

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application)	Application No. C-627
of Nebraska Telephone Association,)	
Lincoln, Nebraska, to Establish)	MOTION FOR REHEARING AND/OR
Uniform Procedures for Intrastate)	RECONSIDERATION GRANTED IN PART
Toll Compensation to Exchange)	
Carriers.)	Entered: January 27, 1987

OPINION AND FINDINGS

BY THE COMMISSION:

By order entered December 16, 1986, the Commission granted in part the application of the Nebraska Telephone Association, Lincoln, Nebraska, to establish uniform procedures for intrastate toll compensation to exchange carriers.

On December 22, 1986, Intervenor AT&T Communications of the Midwest (AT&T) filed its Motion for Rehearing and/or Reconsideration of the December 16th order. Oral argument on this motion was held on January 13, 1987.

AT&T challenged three findings in the December 16th order:

- a) that instead of a reduction in access charges January 1, 1987, AT&T would experience an increase in access charges;
- b) that, in order to have a revenue-neutral effect, the reduction in nontraffic sensitive costs (NTS) should be frozen at the 1985 level and occur in one step of 20% on October 1, 1987 instead of in two 10% steps on January 1 and October 1;
- c) that equal access network reconfiguration (EANR) costs be recovered from all feature groups in equal access offices instead of only from Feature Group D access.

Upon further consideration of the application, Intervenor's Motion, arguments of counsel and being fully advised, the Commission is of the opinion and finds that:

The December 16th order should be reconsidered to recognize that AT&T would not experience a reduction in access charges January 1, 1987; that to alleviate the effect on AT&T, the EANR recovery should not begin until April 1, 1987; that the EANR recovery should apply to all access minutes in converted offices; and that for the October 1, 1987 revision in access charges the 1985 cost levels continue to be used. Future revisions in access charges should occur at the same time for all companies and be based on updated costs.

Subparagraphs 10(e), 10(h), and 10(j) should be amended and subparagraph 10(k) should be added to the December 16th order as set forth below:

10(e) Equal access and network reconfiguring costs shall be amortized over 8 years from the date they are incurred except that all such costs incurred prior to April 1, 1987 shall be amortized over 8 years from April 1, 1987. Rates recovering these costs shall be applicable to all access minutes in converted offices. Any company unable to comply with this provision may request a waiver.

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(h) Reductions in interLATA and intraLATA toll rates shall take effect on October 1, 1987. On or before September 15, 1987 AT&T and Northwestern Bell shall file revised toll rate schedules which reflect all reductions in access charges mandated by this order, to become effective October 1, 1987.

(j) In developing rates for 1987 under this plan, all NTS costs shall be frozen at 1985 levels.

(k) In order to fully evaluate and monitor this plan, the Commission may require any carrier operating in Nebraska to provide current or historic access charge data.

Except as set forth above, the original December 16th order should remain in full force and effect.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the order entered December 16, 1986 in Application No. C-627 be and it is hereby reconsidered as set forth in the Opinion and Findings and granted in part.

IT IS FURTHER ORDERED that except as modified herein the original December 16, 1986 order remain in full force and effect.

MADE AND ENTERED at Lincoln, Nebraska this 27th day of January, 1987.

NEBRASKA PUBLIC SERVICE COMMISSION

Eric Rasmussen
Chairman

COMMISSIONERS CONCURRING:

Jeanne D. Gay
//s//James F. Munnelly
//s//Eric Rasmussen
//s//Harold D. Simpson

ATTEST:

Donald Adams
Executive Secretary

COMMISSIONERS ABSTAINING:

//s//Daniel G. Urwiller