

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1130
 Keystone-Arthur Telephone Company,)
 of Keystone, Nebraska seeking)
 authority to adjust the amortization) GRANTED / C-1091 VACATED
 of the reserve deficiency resulting)
 from the replacement of central)
 office switching assets.) Entered: January 9, 1995

PRELIMINARY MATTERS

By application filed November 30, 1994, Keystone-Arthur Telephone Company, of Keystone, Nebraska seeks authority to adjust the amortization of the reserve deficiency resulting from the replacement of central office switching equipment. Notice of this application was published in the Omaha Daily Record on December 1, 1994. No protests to the application were received; therefore we will process this matter pursuant to the Commission's Rule of Modified Procedure (see Title 291, Ch. 1, Rule 018.03)

BY THE COMMISSION

Pursuant to Commission Order C-1091, Keystone-Arthur was permitted to amortize the central office switching reserve deficiency over a 36 month period, beginning January 1, 1994, in the amount of \$8,998.61 per month. A subsequent review of the central office property records reflect the original application was incorrect. Specifically, a physical inspection revealed various equipment units were in service that were listed in C-1091 as retired.

The present application is a reconciliation between the amounts used on the original application and the amounts achieved per the corrected property records. The result provides a decrease in the amount requested in C-1091 by \$41,968.68 and calculates to a decrease of \$1,165.80 per month.

The following is a breakdown of the amortization requested in C-1091:

Undepreciated Balance	381,117.47
Less: Estimated Salvage (15%)	(57,167.62)
Requested Amortization	\$ 323,949.85

The following is a breakdown of the amortization being requested:

Undepreciated Balance	331,742.17
Less: Estimated Salvage (15%)	(49,761.00)
Requested Amortization	\$ 281,981.17

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Keystone requests the costs be amortized over a 36 month period, beginning January 1, 1994. A breakdown of the corrected monthly charges are as follows:

Balance Requested	281,981.17
Divided by 36 Month	36
Requested Monthly Charge	\$ 7,832.81

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 the Application No. C-1130 be, and it is hereby granted and Keystone-Arthur Telephone Company, of Keystone, Nebraska is hereby authorized to amortize the central office switching reserve deficiency in the manner as amended above.

IT IS FURTHER ORDERED that the amortization shall begin retroactively on January 1, 1994.

IT IS FINALLY ORDERED that the amortization approved in C-1091 is revoked.

MADE AND ENTERED in Lincoln, Nebraska this 9th day of January, 1995.

COMMISSIONERS CONCURRING:

[Signature]

//s//Frank E. Landis
//s//James F. Munnelly
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION

Daniel G. Urwiller
Chairman

ATTEST:

John Burdick
Deputy Director