

# SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the application of ) Application No. C-565  
Curtis Telephone Company, Curtis, )  
Nebraska, for authority to Revise ) GRANTED  
Rates and Charges for Local Exchange )  
Service. ) Entered: November 12, 1985

APPEARANCES: For the applicant  
Fred J. Schroeder, Jr., Attorney  
P.O. Box 4  
Curtis, Nebraska

### OPINION AND FINDING

#### BY THE COMMISSION:

By its application filed January 2, 1985, the Curtis Telephone Company, Curtis, Nebraska seeks authority to revise rates and charges for local exchange service.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. Two letters of protest were filed but subsequently withdrawn.

Pursuant to notice, the applicant was processed administratively on November 12, 1985. Two affidavits were submitted on behalf of applicant and two affidavits were filed by the Commission staff.

Upon consideration of the application and being fully advised, the Commission is of the opinion and finds that:

1. Applicant is a Nebraska Corporation with its principal place of business at Curtis, Nebraska. It is engaged in the telephone business as a common carrier under the jurisdiction of this Commission and provides telephone service to approximately 835 subscribers through an exchange at Curtis, 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</u>	<u>Proposed</u>	<u>Increase</u>
Business 1 party	\$14.00	\$18.00	\$ 4.00
Residence 1 party	10.00	14.00	4.00

3. Applicant presented evidence concerning the financial statements, revenues, expenses and rate base for the year 1984. Applicant's exhibits, based on nine months actual and three months projections, indicate a net operating income of \$84,597. Applicant's adjustments include the proposed local service revenue increase, to adjust toll revenue to reflect a full year and the income tax effect of the resulting taxable income.

4. Applicant's rate base including net telephone plant and materials and supplies is indicated to be \$1,908,506.

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5. Staff presented evidence as to the rate base, income statement and rate of return as of December 31, 1984. The December 31st rate base, consisting of net telephone plant and material and supplies, less deferred income taxes was found to be \$1,971,960. Operating income for the year 1984 including adjustments was \$92,331. Adjustments included the proposed rate increase, reclassification of rent revenue, disallowance of non-recurring expense and contributions and the tax effect of the adjustments. The rate of return was found by the staff to be 4.68%. Applicant's projected rate of return was 4.43%.

6. The staff also presented evidence of service tests conducted at Curtis. Call completion percentages and trouble reports were within the Commission guidelines. No rule violations were found in the on-site inspection.

7. The application 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-565 be and it is hereby granted and the Curtis Telephone Company be and it is hereby authorized to charge and collect the 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 applicant file appropriate tariffs with the Commission.

MADE AND ENTERED at Lincoln, Nebraska, this 12th day of November, 1985.

NEBRASKA PUBLIC SERVICE COMMISSION

*Harold D. Simpson*  
Chairman

COMMISSIONERS CONCURRING:

*Duane D. Hay*

ATTEST.

*Donald Adams*  
Executive Secretary