

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION  
Jefferson City

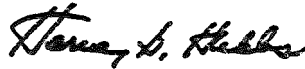
November 22, 1988

CASE NO.      AO-87-48

W. R. England, III., Attorney at Law, 312 East Capitol, P. O. Box 456,  
Jefferson City, Missouri 65102  
Mark D. Wheatley, Office of Public Counsel, P. O. Box 7800,  
Jefferson City, Missouri 65102

Enclosed find certified copy of ORDER in the above-numbered case(s).

Sincerely,



Harvey G. Hubbs  
Secretary

uncertified copy:

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 22nd  
day of November, 1988.

CASE NO. AO-87-48

In the matter of the investigation  
of the revenue effects of the Tax  
Reform Act of 1986 upon Citizens  
Telephone Company of Higginsville,  
Missouri.

---

ORDER APPROVING STIPULATION AND AGREEMENT

On November 8, 1988, a Stipulation and Agreement was executed by Citizens Telephone Company of Higginsville, Missouri and the Staff of the Missouri Public Service Commission. The Stipulation involves a reduction to the Company's monthly local access rates by \$2.00 per line, a reduction of approximately \$80,000 on an annual basis.

The Stipulation adequately sets forth all procedural and factual matters and is set forth in Appendix A attached hereto and incorporated herein by reference.

Citizens Telephone Company of Higginsville, Missouri, is a public utility subject to the jurisdiction of this Commission pursuant to Chapters 386 and 392, RSMo 1987, Supp. For ratemaking purposes the Commission may accept a Stipulation and Agreement in settlement of any matters submitted by the parties. The Commission is of the opinion that the matters of agreement between the parties in this case are reasonable and proper and should be accepted.

It is, therefore,


ORDERED: 1. That the Stipulation and Agreement filed herein on  
November 8, 1988, be, and it is, hereby approved.

ORDERED: 2. That Citizens Telephone Company of Higginsville, Missouri, is hereby authorized to file revised tariffs designed to reduce its monthly local access rates by \$2.00 per line, a reduction of approximately \$80,000 on an annual basis. The tariffs shall bear an effective date of December 1, 1988.

ORDERED: 3. That Citizens Telephone Company of Higginsville, Missouri, shall not be subject to any further requirements from Case No. AO-87-48 and is hereby dismissed as a party from that proceeding.

ORDERED: 4. That this Order shall become effective on December 1, 1988.

BY THE COMMISSION

  
Harvey G. Hubbs  
Secretary

(S E A L)

Steinmeier, Chm., Musgrave, Mueller,  
and Fischer, CC., Concur.  
Hendren, C., Absent.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the matter of the investigation )  
of the revenue effects of the Tax )  
Reform Act of 1986 upon Citizens ) Case No. AO-87-48  
Telephone Company of Higginsville, )  
Missouri. )

STIPULATION AND AGREEMENT

On September 16, 1988, Citizens Telephone Company of Higginsville, Missouri (Company) filed a financing application with the Missouri Public Service Commission (Commission) in Case No. TF-89-60. During its review in that case, it appeared to the Commission Staff that Company was experiencing earnings in excess of what might otherwise be a reasonable level of earnings given current circumstances. Representatives of the Commission Staff and Company engaged in discussions concerning the impact of the Federal Tax Reform Act of 1986 on Company's revenue requirements. As a result of these discussions, the parties stipulate and agree as follows:

1. That Company shall file tariffs, effective December 1, 1988, which will reduce its monthly local access rates by \$2 per line; the reduction will approximate \$80,000 annually;

2. That this Stipulation and Agreement is a negotiated settlement which is intended to dispose of decreases in Company's gross annual revenue requirement for its Missouri jurisdictional operations due to provisions of the Federal Tax Reform Act of 1986. In addition, Company shall not be further subject to any present or future requirements of the instant docket; it being understood, however, that neither Commission Staff nor any other party is bound in any proceeding other than the above-captioned docket regarding the effects of the Tax Reform Act on Company's revenue requirement;

3. That this Stipulation and Agreement is intended to be binding on the parties and the Commission for purposes of Commission Case No. AO-87-48 (as it relates to Company); that none of the provisions of this Stipulation and Agreement, however, shall prejudice, bind, or otherwise affect any party should the Commission decide not to approve this Stipulation and Agreement in its entirety or in any way condition its approval of same;

**FILED**


NOV 08 1988

4. That except as otherwise expressly provided herein, the parties to this Stipulation and Agreement shall not be deemed to have approved of or acquiesced in any expressed or implied ratemaking principle, valuation method, cost of service method, or rate design proposal;


5. That in the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive their respective rights to present oral arguments or written briefs, pursuant to Section 536.080(1), RSMo 1986 and their respective rights to judicial review regarding the dispositions of these matters, pursuant to Section 386.510, RSMo 1986;

6. That the agreements contained in this Stipulation and Agreement have resulted from extensive negotiations among the signatory parties and are interdependent; that in the event the Commission does not approve and adopt the terms of this Stipulation and Agreement and in the event the tariffs agreed to herein do not become effective in accordance with the provisions contained herein, this Stipulation and Agreement shall become effective in accordance with the provisions contained herein, this Stipulation and Agreement shall be void and no party shall be bound by any of the agreements or provisions hereof.

Respectfully submitted,

  
W. R. England, III  
Hawkins, Brydon, Swearingen &  
England  
312 East Capitol Avenue  
P. O. Box 456  
Jefferson City, MO 65102  
314-635-7166

Attorney for Citizens  
Telephone Company

  
William K. Haas  
Assistant General Counsel  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102  
314-751-7510

Attorney for the Staff of the  
Missouri Public Service Commission

Dated: November 8, 1988

#### CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been hand-delivered to the Office of Public Counsel on this 8<sup>th</sup> day of November, 1988.

  
\_\_\_\_\_

*Loyalty - Buents*

CASE NO. AO-87-48

*WDS*

Chairman

*[Signature]*

Commissioner

*[Signature]*

Commissioner

*[Signature] Go absent*

Commissioner

*[Signature]*

Commissioner

7-1564c

*Q. 11/15*

*Agree 11/15* ← *2*  
*12* ← *WENT*  
*to here*

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 22nd day of November, 1988.

*Harvey G. Hubbs*  
Harvey G. Hubbs  
Secretary