

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

Pursuant to notice required by law, public hearing was held on the application on May 5th, 1988, at 7:00 p.m. in the Ceresco Elementary School, Ceresco, Nebraska with appearances as set forth above.

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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. The application was signed by Jim Weinberger, Chairman of the Telephone Committee of Ceresco subscribers of The Lincoln Telephone and Telegraph Company (LT&T) seeking extended area service from the community of Ceresco, Nebraska to the Lincoln Common Service Area (LCSA).

2. At the Public hearing on this matter, it was stipulated that the formal complaint was satisfied.

3. At the public hearing on this matter one witness, Mr. Weinberger, appeared in support of the application. To support his testimony and expedite applicants' showing, their answers to LT&T's interrogatories were submitted in evidence.

4. The applicants conducted a canvass of the Ceresco Exchange to determine their willingness to pay appropriate rates for extended area service between the Ceresco exchange and the Lincoln Common Service Area.

5. According to the canvass results submitted by the applicants, 311 or approximately 67% of the Ceresco subscribers were in favor of the proposed extended area service (EAS).

6. The canvass results sufficiently establish the fact that a substantial majority of the Ceresco subscribers are willing to pay appropriate rates for two way extended area service between the Ceresco Exchange and the Lincoln Common Service Area.

7. A motion for Leave to Amend Protest was filed with the Commission by protestants which incorporated by reference in its protest an exhibit which offered that:

A). Upon proper proof of a 65% "community of interest" showing, allow Ceresco to become a part of the LCSA at rates of \$14.70 for residence one-party, \$17.50 for rural residence one-party, \$42.10 for business one-party, \$48.60 for rural business one-party, \$49.45 for lamp and key trunks and \$25.30 for semi-public pay phones. This service to be installed within 90 days of a final Commission order.

B). The service as proposed in #1 would be optional to each Ceresco customer. That is, they could retain their present services at their present rates or opt for the EAS to the LCSA. All lines in a customer account would be required to be balloted as a group.

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C). Should subscription to this optional service fall below 50% of all lines in Ceresco, LT&T reserves the right to request the Commission to set aside its order and discontinue the EAS service proposed.

D). All services presently in place, and rates for such services, would remain in effect and available to Ceresco customers, until changed or modified by the Company or by the Commission in an appropriate legal proceeding.

8. Mr. Weinberger testified that Ceresco lacks essential community services such as doctors, dentists, medical clinics, clothing stores and department stores and that the community obtains these services from Lincoln or other exchanges in the Common Service Area. The school is consolidated with other exchanges in the Common Service Area and the church membership extends into other exchanges in the Common Service Area. In addition, many Ceresco residents are employed within the Common Service Area.

9. One Witness, Frank Hilsabeck, Executive Vice President of LT&T appeared on behalf of LT&T. To support his testimony and to expedite protestant's showing, their answers to Ceresco's interrogatories were submitted into evidence. The telephone company presented testimony that it was offering the optional EAS proposal because of lack of services in Ceresco, and the strong community desire for EAS. Mr. Hilsabeck also acknowledged that this would be an optional offer in order to shelter those subscribers who would not desire the additional service at an additional cost.

10. Before authorizing new extended area service, The Commission's rules and regulations provide that consideration be given to the willingness of 65% of the subscribers to pay fair and reasonable rates, the need for such service based upon lack of essential commercial services, whether the service is economically feasible and can be provided at fair and reasonable rates, and whether other substitute service is available. In opinions dated January 29 and March 31, 1988 the Nebraska Attorney General ruled that the Commission no longer has authority to regulate rates charged for EAS.

11. The applicants have established a need for the extended area service; late filed exhibit No. 9 establishes that 317 of 458 Ceresco subscribers or 69% are willing to pay rates proposed by LT&T for optional EAS; the application is fair and reasonable, is in the public interest and should be granted and the formal complaint should be dismissed as satisfied.

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ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that application No. C-754 be and it is hereby granted and The Lincoln Telephone and Telegraph Company be and it is hereby authorized and ordered to establish two-way optional extended area service between Ceresco and the Lincoln Common Service Area under the terms and conditions as set forth in the Opinion and Findings herein.

IT IS FURTHER ORDERED that Formal Complaint No. 1211 be and it is hereby dismissed as satisfied.

MADE AND ENTERED at Lincoln, Nebraska this 17th day of May, 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:

Dwight R. Stinger
Executive Secretary