

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application )	Application No. C-503
of Consolidated Telephone Company, )	
Lincoln, Nebraska, for authority )	GRANTED
to issue notes in aggregate prin- )	
cipal sum of \$600,000.00. )	Entered June 19, 1984

APPEARANCES: For the applicant  
Larry G. Carstenson, Attorney  
P. O. Box 167  
Aurora, Nebraska

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed April 18, 1984, Consolidated Telephone Company, Lincoln, Nebraska, seeks authority to issue a note in an aggregate principal sum of \$600,000.00.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. No protests to the application were filed.

Pursuant to notice required by law, public hearing was held on this application on June 19, 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 Lincoln, Nebraska. It is engaged in the telephone business as a common carrier serving approximately 3,000 subscribers through exchanges at Merna, Anselmo, Dunning, Halsey, Arthur, Thedford, Brownlee, Brewster, Purdum, Seneca, Mullen and Hyannis.

2. Applicant is engaged in a service improvement program in the exchanges of Merna, Arthur and Bingham (which became a part of the Hyannis exchange when acquired by Consolidated Telephone Company). Consolidated has also completed construction of toll lines connecting the Arthur and Hyannis exchanges with the Merna toll center.

3. In order to provide funds for the equipment required in its construction program, applicant has secured a loan in the amount of \$600,000.00 from Stromberg-Carlson Corporation. The loan proceeds are to be used for the following:

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Stromberg Digital Central	
Office equipment	\$300,000.00
Outside Plant Construction	200,000.00
Refunding Affiliate	<u>100,000.00</u>
Total	\$600,000.00

4. The proposed loan is to be repaid in 180 installments of principal with interest at a rate per annum equal to the weighted average yield, by amounts offered, of "A" rated public utility bonds issued during the three calendar months immediately preceding the quarter in which the Final Installment Note is executed, if such execution occurs prior to the December, 1984 quarter, plus 1½%. The term and conditions of the proposed loan are more fully set forth in the Financing Agreement and Mortgage, copies of which were introduced in evidence and incorporated herein by reference.

5. 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-503 be and it is hereby granted and Consolidated Telephone Company be and it is hereby authorized to borrow not to exceed \$600,000.00 from Stromberg-Carlson Corporation under the terms and conditions set forth in the Opinion and Findings, which by this reference is made a part hereof.

MADE AND ENTERED at Lincoln, Nebraska, this 19th day of June, 1984.

NEBRASKA PUBLIC SERVICE COMMISSION

*Harold D. Simpson*  
Chairman

ATTEST:

*Terence L. Kubicek*  
Executive Secretary

COMMISSIONERS CONCURRING: