

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-1446  
of Northeast Nebraska Telephone )  
Company and NebCom, Inc. of Jackson, )  
Nebraska seeking to transfer auth- ) GRANTED  
ority granted to Northeast in C-1311 )  
and C-1329 to NebCom, a wholly owned )  
subsidiary of Northeast. ) Entered: Dec. 17, 1996

BY THE COMMISSION:

On November 19, 1996, an application was filed by Northeast Nebraska Telephone Company (Northeast) and NebCom, Inc. for authority to assign and transfer the authority granted by the Commission in Applications C-1311 and C-1329 from Northeast to NebCom. Notice of the application was published in the Oma-  
ha Daily Record on November 22, 1996. No protests or formal interventions were filed; therefore, this application has been reviewed pursuant to the Commission's Rule of Modified Procedure, Rule 18.03.

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

Northeast and NebCom are Nebraska corporations with principal offices located at 110 East Elk Street, Jackson, Nebraska. Northeast holds a Certificate of Public Convenience and Necessity from this Commission to provide local exchange services within Nebraska. On May 21, 1996, this Commission granted Application C-1311 which authorized US West to sell and transfer certain exchanges to purchasers, including Northeast. Pursuant to the application, Northeast acquired the exchanges of Allen-Waterbury, Butte, Decatur, Long Pine, Spencer-Bristow, Stuart and Winside and was awarded a Certificate of Public Convenience and Necessity to provide telecommunications services to the subscribers in each of the exchanges.

On June 4, 1996, the Commission granted C-1329 which authorized Northeast to issue long term indebtedness in favor of the Rural Telephone Finance Cooperative in the amount of \$9,030,000 and further authorized Northeast to use such funds to partially finance the acquisition of exchanges from US West.

NebCom is a wholly-owned subsidiary of Northeast recently formed to acquire from Northeast the right to purchase the physical assets and operate the US West exchanges identified above. NebCom has the same officers, directors, management and staff that operate Northeast.

NebCom, being a wholly-owned subsidiary of Northeast, is technically, financially and managerially capable of providing services to the subscribers of US West's exchanges identified above. Therefore, we find that NebCom should be issued a Certi-

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ificate of Public Convenience and Necessity for the exchanges purchased from US West in Application C-1311.

In its application, NebCom indicates it will not increase basic local service rates as a result of the transfer and assignment described herein. In addition, the telecommunications plant acquisition adjustment will not be included in the rate base for rate making purposes.

NebCom also indicates it intends to decrease its intra-state access charge residual rate after four years from the date of closing of the transaction.

The period to protest this application expires on or about December 20, 1996. However, the transfer and assignment from Northeast to NebCom must be approved prior to January 1, 1997 pursuant to agreements made with US West Communications and the Federal Communications Commission. The Commission will not meet after December 17, 1996 until January 7, 1997, past the date required to complete the transaction described herein. Therefore, we approve this application; provided, that no protests or formal interventions are received on or before December 20, 1996. Should any such filings be made, this Order shall become void.

Upon consideration of the application, Neb. Rev. Stat 75-320 (Cum. Supp. 1994), and the rules of the Commission, and being fully informed, the Commission is of the opinion and finds the assignment and transfer of the authority granted in Applications C-1311 and C-1329 is consistent with the public interest, does not unduly restrict competition. NebCom is fit, willing and able to perform the service proposed and should be granted.

# O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-1446 be, and it is hereby granted and the authority granted by the Commission in Applications C-1311 and C-1329 be and it is hereby assigned and transferred from Northeast Nebraska Telephone Company to NebCom, Inc.

IT IS FURTHER ORDERED that the authority granted herein is conditioned upon there being no protests or formal interventions filed in this docket on or before December 20, 1996. Should such filings be made, this Order is void.

IT IS FURTHER ORDERED that NebCom, Inc. shall file annually, in accordance with the applicable statutes, a report with this Commission consisting of (a) a copy of any reports filed with the Federal Communications Commission and the Security and

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Exchange Commission, (b) the annual report to stockholders, and (c) for the State of Nebraska on a combined interstate-intrastate basis, the investment in telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues, expenses and taxes by April 30th of each year.

IT IS FURTHER ORDERED that NebCom, Inc. file a tariff with the Commission within the next thirty (30) days.

MADE AND ENTERED at Lincoln, Nebraska, this 17th day of December, 1996.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:



//s//Rod Johnson

//s//James F. Munnelly

Chairman



ATTEST:

Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

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