

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application)  
of General Telephone Company of )  
the Midwest, Columbus, Nebraska,) )  
for authority to issue and sell )  
securities and related matters. )

Application No. C-137

GRANTED

Entered: June 2, 1981

APPEARANCES: For the applicant  
Bert L. Overcash, Attorney  
1500 Sharp Building  
Lincoln, Nebraska

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed March 25, 1981, the General Telephone Company of the Midwest, Columbus, Nebraska, seeks authority to issue and sell securities and related matters.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. No protest to the application was filed.

Pursuant to notice required by law, public hearing was held on the application on May 26, 1981 at 8:00 a.m. in the Commission Hearing Room, Lincoln, Nebraska, with appearance as set forth above.

Upon consideration of the application, the evidence adduced at the hearing and being fully advised, the Commission is of the opinion and finds that:

1. Applicant is a corporation organized under and by virtue of the laws of the State of Missouri and duly qualified to transact business as a foreign corporation in the State of Nebraska.

2. Applicant is engaged in the business of owning and operating telephone systems, exchanges, toll systems and related properties and of conducting a general telephone business in the States of Missouri, Iowa, Nebraska, Kansas and Minnesota, providing telephone service to 399,307 telephones as of December 31, 1980, through 222 telephone exchanges in said five-state area.

3. Of said total of 399,307 telephones serviced at December 31, 1980, 71,604 telephones were in Nebraska and the two principal exchanges in Nebraska with number of telephones served as of said date were:

Kearney	23,517
Columbus	18,586

4. The demand for local and long distance telephone service has required the Company to provide a substantial amount of new plant and facilities to meet and adequately satisfy such service requirements.

5. During the period from December 31, 1979, through December 31, 1980, Applicant made gross additions to its telephone plant and facilities of \$38,846,360. Of the said total additions, \$6,470,574 additions were made during this period of time to the plant and facilities of the Applicant in Nebraska.

6. The applicant requires additional capital to provide funds to pay and discharge \$10,000,000 of the temporary borrowings of Applicant, which were in the total amount of \$4,010,000 at December 31, 1980, and are estimated to be \$12,400,000 at May 31, 1981, and for such purposes, proposes to issue and sell the following securities, to wit:

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Principal  
Amount  
\$10,000,000

Description of Security Issue  
Maturing not later than December 19, 1995. Terms  
as to interest rate to be as follows:

1. Market rates for both private placements and public issues will be quoted by both Salomon Brothers and Blyth Eastman Paine Webber ("referees").
2. The average of the private placement rate and the public issue rate will be determined as the "applicable rate" for each referee, unless the private placement rate shall be lower than the public issue rate for a given referee, in which case the private placement rate shall be the "applicable rate" for that referee.
3. The two "applicable rates" for the two referees shall then be averaged and this average rate to be inserted in the Loan Agreement.

7. There is on file with the Commission, in connection with prior security applications of the Applicant, a certified copy of the Restated Articles of Incorporation of Applicant with all amendments thereto, together with a certified copy of the Bylaws, as amended, and no other amendments have since been made or adopted.

8. The application is fair and reasonable, is in the public interest and should be granted.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-137 be and it is hereby granted and the General Telephone Company of the Midwest be and it is hereby authorized to issue and sell up to \$10,000,000 of promissory notes by private placement as set forth in the Opinion and Findings, which by this reference is made a part hereof.

IT IS FURTHER ORDERED that applicant file with the Commission within thirty (30) days of issue of the notes a copy of the Loan Agreement as finally entered into including the interest rate.

MADE AND ENTERED at Lincoln, Nebraska, this 2nd day of May, 1981.

NEBRASKA PUBLIC SERVICE COMMISSION

*Quane D. Gay*  
Chairman

ATTEST:

COMMISSIONERS CONCURRING:

*Jack Romans*

*Terence L. Kubicek*  
Secretary