

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-1683  
of Aliant Communications Co. )  
for Authority to Increase Its ) ORDER ON PREHEARING  
Residential Basic Local Exchange ) CONFERENCE  
Rates Pursuant to Neb.Rev.Stat. )  
§ 86-803(9). ) Entered: December 23, 1997

Appearances:

For Applicant:

Paul M. Schudel  
Woods & Aitken  
206 South 13th Street  
Suite 1500  
Lincoln, NE 68508

For the Commission Staff:

Deonne Bruning  
Staff Attorney  
300 The Atrium, 1200 N Street  
Lincoln, NE 68509-4927

BY THE COMMISSION

A prehearing conference was held on December 2, 1997, in Lincoln, Nebraska. The following order records the actions taken at the conference, a stipulation entered into between the applicant and the Communications Department and the Commission's determination of the issues presented for its decision.

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

EVIDENCE

This application has been filed pursuant to Neb.Rev.Stat. Sec. 86-803(9) (Laws 1997, LB 660, sec. 9). Two requirements must be met by the applicant for the Commission to issue an order approving applicant's proposed increases in its residential basic local exchange rates:

1. The proposed increases in applicant's residential basic local exchange rates, when considered together with all other rate changes proposed by applicant for implementation with such increases, do not increase applicant's aggregate annual revenue resulting from such rate changes by more than 1 percent; and

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2. The basic local exchange rates proposed by applicant do not exceed applicant's actual cost of providing such basic local exchange service to the affected subscribers.

The issue in this application is whether the evidence to be presented at the public hearing on this matter establishes that the proposed increases are in accordance with the foregoing two statutory requirements.

#### STIPULATION

To provide the Commission with an agreed-upon basis for proceeding with the application, the applicant and the Communications Department have negotiated and executed a stipulation which has been submitted to the Commission for consideration in connection with this order. A copy of such stipulation is attached hereto as Exhibit A. Paragraph 5 describes, among other issues, the cost methodologies which may be utilized and introduced into evidence at the hearing on this application. Sub-paragraphs 5(f) through 5(i) of the stipulation are approved and incorporated herein as if set forth at length.

#### INFORMATION REQUESTS

The Communications Department has served applicant with information requests dated November 21, 1997, which have subsequently been modified and re-served on applicant. Applicant shall respond to such requests on or before December 31, 1997. In addition, the Communications Department may, not later than January 9, 1998, serve applicant with a reasonable number of additional information requests relating to cost studies and revenue neutrality issues in this matter. Applicant shall respond to such additional requests on or before January 19, 1998, provided, however, that applicant may object to such requests pursuant to Commission Rules. All information provided by the applicant in response to information requests shall be subject to confidential and proprietary treatment in accordance with an agreement to be negotiated between applicant and the Communications Department. In the event that the Commission is required to assist with such an agreement, either party may request such assistance.

TESTIMONY

The Communications Department and the applicant, together with all other parties to this matter, shall exchange copies of direct testimony and exhibits by January 26, 1998.

HEARING DATES

The applicant has voluntarily scheduled informational meetings with its subscribers on January 6, 1998, in Lincoln and on January 7, 1998, in Hastings. The public hearing on this matter is set for February 4, 1998, commencing at 9:30 a.m. in the Commission Hearing Room, located at 300 The Atrium in Lincoln, Nebraska. All subsequent public hearings will be held on or before February 12, 1998.

HEARING PROCEDURE

The following procedure shall be utilized at the public hearing on this application scheduled for February 4, 1998:

- (1) Open the record and receive appearances;
- (2) Enter appropriate notices into the record;
- (3) Opening statements (as applicable);
- (4) Receive testimony and evidence in the following order:
  - (a) applicant's witnesses;
  - (b) Communications Department witnesses;
  - (c) other parties' witnesses;
  - (d) public witnesses (public witnesses may be taken out of order as an accommodation to schedule requirements); and
  - (e) applicant's rebuttal case.
- (5) Closing statements (as applicable);
- (6) Close the hearing; and
- (7) Briefs may be submitted by the parties at their option within fourteen (14) days after the transcript is made available to the parties.

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O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the stipulation executed by applicant and Commission staff be, and is hereby, approved.

MADE AND ENTERED at Lincoln, Nebraska, this 23rd day of December, 1997.

NEBRASKA PUBLIC SERVICE COMMISSION

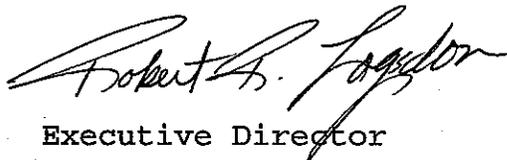
COMMISSIONERS CONCURRING:

//s//Anne C. Boyle  
//s//Lowell C. Johnson  
//s//Rod Johnson  
//s//Frank E. Landis  
//s//Daniel G. Urwiller

Chairman



ATTEST:



Executive Director