

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the application of)	Application No. C-407
General Telephone Company of the Midwest)	
Columbus, Nebraska, for Authority to)	
Adjust the Rates and Charges for Tele-)	GRANTED
phone Service Furnished by it in the)	
State of Nebraska.)	Entered: September 13, 1983

APPEARANCES: For the Applicant
 Victor E. Covalt III
 1500 American Charter Center
 Lincoln, Nebraska 68508

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed June 3, 1983, General Telephone Company of the Midwest, Columbus, Nebraska, seeks authority to adjust its rates and charges for telephone service furnished by it in the State of Nebraska.

Notice of the filing of the application was published pursuant to the Commission's Rules and Regulations. Four letters of protest opposing the application were received.

Pursuant to notice required by law, a public hearing was held on the application at 1:30 p.m. on August 26, 1983 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:

GENERAL

1. Applicant is a corporation duly organized and existing under the laws of the State of Missouri, with its principal executive office in the city of Grinnell, Iowa, and is engaged in furnishing telephone service at various points in Nebraska, Iowa, Missouri, Minnesota and Kansas, and as such, is subject to the jurisdiction of this Commission.

2. That the applicant, with Nebraska operating headquarters in the city of Columbus, furnishes exchange service to 48 communities in the State of Nebraska and in the rural territory adjacent thereto through 37 exchanges in central offices serving approximately 74,321 Company-owned telephones. The applicant also provides long distance service within the area served by the applicant, and through connections with other telephone companies, provides long distance service throughout the State of Nebraska and to points outside the State.

3. The applicant requested on November 30, 1982, to increase depreciation rates on Station Apparatus and Large PBX's effective December 1, 1982. The increase in annual depreciation rates would produce an increase in depreciation expense of approximately \$753,000 based on plant balance at September 30, 1982. The Nebraska Public Service Commission granted the higher depreciation rates for applicant effective December 1, 1982.

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4. The net decrease in earnings after recovery from the toll settlements process, is \$272,000.

5. Applicant alleges that its intrastate earnings have been adversely affected by increased depreciation. Applicant seeks to increase rates in a revised amount to produce additional revenue of \$272,000 to offset increased depreciation expense.

6. The applicant has filed proposed tariff sheets as a part of its application which increase terminal equipment rates by approximately 12.67%, including increases for additional telephone instruments of \$.15 for residence and \$.20 for business. No increase is proposed in the primary instrument charge.

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 No. C-407 be and it is hereby granted and General Telephone Company of the Midwest be and is hereby authorized to revise its rates and charges to produce additional annual revenue of \$272,000.

IT IS FURTHER ORDERED that applicant file appropriate tariff sheets with the Commission.

MADE AND ENTERED at Lincoln, Nebraska, this 13th day of September, 1983.

NEBRASKA PUBLIC SERVICE COMMISSION

John L. Munnally
Chairman

ATTEST:

COMMISSIONERS CONCURRING:

Bob Brayton
Joanne D. Gay

Terrence L. Kubiak
Executive Secretary