

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-799  
of the Lincoln Telephone and )  
Telegraph Company, Lincoln, ) GRANTED  
Nebraska for authority to issue )  
and sell securities. ) Entered: March 27, 1990

APPEARANCES: For the Applicant  
J. Taylor Greer  
Paul M. Schudel  
Attorneys  
1500 American Charter Center  
206 South 13th Street  
Lincoln, Nebraska 68508

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed on February 21, 1990, the Lincoln Telephone and Telegraph Company of Lincoln, Nebraska seeks authority to issue and sell securities.

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

Pursuant to notice required by law, this matter was set for disposition in accordance with modified procedures under Rule 018.03 on March 27, 1990, at the regular session of the Commission in the Commission Hearing Room, Lincoln, Nebraska, with appearances as set forth above.

Upon consideration of the application, the evidence filed and submitted herewith and being fully advised in the premises, the Commission is of the opinion and finds that:

1. Applicant is a corporation organized under and by virtue of the laws of the State of Delaware and is domesticated under the laws of the State of Nebraska.

2. Applicant is engaged in the telecommunications business in the State of Nebraska providing service through 137 exchanges in a 22-county area of southeastern Nebraska.

3. Applicant seeks Commission approval to issue \$44,000,000 of First Mortgage Bonds, Series K, in a private placement, the proceeds of which, less expenses thereof, will be used in 1990 and 1991; (a) to make payment of Applicant's First Mortgage Bonds, Series D, E and F, in the aggregate principal amount of \$12,400,000; (b) to make payment of the sinking fund requirements of Applicant's First Mortgage Bonds, Series I and J and 7.64% Preferred Stock, when such payments become due, in the aggregate

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principal amount of \$7,130,000, and possibly make payment of optional sinking fund retirements of the 7.64% Preferred Stock in the aggregate principal amount of \$480,000; (c) to retire short term borrowings of Applicant in the principal amount of \$10,325,000; and (d) to finance continuing construction and improvement of Applicant's telephone plant and facilities in 1990 and 1991 estimated to aggregate \$13,665,000.

4. The Commission finds that the Application filed herein is in general compliance with the requirements of Rule 022 of the Rules of Commission Procedure, and that attached to said Application are documents required by said Rule.

5. The Commission is of the opinion that the uses of the capital to be secured by the issue of the First Mortgage Bonds, Series K, are reasonably required for the purposes set forth in paragraph 3 hereinabove as necessary for the discharge and lawful refunding of Applicant's obligations, the discharge of Applicant's short-term indebtedness and the construction and improvement of facilities to provide for the improvement and maintenance of Applicant's service.

6. The Application is fair and reasonable and is in the public interest and should be granted.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-799 be and it is hereby granted and that The Lincoln Telephone and Telegraph Company be, and it is hereby authorized to issue and sell up to forty-four million dollars (\$44,000,000) principal amount of First Mortgage Bonds, Series K, upon the most favorable terms and conditions as may be appropriate and desirable. Applicant is further authorized to use the funds thereby obtained for the purposes hereinabove set forth and as set forth in the application. Applicant is further authorized to take all other such actions as are necessary and appropriate in connection with the accomplishment of the foregoing.

IT IS FURTHER ORDERED that Applicant shall, within sixty (60) days of the issuance of the bonds, file with this Commission a specimen copy of a Series K Bond and the Eleventh Supplemental Indenture pursuant to which said Series K Bonds will be issued.

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MADE AND ENTERED at Lincoln, Nebraska, this 27th day of March, 1990.

NEBRASKA PUBLIC SERVICE COMMISSION

*Daniel G. Urwiller*

Chairman

COMMISSIONERS CONCURRING:

*Duane D. Gay*

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

//s//James Munnelly

//s//Eric Rasmussen

//s//Daniel G. Urwiller

ATTEST:

*Jeff R. Stalling*

Executive Director