BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Benkelman Telephone Company, Benkelman, Nebraska seeking authority to temporarily accelerate the level of depreciation expenses associated with the company's central office switching assets.	) Application No. C-1009))) GRANTED))) Entered: September 14, 1993

BY THE COMMISSION:

Applicant Benkelman Telephone Company ("Benkelman") of Benkelman, Nebraska filed this application July 2, 1993. Benkelman seeks authorization from the Commission to temporarily accelerate the undepreciated balance of certain to-be-retired assets over a 24 month period commencing December 31, 1992. The Omaha Daily Record posted notice of the application July 6, 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

Benkelman is a local exchange carrier subject to the Commission's jurisdiction as provided by Chapters 75 and 86 of the Nebraska state statutes. Benkelman currently uses a Stromberg-Carlson Digital Central Office, Release 14.1. The central office was installed in 1981, is now outdated, and is incapable of providing modern technological services. A new switch will allow Benkelman to provide SS-7, Interchangeable NPAs and NXXs, 4 digit Feature Group D, C.I.C. Codes, and E-911.

Benkelman's analysis shows that the best route to these services is to install a new switch instead of upgrading the old one. However, the old Stromberg-Carlson switch will not be fully depreciated by December 31, 1994 (the date the new switch is scheduled for service).

Benkelman, therefore, proposes to retire the switch investment as follows:

Plant Balance	$1,265,974
Accumulated Depreciation	948,450
Net Plant	317,524
Requested Monthly charge to income	13,230
Current monthly charge to income for 24 months	7,603

Enclosed with the application, as exhibits, are letters of support from the Dundy County Public Schools, Dundy County Sheriff's Department, and Dundy County Hospital because of their interest in the installation of E-911 service.

We find the application to be sound, except that we do not accept the proposed 24 month amortization period. Instead, we will approve the plan on a 36 month amortization schedule retroactive to January 1, 1993. This establishes the current monthly charge to income for 36 months to be $8,820.11.

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds that the application is fair and reasonable, is in the public interest, and should be granted as modified.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1009 be, and it is hereby, granted and Benkelman Telephone Company is hereby authorized to amortize its undepreciated Stromberg-Carlson Digital Central Office investment in the manner described above over a 36 month period.

IT IS FURTHER ORDERED that the amortization be and it is hereby made retroactive to January 1, 1993.

MADE AND ENTERED at Lincoln, Nebraska, this 14th day of September, 1993.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Daniel G. Urwiller

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

Chairman

ATTEST:

Executive Director