

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of)	Application No. C-510
Northwestern Bell Telephone Company,)	
Omaha, Nebraska, for approval of a)	GRANTED
tariff sheet of its Private Line)	
Tariff.)	Entered: September 18, 1984

APPEARANCES: For the applicant
Richard L. Johnson, Attorney
100 South 19th Street
Omaha, Nebraska 68102

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed May 14, 1984, the Northwestern Bell Telephone Company, Omaha, Nebraska seeks approval of a tariff sheet of its Private Line Tariff.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. Letters of protest were filed by Henningson, Durham and Richardson and by Norstan Communications Systems.

Pursuant to notice, public hearing was held on August 29, 1984 at 10:00 a.m. in the Civic Center, Omaha, Nebraska with appearance as shown.

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 seeks approval of First Revised Sheet 1 of its Private Line Tariff. The proposed tariff provides that Private Line Service will be provided at rates set above cost.
2. Applicant now seeks to revise its tariff to allow the rates for Private Line Service to be established on a case by case basis. Applicant presented evidence that a number of other companies are offering competitive services.
3. Protestant, Norstan Communications System, expressed concern as to whether costs could be determined on a route by route or circuit by circuit basis. Applicant offered testimony that it can calculate the cost of specific routes and circuits.
4. Applicant intends that prices for Private Line service be set to meet marketplace demand, and will be above cost. However, in order to insure that cross-subsidization does not occur, applicant should be required to keep on hand for six months from the date of service or customer acceptance of a competitive bid, all cost data pertaining to that customer service, to be available for review as required by the Commission staff.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. C-538

Page two

5. We are also of the opinion that the tariff rates specified in previous Docket No. C-204 should be a ceiling upon the rates charged by applicant under the tariff filed herein until the phase-in set forth in that prior order has been accomplished on February 10, 1985.

6. It is not applicant's intent, nor do we find it reasonable that all existing private line service be immediately repriced to individual cost after February 10, 1985. the rates which will take effect then were, an average, based on cost at the time they were authorized. These rates should remain as a "catalog" of average prices subject to adjustment at reasonable intervals as costs change. New private line service and additions to existing service installed after the date of this order should be priced at cost except that the "catalog" rates shall apply where revenues do not justify performing a cost study. A copy of such "catalog" of prices should be filed with the Commission.

7. The same conditions should apply to those telephone companies which concur in applicant's tariff, except that where rates are based on cost, the cost used should be that of the individual telephone company.

8. As modified herein, 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-510 be and it is hereby granted as modified and the Northwestern Bell Telephone Company be and it is hereby authorized to revise its tariff as set forth in the opinion and findings herein.

IT IS FURTHER ORDERED that applicant keep on hand for six (6) months from the date of service or customer acceptance of a competitive bid, all cost data pertaining to that Private Line service.

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

MADE AND ENTERED at Lincoln, Nebraska this 18th day of September, 1984.

NEBRASKA PUBLIC SERVICE COMMISSION

Harold D. Simpson
Chairman

ATTEST:

John E. Simpson
Executive Secretary

COMMISSIONERS CONCURRING:

Duane D. Gay