

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Petition from) Application No. C-1036
residents of the Trumbull exchange)
served by the Hamilton Telephone)
Company requesting Extended Area) APPLICATION DENIED
Service to the Hastings exchange)
served by the Lincoln Telephone)
Company.) Entered: April 11, 1995

BY THE COMMISSION

On October 25, 1993, a petition was filed by residents of the Trumbull exchange served by Hamilton Telephone Company (Hamilton) requesting Extended Area Service to the Hastings exchange served by the Lincoln Telephone Company (LT&T). Commission staff verified that the petition had the requisite support of more than 15% of the Trumbull customers; therefore, the matter was assigned docket number C-1036.

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

The application states a community of interest exists between Trumbull and Hastings, as many Trumbull residents drive to Hastings for employment, church, and medical care. The application further provides extended area service between the communities would be advantageous for Trumbull's economic development.

Since the application was filed, Hamilton conducted a traffic study of the calls made between the exchanges. This information demonstrated that customers in Trumbull placed 4,200 calls to Hastings during October 1993. This results in an average of 24 calls per customer per month and over 87% of the customers placing at least two calls. The traffic study data received from LT&T for the Hastings exchange reflected its customers placed 3,125 calls to Trumbull which resulted in an average of .24 calls per customer per month and only slightly over three percent of the customers making two or more calls.

The Commission was of the opinion that there was clearly sufficient interest from the customers in Trumbull; however, the interest test found in the Commission's Rules is not sufficient for the Hastings to Trumbull calls.

The Commission directed Hamilton to develop the costs of providing EAS and the proposed rates that will recover the costs from only the Trumbull customers. Initial research conducted by Hamilton indicated the rates for two-way EAS would be extremely high; therefore, Hamilton requested permission to alter the EAS petition to offer the residents an Enhanced Local

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Calling Area (ELCA) plan, similar to that presently offered by LT&T.

Request for such a plan was approved by the Commission and Application C-1118 was opened to establish an ELCA plan for the Trumbull exchange. Meanwhile, pending the outcome of the ELCA plan, C-1036 was placed in abeyance.

To assess the community's opinion of the ELCA plan, Hamilton balloted Trumbull's subscribers. The ballot results reflected 49 customers were in favor of the plan, while 40 customers were against. The number of surveys returned amounted to approximately 57% of Trumbull's subscribers.

As the results were fairly even and due to the small number of responses, a hearing was held in Trumbull on December 12, 1994 in the Trumbull School Gymnasium to receive additional input. After the hearing, the Commission determined that the plan was not in the best interest of the community and denied C-1118.

Upon the conclusion of C-1118, Application C-1036 was re-opened. Hamilton prepared a new ballot for the Trumbull subscribers in order to determine the community's interest in 2-way EAS. The results of the EAS ballots reflected 23 subscribers in favor of the proposal, while 112 were against. Based on the responses, insufficient interest exists in Trumbull for EAS to Hastings; therefore, the application is denied.

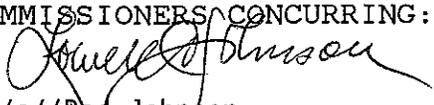
After consideration of the application, the evidence and rules, the Commission is of the opinion and finds that Application C-1036 should be denied.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-1036 be, and it is hereby denied.

MADE AND ENTERED at Lincoln, Nebraska, this 11th day of April, 1995.

COMMISSIONERS CONCURRING:


//s//Rod Johnson
//s//Frank E. Landis
//s//James F. Munnelly
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION


Chairman

ATTEST:


Executive Director