

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1048
of The Lincoln Telephone and)
Telegraph Company, Lincoln,)
Nebraska, who seeks authority) GRANTED
to adjust its rates and charges)
for telephone service to its)
Plattsmouth Exchange.) Entered: May 17, 1994

APPEARANCES:

For The Lincoln Telephone and Telegraph Company:

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For the Commission:

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

BY THE COMMISSION

By application filed January 14, 1994, The Lincoln Telephone and Telegraph Company, Lincoln, Nebraska ("LT&T") seeks authority to adjust its rates and charges for telephone service for its Plattsmouth Exchange in accordance with the Commission's Order entered in Application No. C-801 on January 3, 1994.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. A Protest to the application was filed by AT&T Communications of the Midwest, Inc., ("AT&T") on February 17, 1994. Subsequently, on April 26, 1994, AT&T filed a Motion with this Commission seeking leave to withdraw its Protest. Leave was granted on May 3, 1994 to do so.

A Petition signed by 1164 Plattsmouth subscribers supporting the Enhanced Local Calling Area Plan (the "Plan") approved by this Commission in its Order entered in Application No. C-977 and the rate revisions proposed in this Application, was received by the Commission on the date of the hearing. Also, five letters or resolutions from either Plattsmouth or Omaha agencies or businesses in support of the Plan were received at the hearing.

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Hearing on the application was held on May 5, 1994 at 9:00 a.m. in Plattsmouth, Nebraska with appearances as shown. Testimony from Mr. William Ashburn, Industry Relations Manager of LT&T, Mr. Howard Parrott, Plattsmouth City Administrator, and from interested members of the public was received and placed in the record.

Upon consideration of the application, and being fully advised, the Commission is of the opinion and finds that:

1. Applicant is a corporation organized and existing under the laws of the State of Nebraska with its principal place of business at Lincoln, Nebraska. It is engaged in the telecommunications business as a common carrier and operates 137 telephone exchanges in Nebraska, including the Plattsmouth Exchange.

2. In its Order entered in Application No. C-977, the Commission ordered that the Enhanced Local Calling Area ("ELCA") service currently provided to the Plattsmouth Exchange by LT&T be expanded to include those exchanges of the Omaha Common Service Area which are within a 25-mile radius of the Plattsmouth central office. The Commission further ordered LT&T to file an application for approval of the revised basic local service rates proposed in connection with the Plan in Application No. C-977.

3. In this application, filed in response to the Commission's Order in Application No. C-977, LT&T seeks the following revisions in the basic local service rates for its Plattsmouth Exchange:

<u>Class of Service</u>	<u>Current Rate</u>	<u>Requested Rate</u>
Residence (R-1)	\$ 10.00	\$ 12.50
Business (B-1)	33.00	39.00
Lamp & Key	39.00	45.00
PBX	49.00	55.00
Coin Semi-Public	19.75	23.50
Individual Incoming Only	28.00	33.25
Lamp & Key Incoming Only	33.25	38.25

4. Mr. Ashburn, Industry Relations Manager of LT&T, testified concerning the requested revisions in basic local service rates. He stated that implementation of the revised rates is necessary in order to proceed with the Plan. He stated that LT&T has concluded, based upon the interest shown by the Plattsmouth subscribers, that implementation of the Plan and the revised local service rates would be in the best interest of the Plattsmouth subscribers.

5. In addition to Mr. Parrott, fourteen members of the public offered statements at the hearing. Of these individuals, nine supported the Plan and the revised local service rates, four were opposed to the revised local service rates, and one individual personally favored the Plan but felt the local service rate

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revisions would be a burden to low income and fixed income individuals.

6. Col. Jerome Reinholdt, Communications Group Commander at Offutt Air Force Base, supported the Plan and the rate revisions because it would assist military personnel through lower rates and increased morale. Mr. Charles Jones gave a statement which emphasized the significant economic development benefits which would be realized by Plattsmouth through implementation of the Plan. Other proponents supported the Plan and the local service rate revisions due to cost savings which would be realized in comparison to long distance calling charges being incurred at this time.

7. Opponents to the revision in local service rates objected to paying increased charges for the ELCA service which would be of little use to them due to an absence of need or interest to call to the Omaha and surrounding area exchanges. Mr. Art Newburn stated that he felt that the Plan should be optional rather than mandatory so that those persons who do not use the Plan would not have to pay for the Plan.

8. The Commission finds that the overwhelming preponderance of subscribers in the Plattsmouth Exchange support the Plan, the enhanced ELCA which would be implemented pursuant to the Plan and the revisions in local service rates which are the subject of this Application.

9. The Application is fair and reasonable, is in the public interest and should be granted with the rates set forth in paragraph 3 of this Order to be implemented as soon as possible following the date on which (a) the United States Justice Department and the United States District Court for the District of Columbia issue a waiver of the restrictions placed on U.S. West by the Modification of Final Judgment so as to allow the provision of Extended Area Service from the Omaha common service area exchanges across the LATA boundary to the Plattsmouth Exchange; and (b) the facilities are constructed by U.S. West to provide such Extended Area Service and by LT&T to provide enhanced ELCA.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1048 be and it is hereby granted and The Lincoln Telephone and Telegraph Company be and it is hereby authorized to revise its rates and charges for local exchange service as set forth in paragraph 3 hereinabove, such rates to be implemented as provided in paragraph 9 hereinabove.

IT IS FURTHER ORDERED that LT&T file appropriate rate lists with the Commission.

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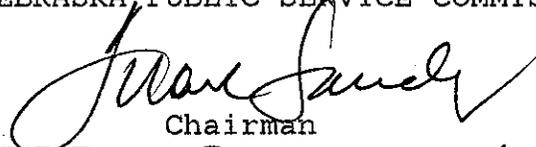
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MADE AND ENTERED at Lincoln, Nebraska this 17th day of May, 1994.

COMMISSIONERS CONCURRING:

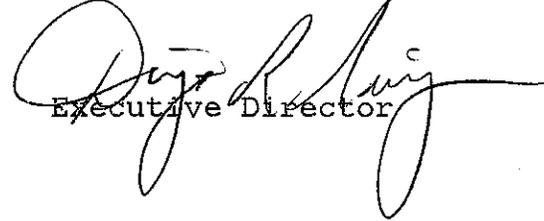
//s//Duane D. Gay
//s//Rod Johnson
//s//Frank E. Landis, Jr.
//s//James F. Munnelly

NEBRASKA PUBLIC SERVICE COMMISSION



Chairman

ATTEST:



Executive Director