

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1314
of Arlington Telephone Company and)
Blair Telephone Company, of Blair,)
Nebraska seeking authority to ex-)
pand Extended Area Service between) GRANTED
their exchanges and to offer an En-)
hanced Area Calling Plan from their)
exchanges to certain exchanges)
within the Omaha calling area.) Entered: May 28, 1996

APPEARANCES

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PRELIMINARY MATTERS

On April 1, 1996, an application was filed by the Arlington Telephone Company and the Blair Telephone Company, of Blair, Nebraska for authority to expand Extended Area Service (EAS) between their exchanges and to offer an Enhanced Area Calling Plan from their exchanges to certain exchanges within the Omaha calling area. Notice of the application was published in the Omaha Daily Record, April 2, 1996. No protests were received. A hearing was held on the application on May 17, 1996 in Arlington at the Arlington Auditorium and in Blair at the City Hall. Commissioner Lowell Johnson chaired the proceeding.

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

Arlington Telephone Company and Blair Telephone Company are local exchange carriers operating within Nebraska and therefore, are subject to the Commission's rules, regulation and Nebraska's state statutes governing common carriers. Accordingly, the applicants request authority herein pursuant to Neb. Rev. Stat. 86-803(2) and (7) (Reissue 1994), as well as Commission Rule 002.27.

This present application requests the Commission grant the authority to implement two additional services. First, the applicants request authority to implement EAS between the Blair Telephone Company and the Arlington Telephone Company. Second, the applicants request authority to offer customers within the Blair Telephone Company and the Arlington Telephone Company exchanges an Enhanced Area Calling Plan to certain exchanges in Douglas and Sarpy County.

Michael Jacobson, President and CEO of the Blair Telephone Company and its affiliates, testified in favor of the applica-

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tion. Mr. Jacobson stated Blair subscribers are currently paying annual toll charges of approximately \$18,000 for calls to Arlington. If the Commission grants the applicant to implement EAS, he stated these charges will be eliminated.

Further, Mr. Jacobson stated Arlington customers will realize a benefit by receiving EAS to Blair. Blair is the commercial center of Washington County and offers the only hospital service in the county. Also, Blair is the home of the county's governmental offices. Therefore, Arlington residents incur substantial toll charges to Blair.

Statements were made by the public at the Arlington and Blair hearings that EAS between Blair and Arlington will enhance economic development and will promote business activity within the area.

Mr. Jacobson also discussed the Enhanced Area Calling Plan that is being proposed to lower the price of calls to Douglas and Sarpy Counties. The Plan offers a rate of 10 cents per minute, seven days a week, 24 hours a day. This rate replaces six different rate schedules that are currently in place. Mr. Jacobson stated the uniform rate structure will reduce confusion and help customers more easily control their long distance costs to Douglas and Sarpy counties.

Mr. Jacobson also testified that no increases in basic local rates are anticipated at this time. Both companies will however, monitor closely the impact these changes have on revenues and will evaluate in the future whether any rate changes are necessary.

The public offered their support of the Enhanced Area Calling Plan. For reasons related to economic development, including the high number of residential subdivisions that are being developed between Blair and Omaha, the plan will offer large savings to many people who presently incur high toll charges.

Further, from a business point, the Enhanced Area Calling Plan will assist the communities of Blair and Arlington by enabling callers to place calls at reduced rates to the Omaha area. A witness testified that a substantial part of his business in Arlington deals with customers outside the Arlington exchange.

Lastly, we note that US West worked diligently with the Arlington Telephone Company and the Blair Telephone Company to develop this proposal. Also, we understand US West intends to offer Extended Area Service from the Omaha calling area to the applicants' subscribers concurrent with other pending service changes. We urge US West to complete its review of the Omaha calling area and make the application necessary to offer EAS to

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these communities, in order to better serve its own customers as well as those of the applicants.

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds the expansion of Extended Area Service between the Blair Telephone Company and the Arlington Telephone Company and the offering of an Enhanced Area Calling Plan from these companies to certain exchanges within the Omaha calling area is fair and reasonable, is in the public interest and should be granted.

O R D E R

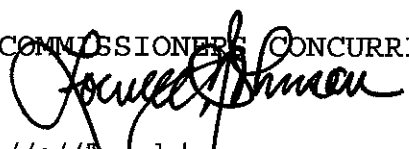
IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-1314 be, and it is hereby granted and the expansion of Extended Area Service between the Blair Telephone Company and the Arlington Telephone Company is hereby approved.

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that the offering of an Enhanced Area Calling Plan from the Blair Telephone Company and the Arlington Telephone Company to certain exchanges within the Omaha calling area is approved.

IT IS FURTHER ORDERED that the Blair Telephone Company and the Arlington Telephone Company file updated tariffs, reflecting the expanded service offerings with the Commission within the next thirty (30) days.

MADE AND ENTERED at Lincoln, Nebraska, this 28th day of May, 1996.

COMMISSIONERS CONCURRING:


//s//Rod Johnson
//s//Frank E. Landis
//s//James F. Munnelly

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:


Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION
