

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of)
Pierce Telephone Company, Inc., Pierce,)
Nebraska, for authority to increase)
its established schedule of rates.)

Application No. C-473

GRANTED IN PART

Entered: January 24, 1984

APPEARANCES: For the applicant
William E. Webster, Attorney
116 West Main Street
Pierce, Nebraska 68767

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed November 16, 1983, the Pierce Telephone Company, Inc., Pierce, Nebraska, seeks authority to increase local service rates.

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 January 3, 1984 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 and existing under the laws of the State of Nebraska with its principal place of business at Pierce, Nebraska. It is engaged in the telephone business as a common carrier under the jurisdiction of this Commission and provides telephone service to 1,595 subscribers through exchanges at Pierce and Hoskins, Nebraska.

2. In order to provide a fair rate of return on its investment in plant and facilities, applicant seeks to increase rates as set forth below:

	<u>Present Rate</u>	<u>Proposed Rate</u>	<u>Increase</u>
Business access line	\$11.75	13.75	\$ 2.00
Residence access line	7.00	9.00	2.00
Local coin, per call	.10	.25	.15

3. Applicant presented evidence concerning the financial statements, revenues, expenses and rate base. Applicant's exhibits for the year 1982 indicate a net operating income of \$94,016. Adjustment to the income statement for the increased revenues from the proposed rates, increased depreciation expense, and income tax effects resulted in pro forma net operating income of \$114,476.

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4. Applicant's rate base including adjustment to the depreciation reserve for increased depreciation expense is \$1,305,932.

5. Applicant has included no revenue from the proposed increase in coin phone rates. The Commission is of the opinion that no increase in coin phone rates should be allowed at this time.

6. Applicant's pro forma rate of return is 8.8% which is fair and reasonable.

7. The application, as modified above, is fair and reasonable, is in the public interest and should be granted, effective on the first billing date following the date of this order.

ORDER

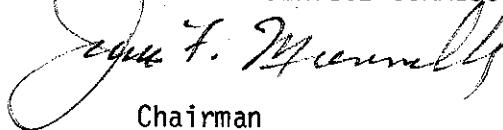
IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that application No. C-473 be and it is hereby granted in part and the Pierce Telephone Company Inc., be and it is hereby authorized to charge and collect the schedule of proposed rates set forth in the Opinion and Findings herein effective on the first billing date following the date of this order.

IT IS FURTHER ORDERED that the proposed increase in coin phone rates be and it is hereby denied.

IT IS FURTHER ORDERED that applicant file appropriate revised tariffs with the Commission.

MADE AND ENTERED at Lincoln, Nebraska, this 24th day of January, 1984.

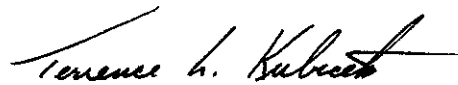
NEBRASKA PUBLIC SERVICE COMMISSION



Chairman

COMMISSIONERS CONCURRING:

ATTEST:



Executive Secretary