

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the Application) Application No. C-748
of The Lincoln Telephone and)
Telegraph Company for authority) GRANTED
to adjust depreciation rates on)
various classes of equipment.) Entered: March 22, 1988

APPEARANCES: For the Applicant

Paul M. Schudel, Attorney
1500 American Charter Center
206 South 13th Street
Lincoln, Nebraska 68508

OPINION AND FINDINGS

BY THE COMMISSION:

By its Application filed December 10, 1987, The Lincoln Telephone and Telegraph Company, Lincoln, Nebraska, seeks authority to adjust depreciation rates for classes of its telecommunications equipment.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. No protests or petitions to intervene were filed, and thus this application may be processed administratively pursuant to the Commission's Rules. Upon consideration of the application, and the information presented to the Commission staff by applicant, and being fully advised, the Commission is of the opinion and finds that:

1. The applicant is a corporation domesticated under the laws of the State of Nebraska with its principal offices located in Lincoln, Nebraska. Applicant is a common carrier furnishing general communications services for hire in 137 exchanges in southeastern Nebraska under the jurisdiction of this Commission.
2. The books and records of the applicant, including statements of the costs of property and of operating revenues and operating expenses covering its communications property and services are maintained in accordance with the accounting rules and regulations of the FCC as adopted in Chapter V, Section 002.24 of this Commission's Rules and Regulations.
3. This application is submitted in accordance with this Commission's order entered in Application No. C-664 on April 14, 1987, which requires a depreciation rate review of this applicant by the Commission on a triennial basis beginning in 1987.
4. Applicant's proposed depreciation rates, applied to January 1, 1988 plant balances, would increase annual depreciation expense by \$1,279,689. The depreciation rates

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proposed by the Commission staff, when applied to the same January 1, 1988 plant balances, would increase annual depreciation expense by \$635,488.

5. No additional revenues are being requested by applicant in connection with this application for approval of revised depreciation rates.

6. On March 15, 1988 Herb Sherdon, Director of Telecommunications for the Commission received a letter from W. J. Ashburn, Business Relations Manager for The Lincoln Telephone and Telegraph Company, stating that the company has reviewed and will accept the staff recommendations in this docket.

7. Based upon the information which applicant has presented to the Commission staff and the independent analysis thereof which has been performed by the staff, the Commission finds that the depreciation rates set forth in the column entitled "Staff Proposed" of Exhibit 1 attached hereto are fair and reasonable, are supported by the evidence and are hereby approved.

8. The Application is fair and reasonable, is in the public interest and should be granted as set forth above.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that application No. C-748 is hereby granted as set forth in paragraph 5 and that applicant, The Lincoln Telephone and Telegraph Company, is hereby authorized to revise its depreciation rates for its classes of equipment as set forth hereinabove effective January 1, 1988.

MADE AND ENTERED at Lincoln, Nebraska, this 22nd day of March, 1988.

NEBRASKA PUBLIC SERVICE COMMISSION

Daniel G. Urwiller

Chairman

COMMISSIONERS CONCURRING:

Duane D. Gay

//s//James F. Munnelly
//s//Eric Rasmussen
//s//Harold D. Simpson
//s//Daniel G. Urwiller

ATTEST:

John Burvick

Acting Executive Secretary