

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the) Application No. C-4178
Application of Citizens)
Telecommunications Company of) GRANTED
Nebraska d/b/a Frontier)
Communications of Nebraska,)
Burnsville, Minnesota, seeking to)
revise its depreciation rates.) Entered: July 14, 2009

BY THE COMMISSION:

By application filed June 3, 2009, Citizens Telecommunications Company of Nebraska d/b/a Frontier Communications of Nebraska, Burnsville, Minnesota, seeks authority to revise depreciation rates on classes of its equipment. Notice of the application was published in The Daily Record, Omaha, Nebraska, on June 9, 2009. 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 Docket 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 will amortize a \$9.3 million reserve imbalance over three years and transfer portions of existing depreciation balances within certain plant accounts, retroactive to January 1, 2009. A summary of the revised amortization and whole-life rates are 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 No. C-4178 be, and it is hereby, granted and Citizens Telecommunications Company of Nebraska d/b/a Frontier Communications of Nebraska is hereby authorized to revise its depreciation rates as reflected in Exhibit A, attached to and, hereby, made a part of this order.

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IT IS FURTHER ORDERED that the revised depreciation rates be effective retroactive to January 1, 2009.

MADE AND ENTERED at Lincoln, Nebraska, this 14th day of July, 2009.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Donald T. Coy

Arue C. Bagle

Tim Schuman

//s// Frank E. Landis

James J. Linder
Chairman

ATTEST:

Michelle J. ...
Executive Director

C-4178

	Depreciation		Reserve Imbalance	
	Current Rate	Proposed Rate	Annual Amortization	One-Time Reserve Transfer**
2112.00 Vehicles	8.50%	10.51%	-	-
2112.20 Trucks	8.50%	8.93%	-	-
2116.00 Other Work Equipment	6.05%	4.08%	-	-
2121.00 Buildings	2.65%	2.14%	-	-
2122.00 Furniture	6.85%	7.09%	-	-
2123.10 Office Equipment	6.93% *	0.00%	-	-
2123.20 Company Communication Equipment	7.02% *	0.00%	-	-
2124.10 General Purpose Mainframe	11.92% *	0.00%	-	-
2124.20 Computers - PC	11.29% *	0.00%	-	-
	4.28%	3.93%	-	-
2212.00 Digital Switching	7.51%	0.00%	(1,700,667)	-
2212.70 Switching software	12.00%	0.00%	147,403	-
2231.30 Radio Equipment - Digital	6.19%	6.19%	-	-
2232.00 Circuit Equipment - Analog	9.23% *	0.00%	-	900,000
2232.40 Circuit Equipment - Digital	8.87% *	0.00%	(1,219,828)	-
2232.50 Circuit Equipment - DSL	12.00%	6.03%	-	(900,000)
2232.60 Circuit Equipment - Optical	10.62%	0.00%	(331,675)	-
2232.70 Circuit Equipment - ATM	12.00%	12.00%	-	-
	5.83%	0.31%	(3,104,767)	-
2362.00 Other Terminal Equipment	7.00%	2.12%	-	-
2411.00 Poles - sole Owned	2.96%	2.27%	-	-
2421.10 Aerial Cable - Copper	3.78%	4.18%	-	1,102,200
2421.20 Aerial Cable - Fiber	3.95%	4.17%	-	-
2421.30 Aerial Cable - Drop	6.79%	2.67%	-	(1,100,000)
2422.10 Underground Cable - Copper	3.24%	2.13%	-	-
2422.20 Underground Cable - Fiber	3.53%	3.00%	-	-
2423.10 Buried Cable - Copper	3.86%	2.59%	-	650,000
2423.20 Buried Cable - Fiber	3.54%	3.68%	-	-
2423.30 Buried Cable - Drop	4.56%	1.93%	-	(650,000)
2426.10 Intrabuilding Network Cable - Copper	2.28%	7.27%	-	(2,500)
2431.00 Aerial Wire	7.25% *	1.25%	-	300
2441.00 Conduit Systems	1.70%	3.00%	-	-
	3.80%	2.85%	-	-
	4.74%	1.82%	(3,104,767)	-

* Application of current rate was discontinued because of negative net plant balance

** Positive amount indicates reduction of reserve balance; negative amount indicates increase to reserve balance.

RECEIVED

JUN - 3 2009

Frontier Comm. Dept.