

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska Cen- tral Telephone Company, Gibbon, Nebraska seeking authority to amor- tize the depreciation reserve de- ficiency created for replacement of certain central office switching assets.) Application No. C-993))) GRANTED))) Entered: July 8, 1993
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BY THE COMMISSION

Applicant Nebraska Central Telephone Company ("Central") of Gibbon, Nebraska filed this application May 17, 1993. Central seeks authorization from the Commission to ratably charge the undepreciated balance of certain to-be-retired assets over a 36 month period commencing January 1, 1993. The Omaha Daily Record posted notice of the application May 18, 1993. No protests were received. The application will therefore be processed by modified procedure (Title 291 NAC Ch. 1,, Rule 018.03).

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

Central provides local telephone service in Nebraska for the Ansley, Arcadia, Burwell, Comstock, Ericson, Gibbon, North Burwell, North Loup, Sargent, Scotia, Shelton, and Taylor exchanges. During 1993, the company is upgrading its facilities to offer features such as equal access and SS-7. In order to accomplish these changes, the current switches must be upgraded. None of the current switches, although 100 % digital, have the processor nor software capability to provide such features. Additionally, the older software is harder to service as it becomes outdated.

Replacement of the current processors and software for the Stromberg-Carlson host switches at Ansley and Gibbon is necessary to complete this upgrade. However, these particular assets will still have undepreciated value as of November, 1993, which is the period when the new processors and related equipment start providing service.

Central therefore proposes to the retire the following investments as follows:

COE Switching Investment	\$449,204
Depreciation Reserve	\$236,924
Reserve Deficiency (Net Book)	\$212,280
 Monthly Amortization (36 Months)	 \$ 5,897

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the

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opinion and finds that the application 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 No. C-933 be, and it is hereby, granted and the Nebraska Central Telephone Company is hereby authorized to depreciate its processors and software in the manner described above.

IT IS FURTHER ORDERED that the depreciation rate schedule shall take effect retroactively January 1, 1993.

MADE AND ENTERED at Lincoln, Nebraska this 8th day of July, 1993.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING

Daniel G. Kriville
James D. Gay

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

Frank E. Landis, Jr.
Chairman

ATTEST:

James F. Munnelly
Executive Director