BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of Eastern Nebraska Telephone Company, Blair, Nebraska for approval of loans totaling $4,672,000 and certain documents evidencing the loans.	)))))	Application No. C-1073 GRANTED Entered: June 27, 1994

BY THE COMMISSION:

Eastern Nebraska Telephone Company, ("Eastern"), of Blair, Nebraska, filed this application May 9, 1994. The applicant seeks approval of a loan from the Rural Electrification Administration and the Federal Financing Bank to finance certain upgrades to the company's physical plant facilities.

Notice of the application was published in the Omaha Daily Record May 11, 1994. No one protested the application and it is therefore processed pursuant to the Commission's modified procedure rules.

OPINION AND FINDINGS

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

1. Eastern is a telecommunications common carrier regulated by the Commission pursuant to Neb. Rev. Stat., Chapter 75, Articles 1 and 3 and Chapter 86, Article 8. The applicant is a Nebraska corporation with its principal office in Blair, Nebraska. The company serves approximately 2,487 subscribers through the exchanges of Osmond, Meadow Grove, Carroll, Belden, Macy, Walthill, Winnebago, and Rosalie.

2. Eastern proposes to borrow $4,672,000 from the Rural Electrification Administration and the Federal Financing Bank of the United States Government for its plant modernization and service improvement program. Applicant seeks to install digital central office equipment, buried cable facilities, and other improvements to serve its present and future subscribers.

3. Eastern, therefore, has proposed to execute and deliver a promissory note to the Federal Financing Bank for $4,672,000 as evidence of the debt. In addition, applicant proposes to deliver a reimbursement note to the Rural Electrification Administration in return for its guarantee of the indebtedness to the Federal Financing Bank. Copies of these documents are attached to the application and are incorporated herein by reference.

4. Eastern states that the proposed loan can be obtained at interest rates and repayment terms which are substantially more favorable than could be obtained through conventional sources. In addition, the loan proceeds will be used by Eastern solely for the construction, completion, improvements and modernization of telephone service to the public.

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Based upon review and consideration of the application, and being fully advised, we find that the application is fair and reasonable, serves the public interest, and should be granted.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1073 be, and it is hereby granted, and Eastern Nebraska Telephone Company is authorized to borrow up to $4,672,000 from the Rural Electrification Administration and the Federal Financing Bank under the terms and conditions set forth in the loan documents drawn up between the parties.

MADE AND ENTERED at Lincoln, Nebraska, this 27th day of June, 1994.

NEBRASKA PUBLIC SERVICE COMMISSION

Daniel G. Urwiller
Vice Chairman

COMMISSIONERS CONCURRING:
//s//Duane D. Gay
//s//Rod Johnson
//s//James F. Munnelly
//s//Daniel G. Urwiller

ATTEST:

Dixie R. Tinney
Executive Director

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