

# Agency 14 - Public Service Commission

## Program 054 - Enforcemnt Of Standards-public Utility

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**Program Objectives:**

The Commission regulates market entry and service of the following industries: grain warehouses and grain dealers; household goods movers and passenger transportation carriers (including rate regulation); and telecommunications and automatic dialing and announcing devices.

In conjunction with such regulation, the Commission receives and investigates consumer complaints, informal and formal. Its assistance of telecommunications consumers includes consumers of wireless service.

Additionally, the Commission has regulatory authority over the placement of electrical transmission lines; gas pipeline placement; grain moisture meters; manufactured homes; private water company rates; and railroad locomotive and track safety.

**Financial Data:**

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	1,816,546	2,011,338	2,045,289	2,041,807	2,019,006	2,054,968
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>1,816,546</b>	<b>2,011,338</b>	<b>2,045,289</b>	<b>2,041,807</b>	<b>2,019,006</b>	<b>2,054,968</b>

**Performance Measures:**

# Agency 14 - Public Service Commission

## Program 060 - Grain Warehousing

**Program Objectives:**

This program is comprised of the Grain Warehouse Surveillance Cash Fund, the Moisture Testing Program, and the Grain Warehouse Auditing Cash Fund. The Grain Warehouse Surveillance Cash Fund was established by the Legislature on July 1, 1984, to be used by the Commission to pay for expenses in the closing of a grain warehouse. The Moisture Testing Program is responsible for inspecting every moisture meter used in the state to determine the moisture content of grain delivered for sale. The Grain Warehouse Auditing Cash Fund was established in February of 1997 to offset costs and purchase necessary equipment in the performance of soybean check-off audits for the Nebraska Soybean Board.

**Financial Data:**

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	20,037	40,695	35,613	28,041	38,313	22,234
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>20,037</b>	<b>40,695</b>	<b>35,613</b>	<b>28,041</b>	<b>38,313</b>	<b>22,234</b>

**Performance Measures:**

**GRAIN WAREHOUSE SURVEILLANCE CASH FUND**

**PERFORMANCE MEASURES:** The Commission uses this fund to pay operating expenses and salaries when it becomes necessary to liquidate grain inventories at insolvent grain warehouses.

**GRAIN WAREHOUSE AUDITING CASH FUND**

**PERFORMANCE MEASURES:** Our goal is to complete as many audits as the Soybean Board requests us to do in the course of a year's time provided it does not interfere with our examination schedule of grain warehouses.

**MOISTURE TESTING PROGRAM**

**PERFORMANCE MEASURES:** Performance is based on how many meters are rejected over the course of a year. By working with manufacturers and analyzing laboratory findings, the Commission's goal is to have an accurate meter at each testing location that will be within one-half percent plus or minus tolerance of our meters.

# Agency 14 - Public Service Commission

## Program 064 - Nebraska Telephone Relay System Fund

### Program Objectives:

Assure that persons with hearing and/or speech impairments are able to communicate just as individuals without such impairments using the Nebraska Relay System.

#### Action Plans:

1. Evaluate the quality of the Nebraska Relay System using requirements set up by the Commission and the Federal Communications Commission (FCC).
2. Meet with the Relay Advisory Committee and the Nebraska Commission for the Deaf and Hard of Hearing and respond to any customer complaints about the relay system.
3. Assure that eligible individuals have access to equipment to be able to communicate using TTY's, amplifiers, etc.
4. Assure that billings and performance measurements for the service are in compliance with the contract for this service.

### Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	1,252,233	1,948,931	1,424,365	1,414,039	1,590,997	1,583,106
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>1,252,233</b>	<b>1,948,931</b>	<b>1,424,365</b>	<b>1,414,039</b>	<b>1,590,997</b>	<b>1,583,106</b>

### Performance Measures:

1. Audits of the Nebraska Relay System and consultation with the FCC have shown that the system has met or exceeded all of the performance measures required by the Commission and the FCC.
2. Advisory meetings have been held at least twice a year with members to discuss the relay and respond to any concerns brought to their attention by the hearing impaired community. Continual contact is maintained with the Commission for the Deaf and Hard of Hearing to monitor their concerns with the relay.
3. An equipment distribution program was instituted in April of 1996 to provide financial assistance to eligible individuals for their purchase of specialized telecommunications equipment. The following statistics by fiscal year and cumulative to date include:

	2001-02	2002-03	2003-04	2004-05	2005-06
Households served	394	607	718	950	877
Cumulative year to date	1,363	1,970	2,688	3,638	4,515

4. Review of the monthly billings and performance measurements is performed by staff to assure that contractual terms and rates are being met.

# Agency 14 - Public Service Commission

## Program 071 - Nebraska Internet Enhancement Fund

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**Program Objectives:**

This program provides financial assistance to counties and municipalities for the installation and delivery of broadband or other advanced telecommunications services.

