

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Cen-)	Application No. C-1083
tral Telephone Company, Gibbon,)	
Nebraska seeking authority to)	
adjust the amortization of the)	GRANTED
reserve deficiency resulting from)	
the replacement of central office)	
switching assets.)	Entered: August 2, 1994

BY THE COMMISSION

Applicant, Nebraska Central Telephone Company ("Central"), of Gibbon, Nebraska filed this application June 27, 1994. Central seeks authorization from the Commission to adjust the amortization rate allowed in C-993 of the undepreciated value of retired assets created by the replacement of equipment. The Omaha Daily Record posted notice of the application, June 30, 1994, and no protests were received. Therefore, the application will be processed by modified procedure (Title 291, NAC Ch. 1, Rule 018.03).

O P I N I O N A N D F I N D I N G S

Central provides local telephone service in Nebraska for the Ansley, Arcadia, Burwell, Comstock, Ericson, Gibbon, North Burwell, North Loup, Sargent, Scotia, Shelton and Taylor exchanges. During 1993, the company upgraded its facilities to offer features such as equal access and SS-7. In order to accomplish these changes, it was necessary to upgrade the switches, as none of the switches had the capability to provide such features.

Pursuant to Application No. C-993, Central requested authorization from the Commission to retire certain investments. The Commission approved the application and Central was allowed to depreciate its processors and software at the monthly amortization rate of \$5,897 over a thirty-six (36) month period.

Since the time C-993 was approved, it became apparent that more equipment was replaced than had been estimated in the preliminary depreciate reserve shortfall calculations. In fact, additional depreciation of \$58,468 should have been included with the request in C-993.

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Therefore, Central comes forward to adjust the amor-tization rate as follows:

Estimate provided in C-993

Switching Investment	\$449,204
Depreciation Reserve	\$236,924
Reserve Deficiency (Net Book)	\$212,280
Monthly Amortization (36 Months)	\$ 5,897

Actual Retirement

Switching Investment	\$582,464
Depreciation Reserve	\$311,716
Reserve Deficiency (Net Book)	\$270,748
Monthly Amortization (24 Months)	\$ 8,270

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds that the application is fair and reasonable, is in the public interest, and should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1083 be, and it is hereby granted and the Nebraska Central Telephone Company is hereby authorized to depreciate its equipment in the manner described above.

IT IS FURTHER ORDERED that the depreciate rate schedule shall take effect retroactively January 1, 1994.

MADE AND ENTERED at Lincoln, Nebraska this 2nd day of August, 1994.

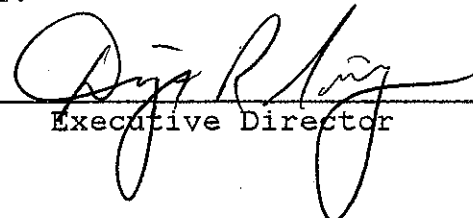
NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING

//s//Duane D. Gay
//s//Rod Johnson
//s//Frank E. Landis
//s//James F. Munnelly


Chairman

ATTEST:


Executive Director