

heard them from one end to the other, whether it be the argument that one person is being forced to subsidize another, in other words, if it's costing \$15 to provide a particular service and you're only charging eight, that means you have to get the other money somewhere else. The fact that under the present system it takes anywhere from 12 to 18 to 24 months to get a rate thing approved through the Public Service Commission, I could go on and on. The arguments are abundant, but basically they boil down to this, to move into a deregulated system, to move into a competitive system, to allow technology, to allow new companies, to allow a competitive system to develop, you first have to begin that major process of deregulation and that's what we're doing. You do that by deregulating the rates first off. Now it's not "a total deregulation", if you would, because as has been pointed out, it would allow a certain number whether it be 5 percent or 10 percent, whatever number you pick of the affected, and notice I use the word affected, customers to file a petition and actually get the Public Service Commission to step in, have a hearing on whether the law had been followed and have a hearing on whether, in fact, the rates being proposed were fair. So, for example, if this other process were invoked, a number of citizens would file a petition. Within a very limited amount of time the Public Service Commission would have to hold a hearing and the Public Service Commission would have to render a decision on whether in fact there had been impropriety on the part of the telephone company and the rates. One key factor, you must be aware of it, is that the standard would be whether more than the amount that it actually cost to provide the service was, in fact, being charged. That would be the standard. So, if the phone company came in, and I'm using an example here, and they had raised the rates from \$8 to \$10 and a citizen found that excessive, but the evidence showed that the actual cost to providing the service was \$15, obviously there would not be a violation because the standard is the actual cost of providing the service. Now, just trying to get some important points in here, the hearts of the bill, one of the words, one of the phrases members of this Legislature have heard and that you're going to hear is the phrase "deaveraging". Deaveraging or averaging, the converse of deaveraging, works something like this. If a phone call is made between Omaha and Lincoln, approximately a 50 mile length, would fall in a certain category based on distance. If that phone call between Omaha and Lincoln, that whatever