

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the)	Application No. C-4298
Application of Windstream)	
Nebraska, Inc., Little Rock,)	GRANTED
Arkansas, seeking to revise their)	
depreciation rates.)	Entered: October 5, 2010

BY THE COMMISSION:

By application filed August 26, 2010, Windstream Nebraska, Inc., Little Rock, Arkansas, seeks authority to revise its depreciation rates on classes of its equipment. Notice of the application was published in The Daily Record, Omaha, Nebraska, on August 31, 2010. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

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

Applicant submits the present application in accordance with the Commission's order of April 14, 1987, in Docket C-664. Pursuant to that order, Applicant is subject to a depreciation rate review on a triennial basis.

Applicant has submitted revised depreciation rates in accordance with its triennial obligations. Discussion with Commission staff raised concerns regarding plant balances in five (5) plant accounts, namely buildings, digital switching, digital circuit equipment, aerial cable, and buried cable. Based on the discussions with staff, the company proposes a one-time \$129 Million adjustment to depreciation expense and the associated reserves of the five (5) accounts as of January 1, 2009, to bring the reserve balances in those accounts to a more reasonable level. The Company proposes no further modifications to current depreciation rates at this time. A review of the Company consulting firm's analysis of the five (5) accounts listed above and a summary of the analysis of all the remaining accounts is attached as Exhibit 1 and 2 and hereby incorporated by reference.

The Company will file a revised Annual Report for 2009 and a revised NUSF EARN Form for 2009 reflecting the adjustments made to the five accounts listed above. Further, the Company has agreed to conduct further analysis and review of its depreciation rates in two years from the date of this order rather than the three-year cycle of reviews normally utilized under Docket C-664.

Based on the evidence presented, the Commission finds the application is fair and reasonable and in the public interest. The application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4298 be, and it is hereby, granted and Windstream Nebraska, Inc., is hereby authorized to revise its depreciation rates as of January 1, 2009, as discussed above and reflected in Exhibit A, attached to and, hereby made a part of this order.

IT IS FURTHER ORDERED that Windstream Nebraska, Inc. shall file a revised 2009 Annual Report and 2009 NUSF EARN form by October 19, 2010.

IT IS FURTHER ORDERED that Windstream Nebraska, Inc., shall conduct a depreciation rate review in two years from the date of this order.

MADE AND ENTERED at Lincoln, Nebraska, this 5th day of October, 2010.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

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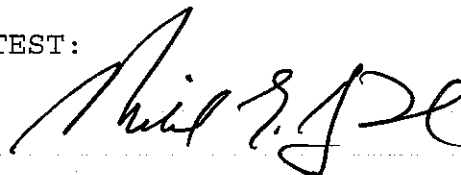
//s// Frank E. Landis

//s// Gerald L. Vap

Chairman



ATTEST:



Executive Director