

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-766  
of GTE North Inc., Grinnell, Iowa, )  
for authority to adjust ) GRANTED  
depreciation rates on classes of )  
its equipment. ) Entered: January 4, 1989

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed November 28, 1988, GTE North Incorporated, Grinnell, Iowa, seeks authority to adjust depreciation rates on classes of its equipment.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. No protest to the application was filed.

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

1) Applicant is a corporation existing under the laws of the State of Nebraska subject to depreciation regulation by this Commission.

2) By order entered April 14, 1987 in Application No. C-664, this Commission established a triennial depreciation rate review schedule that would begin in 1988 for the applicant.

3) By letter, GTE North requested a change in the Nebraska triennial depreciation schedule to be concurrent with the FCC schedule to commence in 1990. Upon review of the request and analysis of the January 1, 1988 plant account data submitted as prescribed under the new Uniform System of Accounts (USOA), the Commission staff requested some changes in depreciation rates be made prior to the triennial review scheduled for 1990.

4) The depreciation changes as described in the application and set forth in Schedule I attached hereto are the result of agreements reached between GTE North and Commission Staff. These depreciation changes and the change in the network modernization plan to accelerate to 1992 central office replacement schedules for central offices serving over 1,000 access lines were conditions agreed upon to delay the scheduled triennial depreciation review until 1990.

5) Approval of the depreciation rates as set forth in Schedule I attached hereto will more closely match accrual rates with asset consumption, thus, reducing the risk of deferring current costs to future customers.

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6) The depreciation rates sought by Applicant herein will have a zero net effect on the annualized depreciation expense, based upon August 31, 1988 book balances as shown on Schedule I.

7) The revised depreciation rates should become effective January 1, 1989.

8) The application is fair and reasonable, is in the public interest and should be granted.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that application No. C-766 be and it is hereby granted and GTE North, Inc. is hereby authorized to adjust depreciation rates and reserve levels in accordance with Schedule I attached hereto and made part of this order.

IT IS FURTHER ORDERED that the revised depreciation rates become effective January 1, 1989.

MADE AND ENTERED at Lincoln, Nebraska this 4th day of January, 1989.

NEBRASKA PUBLIC SERVICE COMMISSION

*Daniel G. Urwiller*

Chairman

COMMISSIONERS CONCURRING:

*Duane D. Gay*

//s//James F. Munnelly

//s//Eric Rasmussen

//s//Daniel G. Urwiller

ATTEST:

*Djett R. King*  
Executive Secretary