

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the application of)	Application No. C-340
Southeast Nebraska Telephone Company,)	
Falls City, Nebraska, for authority to)	
issue and sell securities and borrow)	GRANTED
funds from the Rural Electrification)	
Administration of the United States of)	
America.)	Entered: March 29, 1983

APPEARANCES: For the Applicant
Bert L. Overcash, Attorney
1500 American Charter Center
Lincoln, Nebraska 68508

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed January 3, 1983, the Southeast Nebraska Telephone Company, Falls City, Nebraska, seeks authority to issue securities and borrow funds from the Rural Electrification Administration of the United States of America.

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, a short form hearing was held on March 7, 1983, at 1:30 p.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 Falls City, Nebraska. It is engaged in the telephone business as a common carrier furnishing telephone service in Richardson County, Nebraska.

2. Applicant is engaged in a service improvement program to upgrade its service to full one-party service, bury all cable, convert a major portion of its C.O.E. to digital service, and provide for related improvements in exchange and toll service.

3. Applicant will also refinance long term indebtedness owed G.T.E., Automatic Electric, and discharge certain outstanding short term indebtedness owed to Richardson County Bank and Trust Company as a part of the improvement program.

4. In order to provide funds for the proposed service improvements, the applicant has entered into a Telephone Loan Contract with the United States of America, through the Rural Electrification Administration, for a loan with a maximum amount of \$10,287,000. The loan includes refinancing of \$1,849,000 and construction proceeds of \$8,438,000. The proposed loan is to be repaid in thirty-five years with interest at 5% per annum. The terms and conditions of the proposed loan are more fully set forth in the Telephone Loan Contract, Mortgage and Security Agreement, and Mortgage Note, attached to the application and incorporated herein by reference.

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5. The improvement program will require an early retirement of substantial plant and equipment and will require the Company to incur an extraordinary depreciation expense.

6. 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-340 be and it is hereby granted and the Southeast Nebraska Telephone Company is hereby authorized to borrow up to \$10,287,000 from the Rural Electrification Administration under the terms and conditions set forth in the Opinion and Findings herein.

MADE AND ENTERED at Lincoln, Nebraska this 29th day of March, 1983.

NEBRASKA PUBLIC SERVICE COMMISSION

Harold D. Simpson
Chairman

ATTEST:

COMMISSIONERS CONCURRING:

John S. Dunning
Acting Secretary