

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF NORTH CENTRAL)
TELEPHONE COOPERATIVE, INC., TO)
CONSIDER CHANGES WITH RESPECT TO)
THE EXPENSING OF STATION CONNEC-) CASE NO. 8346
TIONS RESULTING FROM THE AMMEND-)
MENT OF THE UNIFORM SYSTEM OF)
ACCOUNTS)

O R D E R

On November 2, 1981, North Central Telephone Cooperative, Inc., ("North Central") filed its application wherein it proposed changes to its tariffs pursuant to the Commission's Order entered September 28, 1981, authorizing it to recover increased operating costs caused by the expensing of station connections.

In the Order of September 28, 1981, North Central was directed to adopt the phase-in approach to the expensing of station connections and to maintain its records in Account 232 of the Uniform System of Accounts as directed by the Federal Communications Commission in its Order of March 31, 1981, in Docket No. 79-105. North Central was further granted the authority to file tariffs on or after October 1, 1981, 1982, 1983 and 1984, to recover the increase in operating cost caused by the expensing of station connections.

FINDINGS AND ORDERS

The Commission, after consideration of this matter and being advised, is of the opinion and finds that:

1) North Central has incurred operating losses in its Kentucky intrastate operations for the 2 consecutive calendar years 1980 and 1981.

2) Absorption of any portion of the increased operating cost caused by the expensing of station connections would further erode North Central's financial position and should not be required.

3) North Central has revised its station connection charges from a flat-rate charge to a multi-element charge, which is in the best interest of the public and North Central and should be approved.

4) The station connection charges proposed by North Central will provide revenues to partially offset increased operating costs caused by the expensing of station connections. The revenues required to offset the increased operating costs pursuant to the change in station connection accounting under the first year of the 4-year phase-in are \$60,057. The increased station connection charges will produce additional revenues of \$25,716.

5) The rates and charges in Appendix A, as proposed by North Central, are the fair, just and reasonable rates and charges for North Central to charge its customers for service connections under the first phase of the 4-year phase-in of expensing station connections.

6) North Central should evaluate its service connection charges prior to requesting an increase pursuant to the second

phase of the 4-year phase-in of expensing of station connections to insure that the charges proposed in that filing are fully compensatory.

7) The Order in this matter entered September 28, 1981, should be amended to the extent that North Central should file tariffs for the second, third, and/or final phase of the expensing of station connections not later than October 1, 1982, 1983 and 1984, respectively.

IT IS THEREFORE ORDERED that the rates and charges in Appendix A be and they hereby are the fair, just and reasonable rates and charges to be charged by North Central for service rendered on and after the date of this Order.

IT IS FURTHER ORDERED that North Central shall file tariffs for the second, third and final phase of the expensing of station connections not later than October 1, 1982, 1983 and 1984, respectively.

IT IS FURTHER ORDERED that North Central shall file with this Commission, within 30 days of the date of this Order, its tariff sheets setting forth the rates approved herein.

Done at Frankfort, Kentucky, this 1st day of December, 1982.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8346 DATED DECEMBER 1,
1982

The following rates and charges are prescribed for the customers served by North Central Telephone Cooperative, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

SERVICE CHARGES

<u>Rates</u>	<u>Business or Residence</u>
Service Order processing charge	\$ 5.00
Premises Visit Charge	15.00
Central Office Charges	
a. Wiring Charge	3.00
b. Line Assignment Charge	2.00
Line Connection Charges	
a. Exchange Lines, Each	10.00
b. PBX Trunks and Key Trunks	10.00
Wiring Charges	
a. Standard Wiring, per Connection Apparatus	10.00
b. Pre-Installed Wiring, per Order	
(1) From 1 to 4 Connections Apparatus Locations	25.00
(2) Each Additional Connecting Apparatus Location	5.00

Station Handling Charges

a. Telephone for use with 4-conductor Jacks, connected or charged, each	5.00
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Other Charges

a. Maintenance Visit Charge	50.00
b. Denied Service Restoral Charge	17.00
c. Dishonored Check Charge, per Account, per Return	10.00
d. Underground Drop Charge	20.00