BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-777 of US West Communications for authority to revise existing depreciation rates.

) NUNC PRO TUNC

) Entered: March 13, 1990

APPEARANCES:

For the Applicant Richard L. Johnson, Attorney

1314 Douglas Street Omaha, Nebraska 68102

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed July 7, 1989, US West Communications, Omaha, Nebraska sought authority to revise depreciation rates retroactive to January 1, 1989.

On August 22, 1989, the application was granted and US West Communications was authorized to revise its depreciation rates.

On January 25, 1990, the Federal Communications Commission (FCC) adopted an order prescribing depreciation rates which was released on January 31, 1990. The new FCC rates should have matched the rates approved by this Commission on August 22, 1989; however, rates for the Aerial Wire and Other Terminal Equipment accounts differed slightly from the rates authorized by this Commission.

The Commission staff investigated further and found that errors existed in the reserve levels used to calculate the remaining life rates authorized in the August 22, 1989 order. The basic life, curveshape and salvage parameters agreed to at the 3-way meeting remain the same and therefore, the rates reflected in the FCC's January 31, 1990 order and attached hereto are the proper rates to use for intrastate purposes in Nebraska.

Specifically to correct the errors in the prior order, the rate for Other Terminal Equipment shall be increased from 6.6% to 6.8% and the rate for Aerial Wire will be decreased from 9.1% to 8.6% on a going forward basis effective February 1, 1990. changes are necessary due to correction of the reserve ratios used to determine Nebraska prescribed rates.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that US West Communications is hereby authorized to revise its depreciation rates as set forth on the attached schedule effective February 1, 1990.

MADE AND ENTERED at Lincoln, Nebraska this 13th day of March, 1990.

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

COMMISSIONERS CONCURRING:

//s//Frank E. Landis, Jr.

//s//James Munnelly
//s//Eric Rasmussen

//s//Daniel G. Urwiller

ATTEST:

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