

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the application) Application No. C-725
of Judy Ryan, et.al., Chadron,)
Nebraska for authority to receive) DENIED
telephone service from the)
Chadron exchange of the North-)
western Bell Telephone Company.) Entered: July 7, 1987

APPEARANCES: For the applicants
Patrick M. Connealy, Attorney
201 E. 3rd Street
Chadron, Nebraska

OPINION AND FINDINGS

BY THE COMMISSION:

By application filed March 12, 1987, Judy Ryan, et.al., Chadron, Nebraska seeks authority to receive telephone service from the Chadron exchange of the Northwestern Bell Telephone Company.

A copy of this application was served upon Northwestern Bell Telephone Company and Great Plains Communications, Inc.

Pursuant to notice required by law, public hearing was held on the application on May 14, 1987 in the Dawes County Court-house, Chadron, 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. Applicants are all individuals residing in rural Dawes County, Nebraska. In addition to Judy Ryan and her husband, John, applicants include Wayne and Loretta Brickner, Harold and Aubyn Ofe, Lyle and Rosemary Liesner and Dennis and Judy Hanks.
2. All of the applicants are subscribers of the Hay Springs exchange of Great Plains Communications, Inc. and desire to receive telephone service from the Chadron exchange of Northwestern Bell Telephone Company.
3. Thirteen witnesses testified on behalf of the applicants. Testimony was also presented by Floyd Olson for Great Plains Communications and by Bob Obst for Northwestern Bell Telephone Company.
4. A member of each of the applicant families testified that they work and/or do most of their business and shopping in Chadron. Deb Cottier, Executive Director of the Chadron Chamber of Commerce, testified that the applicants are considered members

of the Chadron community and participate in Chadron community activities.

5. Judy Hanks testified that because they have a Chadron address but are listed in the Hay Springs telephone directory, mail is frequently sent to Hay Springs and returned to the sender, causing delay in receipt of mail. All of the applicant families testified to similar problems with mail delivery.

6. Judy Ryan testified that she has had trouble receiving calls and in calling out. This trouble was reported to Great Plains Communications. Other applicants also testified to similar trouble making and receiving calls. Harold Ofe testified that he often gets a recording or no ring-back tone when calling out.

7. Other witnesses from Chadron testified that they had experienced trouble in placing calls to Hay Springs. Mackie Harris, Assistant Division Manager, C&NW Railroad testified that John Ryan is a trainman for the C&NW and is frequently subject to call to report for work. While the company's policy is not to make long distance calls, he indicated that when the railroad does call to Hay Springs they have experienced trouble in completing calls, receiving no ring-back tone. Dave Johnson, an insurance adjuster and Chadron City Councilman, Shirley Ryan, the mother of John Ryan, and Bonnie Thiessen, a member of the Alpha School Board, all testified to similar difficulty in completing calls to Hay Springs.

8. All of the applicants indicated that they were willing to compensate Great Plains Communications for its loss of investment and pay reasonable construction charges to Northwestern Bell Telephone Company.

9. Floyd Olson testified for Great Plains Communications. He indicated that only one trouble report had been received from the applicants since Great Plains Communications acquired the Hay Springs exchange in 1985. He suggested that the Hay Springs directory could be revised to indicate that the applicants had Chadron addresses. He testified that the loss of investment in outside cable plant serving the applicants was \$6,254 for the Ryans; \$4,845 for the Hanks; \$9,369 for the Liesners; \$11,746 for the Ofes; and \$7,900 for the Brickners, totaling \$40,114. Mr. Olson indicated that he had not reduced the loss of investment by the accumulated depreciation. The evidence shows that the facilities were installed in 1981, that for the last two years the depreciation rate has been 4% and that prior to that it was 3 1/2%. The accumulated depreciation since 1981 would therefore be 22%. Deducting the depreciation from the amounts shown above would result in the following loss of investment amounts: Ryans, \$4,878; Hanks, \$3,779; Liesners, \$7,308; Ofes, \$9,162; Brickners, \$6,162; total, \$31,289.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

10. Bob Obst, Public Affairs Manager for Northwestern Bell Telephone Company, testified that the cost of extending Chadron service to the applicants totaled \$69,980, including repeaters necessary to serve four of the applicants. The Ryans would be served by another circuit where repeaters would not be needed. Northwestern Bell would use six pair buried cable to serve the applicants; however, applicants would not be billed for the difference in cost between one pair buried wire and the six pair cable, \$14,060. The total cost to be billed to the applicants is \$55,920, apportioned as follows: Ryans, \$12,860; Hanks, \$10,340; Liesners, \$10,340, Ofes, \$12,040; Brickners, \$10,340.

11. Mr. Obst also indicated that the existing Great Plains cable could not be used because it was a smaller gauge cable than required to serve the applicants from Chadron.

12. This application is governed by the provisions of Section 75-613, R.R.S. as amended.

13. The evidence shows that the problems with mail delivery which were testified to by applicants could be solved by printing their addresses in the Hay Springs telephone directory. As to service problems, only one case of trouble was reported by any of the applicants since 1985. The trouble recounted in the testimony, while annoying, was apparently not so severe as to cause it to be reported to the telephone company.

14. Applicants have failed to show that their existing service is inadequate or will not be adequate within a reasonable time and the application should therefore be denied.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-725 be and it is hereby denied.

MADE AND ENTERED at Lincoln, Nebraska, this 7th day of July, 1987.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

James F. Munnelly
//s//James F. Munnelly

//s//Eric Rasmussen

//s//Daniel G. Urwiller

Eric Rasmussen
Chairman

ATTEST:

Chillman
Executive Secretary