

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of)
Petersburg Telephone Company, Petersburg,)
Nebraska, for: (1) Authority to borrow)
funds from the United States Government)
(REA); (2) A Certificate of Convenience)
and Necessity to Construct, Install, Main-)
tain and Operate Toll Telephone Facilities)
at Petersburg, Nebraska; and (3) A Certif-)
icate of Public Convenience and Necessity)
to serve the Area it is now serving as)
portrayed by maps and plats and according)
to the authority of this Commission.)

Application No. C-299

GRANTED

Entered: December 14, 1982

APPEARANCES: For the Applicant
John W. Hummel
1615 17th Avenue
Central City, Nebraska 68826

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed September 21, 1982, the Petersburg Telephone Company, Petersburg, Nebraska, seeks authority to borrow funds from the United States of America through the Rural Electrification Administration. In addition, Applicant seeks a Certificate of Convenience and Necessity to construct, install, maintain, and operate Toll Telephone Facilities at Petersburg, Nebraska, and a Certificate of Convenience and Necessity to serve the area it is now serving as portrayed by maps and plats and according to the authority of this Commission.

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 November 23, 1982, at 8:00 a.m. in the Commission Hearing Room, Lincoln, Nebraska with appearances 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 and existing under the laws of the State of Nebraska, with its principal place of business at Petersburg, Nebraska. It is engaged in the telephone business as a common carrier furnishing telephone service in Petersburg, Nebraska, and adjacent rural areas. The Company also furnishes telephone service to service station groups outside of Petersburg, Nebraska.

2. Applicant has filed Applications C-300 and C-301 on September 21, 1982, to purchase the equipment and facilities of the Beaver Valley Telephone Association, and the Closter Telephone Company, and to merge those companies into the Petersburg Telephone Company, dissolving the Beaver Valley and the Closter Telephone Companies.

3. Applicant is engaged in a service improvement program to convert existing one-, two-, and ten-party service to all one-party service. Applicant also proposes to extend its service to new subscribers, to acquire 12.5 miles of switcher-owned buried cable, to acquire toll facilities from Northwestern Bell Telephone Company, to construct a new CDO building, to purchase vehicles and work equipment, and provide for engineering fees, overhead expenditures, and contingencies.

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4. In order to provide funds for the proposed service improvements and the acquisition of Beaver Valley Telephone and Closter Telephone, the Applicant has entered into a Telephone Loan Contract with the United States of America through the Rural Electrification Administration of the Department of Agriculture for a loan in an amount not exceeding \$1,595,000. The proposed loan is to be repaid in thirty-five years with interest at 2% per annum. The terms and conditions of the proposed loan are more fully set forth in the Telephone Loan Contract, Mortgage Note, and Security Agreement attached to the application and incorporated herein by reference.

5. Applicant requests to construct, install and operate the toll terminal and required associated equipment at Petersburg and a toll spur cable from its central office to the point of connection with Northwestern Bell Telephone's facility located about 1,320 feet north of the Southwest corner of the Southwest Quarter (SW 1/4) of Section thirty-six (36) Township twenty three (23) North, Range Seven (7), West of the 6th P.M., Antelope County, Nebraska.

6. Applicant also requests that it be granted a Certificate of Public Convenience and Necessity to serve the area it is now serving as indicated by its boundary maps on file with this Commission.

7. 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 C-299 be and it is hereby granted and the Petersburg Telephone Company is hereby authorized to borrow up to \$1,595,000 from the Rural Electrification Administration under the terms and conditions set forth in the Opinion and Findings herein.

IT IS FURTHER ORDERED that Applicant be granted a Certificate of Convenience and Necessity to construct, install, and operate the toll facilities from its central office to the point of connection with Northwestern Bell, as provided herein.

IT IS FURTHER ORDERED that this be the Certificate of Public Convenience and Necessity to serve the area it is now serving according to the boundary maps on file with this Commission.

MADE AND ENTERED at Lincoln, Nebraska, this 14th day of December, 1982.

NEBRASKA PUBLIC SERVICE COMMISSION

Harold D. Simpson

Chairman

ATTEST:

COMMISSIONERS CONCURRING:

Quane D. Gay

Terrence L. Hubert

Executive Secretary