

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-3593  
of Citizens Telecommunications )  
Company of Nebraska, Burnsville, ) GRANTED  
Minnesota, seeking authority to )  
change its depreciation rates. ) Entered: July 5, 2006

BY THE COMMISSION:

By application filed May 9, 2006, Citizens Telecommunications Company of Nebraska, Burnsville, Minnesota, seeks authority to adjust depreciation rates on classes of its equipment. Notice of the application was published in The Daily Record, Omaha, Nebraska, on May 11, 2006. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

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

Applicant submits the present application in accordance with the Commission's order of April 14, 1987, in Application C-664. Pursuant to that order, Applicant is subject to a depreciation rate review on a triennial basis.

Applicant has submitted revised depreciation rates in accordance with its triennial obligations. Applicant also proposes to amortize reserve imbalances over 3 years beginning January 1, 2006. The proposed amortization of the reserve imbalances will decrease annual depreciation expense by \$11,164,147 and the revised depreciation rates will result in a decrease in the composite depreciation rate of 1.35 percent. We agree the proposed depreciation rates will more closely correlate annual depreciation expense with annual capital asset consumption. A summary of the revised rates is attached to this order as Exhibit A.

Based on the evidence presented, the Commission finds the application is fair and reasonable and in the public interest. The application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-3593 be, and it is hereby, granted and Citizens Telecommunications Company of Nebraska is hereby authorized to adjust its depreciation rates and amortize reserve

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. 3593

Page 2

imbalances as reflected in Exhibit A, attached to and, hereby, made a part of this order.

IT IS FURTHER ORDERED that the revised depreciation rates and reserve imbalance amortization be effective retroactively beginning January 1, 2006.

MADE AND ENTERED at Lincoln, Nebraska, this 5th day of July, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:



//s// Lowell C. Johnson  
//s// Frank E. Landis

  
Chairman

ATTEST:

  
Executive Director