BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Commission,) Appl on its own motion, seeking to) review and approve requests for) REQU postponement of local rate) EFFE increases from September 1, 1999.)

) Application No. NUSF-6
) REQUEST FOR DELAYED
) EFFECTIVE DATE GRANTED
)

) Entered: August 24, 1999

APPEARANCES:

For the Applicants: Steve Maun 1628 Lincoln Street P.O. Box 400 Blair, NE 68008 For the Commission: Chris Post 300 The Atrium 1200 "N" Street Lincoln, NE 68508

BY THE COMMISSION:

On May 12, 1999, the Commission, on its own motion, opened this docket to review all requests for postponement of the September 1, 1999, effective date for local rate increases. Notice of this docket was published in The Daily Record, Omaha, Nebraska, on May 14, 1999. Applications requesting a postponement were received from Eastern Nebraska Telephone Company, Arlington Telephone Company, Rock County Telephone Company, and Blair Telephone Company (collectively, the "Applicants") and made a part of this docket. A hearing on the applicants' request was held on August 17, 1999, in the Commission Hearing Room, Lincoln, Nebraska, with appearances as shown above.

OPINION AND FINDINGS

On March 9, 1999, this Commission entered Progression Order No. 5 in C-1628/NUSF which set forth the requirement that all incumbent local exchange carriers (ILECs) file with the Commission all local rates to be effective September 1, 1999. Rate increases in subsequent years are also required to become effective on September 1 of the respective year.

Applicants seek a postponement of the effective date of the local rate increases in each of the next two years until November 2, 1999, and November 2, 2000. Less than ten months ago, applicants made effective local rate increases in their respective exchanges which significantly increased local rates. The Commission agrees that, when possible, customers should not be subject to additional rate increases within such a short time frame. Allowing a 12-month interval between rate increases under these circumstances will provide some protection to customers who have already been asked to adjust to numerous changes in the

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telecommunications industry. Furthermore, postponement will not adversely affect the status of the Nebraska Universal Service Fund in either 1999 or 2000.

On July 13, 1999, the Commission ordered all ILECs to file revised tariffs reflecting increases in Lifeline support to customers to be effective September 1, 1999 (see Docket No. NUSF-2, Progression Order No. 3). Despite the postponement of the local rate increases, the applicants will still be required to submit the required tariffs with Lifeline support based upon rates existing as of September 1, 1999. Upon the November 2, 1999, rate increases, applicants shall update their tariffs indicating the increase in Lifeline support under the new rates.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the September 1, 1999, and September 1, 2000, effective dates for local rate increases in the exchanges of Eastern Nebraska Telephone Company, Arlington Telephone Company, Rock County Telephone Company, and Blair Telephone Company be, and they are hereby, postponed and local rate increases within these exchanges shall become effective on November 2, 1999, and November 2, 2000.

IT IS FURTHER ORDERED that the above-mentioned applicants file revised tariffs with the Commission, effective September 1, 1999, and November 2, 1999, reflecting the appropriate amount of Lifeline support to be credited to qualifying subscribers.

MADE AND ENTERED at Lincoln, Nebraska, this 24th day of August, 1999.

COMMISSIONERS CONCURRING:

NEBRASKA PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

//s//Lowell C. Johnson
//s//Daniel G. Urwiller