

# SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

|  |                            |
|--|----------------------------|
| In the Matter of the Application of )    | Application No. C-312      |
| Cozad Telephone Company, Cozad, Nebr- )  |                            |
| aska for authority to adjust its rates ) | GRANTED                    |
| and charges for telephone service. )     | Entered: February 22, 1983 |

Appearances: For the Applicant  
Bert L. Overcash, Atty  
1500 American Charter Center  
Lincoln, NE 68508

## OPINION AND FINDINGS

### BY THE COMMISSION:

By its application filed October 20, 1982, the Cozad Telephone Company of Cozad, Nebraska seeks authority to adjust its rates and charges for telephone service.

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 February 8, 1983 at 9:30 a.m. in the Commission Hearing Room, Lincoln, Nebraska with appearances 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 Cozad, Nebraska. It is engaged in the telephone business as a common carrier serving approximately 2,600 subscribers through an exchange at Cozad, Nebraska.
2. In 1979 applicant began a service improvement program which included the upgrading of its exchange to make one-party service available for all subscribers and the installation of digital central office equipment.
3. The service improvement program has been completed and has resulted in an extraordinary retirement expense of \$192,000 as a result of retiring old telephone plant. Applicant requests approval to amortize this extraordinary retirement over a four year period effective November 1, 1982.
4. Applicant seeks authority to increase its rates and charges for telephone service as set forth below. All four-party and multi-party service would be discontinued.

|                         | <u>Present</u> | <u>Proposed</u> | <u>Increase</u> |
|-------------------------|----------------|-----------------|-----------------|
| Business 1 party        | \$ 6.25        | \$ 9.00         | \$ 2.75         |
| Residence 1 party       | 3.75           | 6.00            | 2.25            |
| Residence 2 party       | 3.25           | 5.50            | 2.25            |
| Business extension      | 1.50           | 1.75            | .25             |
| Residence extension     | 1.00           | 1.25            | .25             |
| Rotary trunk, business  | —              | 12.00           | —               |
| Rotary trunk, residence | —              | 9.00            | —               |

5. The evidence indicates that the proposed rates would result in an increase in annual revenue of \$84,520 and would produce a rate of return of 8.9% on applicant's rate base.

6. The evidence also indicates that applicant's trouble report index is well below the Commission's objective and that a review of Commission records since May of 1974 indicates no complaints to the Commission from Cozad subscribers.

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

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ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-312 be and it is hereby granted and the Cozad Telephone Company be and it is hereby authorized to charge and collect the schedule of proposed rates set forth in the Opinion and Findings herein, effective March 1, 1983.

IT IS FURTHER ORDERED that applicant be and it is hereby authorized to amortize its extraordinary retirement in the amount of \$192,000 over a four year period, effective November 1, 1982.

MADE AND ENTERED at Lincoln, this 22nd day of February, 1983.

NEBRASKA PUBLIC SERVICE COMMISSION

*Harold D. Simpson*  
Chairman

ATTEST:

*John S. [unclear]*  
Acting Executive Secretary

COMMISSIONERS CONCURRING:

*Quane D. Lay*