**Action Plans:**

1. Review applications for grant due November 15, 2006, and award/distribute funds.

**Financial Data:**

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	232,686	383,521	75,098	68,349	75,202	68,554
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>232,686</b>	<b>383,521</b>	<b>75,098</b>	<b>68,349</b>	<b>75,202</b>	<b>68,554</b>

**Performance Measures:**

1. A grant period was opened on June 1, 2006 for preapplications from approved preapplicants with a scheduled due date for submission on November 15, 2006. The Commission expects to award grants in January 2007.

# Agency 14 - Public Service Commission

## Program 212 - Nebr Competitive Tele Marketplace

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**Program Objectives:**

This program monitors the competitive performance of a regional bell operating company.

**Action Plans:**

1. Monitor compliance with section 271 of the federal Telecommunications Act of 1996.
2. Consult with the Federal Communications Commission regarding the regional bell operating company in Nebraska.

**Financial Data:**

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	23,580	100,000	22,000	22,000	16,000	16,000
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
Total	23,580	100,000	22,000	22,000	16,000	16,000

**Performance Measures:**

- 1) Continue to monitor Qwest's compliance with the provision of the Performance Assurance Plan ("PAP") assessing fines for deviations from PAP standards.

## Agency 14 - Public Service Commission Program 583 - Enhanced Wireless 911 Fund

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### Program Objectives:

The purpose of this program is to provide funding to assist with the implementation of enhanced wireless 911 service throughout the State of Nebraska.

### Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recorm FY08	Request FY09	Recorm FY09
General Fund	0	0	0	0	0	0
Cash Fund	4,719,904	7,302,482	12,358,376	12,358,527	12,361,050	12,366,859
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>4,719,904</b>	<b>7,302,482</b>	<b>12,358,376</b>	<b>12,358,527</b>	<b>12,361,050</b>	<b>12,366,859</b>

### Performance Measures:

- 1) Development of a funding model to implement the provisions of LB 1222 [2006].
- 2) Establishment of a sustainable funding mechanism pursuant to LB 1222 [2006].
- 3) Review and make payment for initial and monthly costs of Phase I and Phase II implementation consistent with the funding mechanism established pursuant to LB 1222 [2006].
- 4) Creation of a central repository for statewide 911 GIS data.

# Agency 14 - Public Service Commission

## Program 686 - Ne Telecomm. Universal Service Fund

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### Program Objectives:

In 1997, the Legislature passed LB 686, authorizing the Commission to create the Nebraska Universal Service Fund (NUSF). The goals of the NUSF are, in conjunction with federal universal service funds, to:

1. Ensure that telecommunication and information services and prices are reasonably comparable between rural and urban areas;
2. Ensure that telecommunication and information services are offered at affordable prices;
3. Ensure that all providers of telecommunications services make equitable and nondiscriminatory contributions to universal service, and;
4. Ensure that any universal service mechanisms are specific, predictable, sufficient and competitively neutral.

### Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	78,400,943	82,671,863	90,845,240	63,021,173	90,848,292	62,537,010
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>78,400,943</b>	<b>82,671,863</b>	<b>90,845,240</b>	<b>63,021,173</b>	<b>90,848,292</b>	<b>62,537,010</b>

### Performance Measures:

OBJECTIVE 1: Measure the Basic Telephone Service prices between urban and rural areas;

OBJECTIVE 2: Measure the telephone penetration in the state;

OBJECTIVE 3: Ensure that all telecommunications services contribute equally to the NUSF and;

OBJECTIVE 4: Ensure that NUSF support is specific, predictable, sufficient, and competitively neutral.

## Agency 14 - Public Service Commission Program 790 - Natural Gas Regulation

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### Program Objectives:

The Natural Gas Department is responsible for assisting the Commission in carrying out its statutory duties to regulate jurisdictional natural gas utilities, including, but not limited to, the provision of adequate, efficient, and reliable natural gas service at just and reasonable rates. Included in this program is the Municipal Rate Negotiations Revolving Loan Fund, which shall be utilized to make loans to cities to finance negotiations of rate proceedings. In addition, the office of the Public Advocate is charged with the responsibility of representing residential and small commercial customers in matters involving jurisdictional utilities.

### Financial Data:

	Actual FY06	Approp FY07	Request FY08	Recom FY08	Request FY09	Recom FY09
General Fund	0	0	0	0	0	0
Cash Fund	366,268	1,288,182	1,321,949	1,316,653	1,325,023	1,326,506
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
<b>Total</b>	<b>366,268</b>	<b>1,288,182</b>	<b>1,321,949</b>	<b>1,316,653</b>	<b>1,325,023</b>	<b>1,326,506</b>

### Performance Measures:

1) The Commission has opened dockets for receipt and review of all gas cost adjustment filings by jurisdictional utilities. Staff has monitored tariff filings and reported to Commissioners as needed in public meetings.

2) Once per quarter, the Commission determines the funding necessary to support the operations of the Natural Gas Department, including the needs of the Public Advocate, and assesses such costs to the jurisdictional utilities.