BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of Northwestern Bell Telephone Company Omaha, Nebraska, for approval of tariff sheets of its Local and General Exchange Tariffs.

Application No. C-540

GRANTED AS MODIFIED

Entered: February 5, 1985

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

> For the protestant, First CITYCOM Corporation Barry K. Lake, Attorney 1712 First National Bank Building Lincoln, Nebraska

For the Protestant, American Data System John W. McClellan, Jr., Attorney 10040 Regency Circle Omaha, Nebraska

For AT&T Communications of the Midwest Richard A. Peterson, Attorney 521 South 14th Street Lincoln, Nebraska

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed August 13, 1984, Northwestern Bell Telephone Company, Omaha, Nebraska seeks approval of tariff sheets of its Local and General Exchange Tariffs.

Notice of the filing of the application was published pursuant to the Commission's Rules and Regulations. A protest to the application was filed by First CITYCOM Corporation of Kimball, Nebraska.

Pursuant to notice required by law, public hearing was held on the application on October 5, 1984 at 1:30 p.m. in the Commission Hearing Room, Lincoln, Nebraska with appearances 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:

Applicant is an Iowa corporation with its principal place of business at Omaha, Nebraska. It is engaged in the telephone business as a common carrier subject to the jurisdiction of this Commission.

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- 2. Applicant seeks to revise its tariffs to provide for the connection of customer provided coin and non-coin operated telephones to semi-public service.
- 3. Douglas Wiley, General Manager of Public Services, testified for applicant. The purpose of the tariff filing is to establish rates and regulations for customer provided semi-public service. Applicant has amended its tariff proposal from that originally filed. As amended it provides rates for semi-public message rate service at \$30.00 per month plus 12ϕ each for the first 200 calls; 10ϕ each for the 201st to 400th calls; 8ϕ each for the 401st to 600th call; and 5ϕ each for all calls over 600. Where message rate service is not offered, a flat rate of \$60.00 is proposed.
- 4. Mr. Wiley agreed that the tariff should be amended to allow interexchange carriers furnishing coin phones to restrict access to other interexchange carriers.
- 5. Both Mr. Wiley and Floyd Olson, Division Manager for Pricing-Nebraska, testified that the proposed rates were designed to cover the cost of the access line and to provide approximately the same level of contribution currently provided by coin phone service.
- 6. Four protestants testified, all of whom felt that the proposed rates were excessive. One suggested that the rate should be the same as a business one party line. Another suggested that the rate be on usage with a minimum, for example 10ϕ per call, minimum of \$30.00. This witness also estimated that the cost of furnishing the telephone would amount to approximately \$38.00 per month in addition to any telephone company charges.
- 7. The Commission has recently adopted rules and regulations governing connection of customer provided coin telephones. These rules do not restrict the ability of the customer to limit local messages. Paragraph B.7. on sheet 7 of applicant's proposed tariff conflicts with these rules and should be deleted from the tariff.
- 8. Having considered all of the evidence the Commission finds that applicants proposed rates should be modified as follows: semi-public message rate service, \$30.00 per month, plus 10ϕ each for the first 200 calls, 8ϕ each for the 201st to 400th call and 6ϕ each for all calls over 400. Where message rate service is not offered, a flat rate of \$55.00 per month should apply. Applicant should also be required to maintain for Commission inspection records of revenues, expenses and number of customers for coin service until further order of the Commission.
- 9. The application, as modified herein, is fair and reasonable, is in the public interest and should be granted as modified.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that application No. C-540 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.

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

IT IS FURTHER ORDERED that applicant maintain records of revenues, expenses and number of subscribers for public, semi-public, and customer-provided semi-public service until further order of the Commission.

MADE AND ENTERED at Lincoln, Nebraska, this 5th day of February, 1985.

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:

COMMISSIONERS CONCURRING:

Executive Secretary