BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In Re Disposition of Property Tax Revenues For Taxable Year 1991 By Certain Affected Telecommunications Companies:	)	**Application No. C-931(18)**
Hamilton Telephone Company.	)	**EMERGENCY ORDER APPROVING DISPOSITION**
	)	**Entered: June 30, 1992**

PRELIMINARY MATTERS

The Commission on its own motion opened this docket May 14, 1992 as a means of determining whether to approve plans submitted by certain affected telecommunications companies for the disposition of revenues resulting from decreases in personal property taxes for the taxable year 1991. This docket is governed by Neb. Rev. Stat. §86-803(9) (1991 Supp.).

Notice of hearing was sent to the above-named party May 29, 1992 by the Executive Director and hearing was scheduled for July 14, 1992. The Commission in its order opening this docket ruled that a plan for disposition would be approved, without a hearing pursuant to the Commission's modified procedure rule, if (a) there was no dispute as to the amount of revenue calculated for disposition and (b) if the respondent telephone company agreed to dispose of the revenues pursuant to one or more of the alternatives "pre-approved" by the Commission as follows:

(1) used to install equipment necessary to provide 911 or E-911 service;
(2) used to implement Phase II of the Frame Relay project;
(3) used to install distance learning or other technology assisted educational systems for secondary and/or primary school districts;
(4) returned to the local governmental subdivision from which they came;
(5) refunded to the respondent's customers on a pro rata basis; or
(6) used to provide toll route diversity to improve network reliability.

BY THE COMMISSION

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

The Commission, being fully advised, finds: Hamilton Telephone Company ("Hamilton") initially proposed to dispose of the available revenue in a manner different than those alternatives listed above, namely to disperse the revenues to the Edgerton

Education Foundation for the purpose of assisting in its construction and operation in Aurora, Nebraska. The center's objective is to provide the public, particularly youth, with opportunities to experience alternative learning methods in the science and technology fields not readily available in the current educational system. A motion was filed with the Commission seeking an emergency hearing on June 30, 1992. The request for emergency action is based on the fact Hamilton's fiscal year ends on that date and certain annual limitations on contributions in federal tax law will negatively affect the proposal unless favorably ruled upon by June 30. The Communications Department made no objection to the motion. Motion was granted and hearing on the application was held in the Commission Hearing Room June 30.

Prior to the hearing, Hamilton filed documentation with the Commission stipulating that the revenues subject to disposition for the 1991 taxable year after various offsets is:

Hamilton - $64,517.[1]

The Communications Department's staff and the company concurred with the figure calculated for the company. There being no issue as to the amount of revenue for disposition and the Commission finding the proposed disposition to be reasonable, an order should be entered approving the disposition. Further, the revenue subject to this order should be maintained in an interest-bearing account pending its actual disposition. Finally, disposition should be made as soon as is practicable for the alternatives selected.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the proposed plan filed by the Hamilton Telephone Company for disposition of revenues resulting from decreased personal property taxes for the 1991 taxable year be, and it is hereby, approved pursuant to this order as described above.

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[1] Commission staff accepted certain offsets in arriving at each company's calculation while realizing pending litigation may alter those offsets as they pertain to the depreciation surcharge (which is the subject of the litigation). Since the outcome of these lawsuits may result in adjustments to the depreciation surcharge, the docket should remain open and if changes occur (a) a new calculation of the additional revenues should be made and confirmed for each company affected, and (b) respondents should stipulate to the disposition of those additional revenues.

IT IS FURTHER ORDERED that this docket shall remain open and, if the outcome of pending litigation involving the depreciation surcharge results in adjustments to the depreciation surcharge and consequently to the amount of the offsets used in the calculation of revenues subject to disposition, (a) a new calculation of the additional revenues shall be made and confirmed for Hamilton, and (b) Hamilton shall stipulate to the disposition of those additional revenues.

IT IS FURTHER ORDERED that the revenue subject to this order shall be maintained in an interest-bearing account pending its actual disposition and disposition shall be made as soon as is practicable.

MADE AND ENTERED at Lincoln, Nebraska this 30th day of June, 1992.

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

COMMISSIONERS CONCURRING

Duane Gay
Frank Landis
Eric Rasmussen
Daniel Urwiller

ATTEST:

Executive Director