

In the Matter of the Commission,) NUSF-5/C-2045
 on its own motion, seeking to)
 prescribe fair, just, and)
 reasonable local exchange rates)
 for all incumbent local exchange) ORDER APPROVING RATES
 carriers in the state of Nebraska)
 pursuant to Neb. Rev. Stat. sec.)
 86-803(4).) Entered: July 11, 2000

BY THE COMMISSION:

The Commission, on its own motion, opened this docket to review the proposed basic local exchange rate increase portion of telecommunication carriers' transition plans and to prescribe and approve fair, just, and reasonable rates basic local exchange rates for incumbent local exchange carriers in the state.

On March 14, 2000, the Commission entered Progression Order No. 2 setting a hearing date for the purpose of receiving testimony on any revised basic local exchange rate increases contained in amended transition plans. On May 10, 2000, the Commission entered Progression Order No. 4 which continued the hearing date to June 29, 2000. On that date, a hearing was held in the Commission Hearing Room.

At the hearing, Northeast Nebraska Telephone Company and NebCom, Inc. presented their proposed service rates, a copy of their proposed notice of the rate changes to their subscribers and a transition plan reflecting the rate changes in conformance with our prior orders.

Northeast Nebraska Telephone Company proposed rate increases for both residential and business subscribers over the next three years. The proposed rate increases for residential are as follows:

	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>
Current	\$ 6.25	\$ 6.25	\$ 6.25
9/1/00	10.00	10.00	9.25
9/1/01	13.75	13.75	13.25
9/1/02	17.50	17.50	17.50

Proposed Business Rates:

	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>
Current	\$ 8.00	\$ 9.25	\$ 7.75
9/1/00	15.25	15.25	14.25
9/1/01	21.50	21.50	21.25
9/1/02	27.50	27.50	27.50

NebCom Inc. submitted a basic residential rate proposal that would increase all residential rates in all rate zones to \$17.50 as of September 1, 2000. On that date, basic local business rates would be increased to \$27.50.

No other member of the public testified on either proposal.

OPINIONS AND FINDINGS

The Commission finds that the basic local residential and business rates proposed by Northeast Nebraska Telephone Company and NebCom Inc. to be fair, just and reasonable. Further, we find that the proposed rates are in compliance with the Commission's orders

in Docket No. C-1628 and that these rates are in the public interest.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the basic local rates for residential and business subscribers submitted by Northeast Nebraska Telephone Company and NebCom Inc. should be, and are hereby, approved.

MADE AND ENTERED in Lincoln, Nebraska on this 11th day of July 2000.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Deputy Director