

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of New London Telephone Company)
of New London, Missouri, for authority to file)
tariffs designed to increase local exchange) Case No. TR-90-34
rates to customers in the Company's service)
area in Missouri.)

STIPULATION AND AGREEMENT

On November 29, 1989, pursuant to an order of the Missouri Public Service Commission (Commission) representatives of the New London Telephone Company (Company), Commission Staff (Staff) and the Office of the Public Counsel (Public Counsel) appeared at and participated in a prehearing conference in the above-referenced matter. As a result of said prehearing conference, the Parties were able to resolve all differences which heretofore existed between them. Accordingly, the Parties submit the following Stipulation and Agreement to the Commission for its approval.

1. **Revenue Requirement**

The Parties stipulate and agree that Company shall be authorized to file revised tariffs for local exchange telecommunications services which are designed to increase Company's jurisdictional gross annual revenues (exclusive of applicable gross receipts and franchise taxes) by \$100,000. The specific rate levels to which the Parties have agreed are contained in Appendix 1 attached hereto and incorporated herein by reference. The Parties further agree that these tariffs shall become effective for telecommunications services rendered on and after January 28, 1990.

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2. Depreciation Rates and Amortization of Early Retirements

The Parties stipulate and agree that the Company shall be authorized to book depreciation expense beginning January 1, 1990 at the rate levels contained in Appendix 2 attached hereto and incorporated herein by reference. The Parties further agree that Company be authorized to amortize its investment associated with the early retirement of certain outside plant and buildings over a fifteen (15) year period.

3. Continuing Property Records

The Company agrees to 1) maintain system maps which will show the date of construction of its outside plant facilities; 2) establish and maintain a listing of construction/retirement units along with detailed accounting procedures to differentiate between capital and maintenance; 3) establish and maintain continuing property records in accordance with Part 32 of the Uniform System of Accounts with particular attention to maintaining vintage year retirements. The Company further agrees to file with the Commission no later than July 1, 1990 evidence of the fact that the above actions have been taken.

4. Interstate Cost Study

The Company agrees that at such time as it completes a Company-specific, cost feasibility study to determine whether or not to pursue conversion from average schedule to cost, it will send a copy of said feasibility study to Staff. The Company further agrees that at such time as it decides to change its interstate recovery procedure from average schedule to actual cost

that it will notify this Commission. Finally, at such time as the Company actually files a Company-specific, cost separations study with the Federal Communications Commission (FCC) or the National Exchange Carrier Association (NECA), Company will, within thirty (30) days of such filing, file a copy of said cost study with the Commission.

5. General

A. That this Stipulation and Agreement represents a negotiated dollar settlement for the purpose of disposing of the instant case, and none of the Parties to this Stipulation and Agreement shall be prejudiced or bound by the terms of this Stipulation and Agreement in any future proceedings, or in this proceeding, in the event the Commission does not approve this Stipulation and Agreement in its entirety.

B. That none of the Parties to this Stipulation and Agreement shall be deemed to have approved of or acquiesced in any ratemaking principal or any method of cost of service determination or cost allocation underlying any of the rates for which provision has been made in this Stipulation and Agreement.

C. That the prefiled testimonies and exhibits sponsored by Company witnesses M. Larry Harrington, Debra L. Wittwer, Kevin G. Hess, John H. Hannis and John H. Stevens; Staff witnesses Doris L. Cattey, Myron E. Couch, Marvin R. Fred, Samuel L. Kemp, Melvin T. Love, Teresa L. Ralston, Kelly J. Riley and Carol Gay Smith; and Public Counsel witness M. Dianne Drainer shall be received into

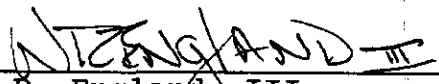
evidence without the necessity of those witnesses taking the witness stand.

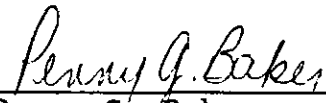
D. That in the event that the Commission accepts the specific terms of this Stipulation and Agreement, the Parties waive their right to cross examine the witnesses named in paragraph 5.C. above with respect to their prepared direct testimonies and exhibits.

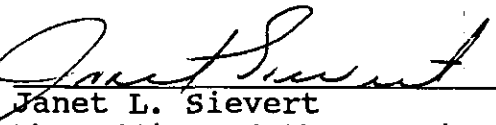
E. That in the event the Commission accepts the specific terms of this Stipulation and Agreement, the Parties waive their rights 1) to present oral argument and written briefs pursuant to Section 536.080 RSMo. 1986; 2) pertaining to the reading of the transcript by the Commission pursuant to Section 536.080 RSMo. 1986; and 3) to judicial review pursuant to Section 386.510 RSMo. 1986.

F. That the agreements in this Stipulation and Agreement have resulted from extensive negotiations among the signatory Parties and are interdependent; in the event the Commission does not approve and adopt this Stipulation and Agreement in its entirety and in the event the tariffs agreed to herein do not become effective for telecommunications services rendered on and after January 28, 1990, the Parties agree that this Stipulation and Agreement shall be void and no Party shall be bound by any of the agreements or provisions hereof.

Respectfully submitted,


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Dated this 11th day of December, 1989.

NEW LONDON TELEPHONE COMPANY
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APPENDIX 1
PAGE 1 OF 2

DESCRIPTION -----	MONTHLY RATE -----	
	PRESENT	PROPOSED
LOCAL ACCESS LINE -----		
RESIDENCE 1-PARTY.	0.00	12.85
RESIDENCE 1-PARTY, BRA	2.90	0.00
RESIDENCE 2-PARTY, BRA	2.50	0.00
RESIDENCE 4-PARTY	5.00	0.00
BUSINESS 1-PARTY	0.00	24.90
BUSINESS 1-PARTY, BRA	5.00	0.00
BUSINESS 2-PARTY, BRA	5.00	0.00
BUSINESS 4-PARTY	5.00	0.00
COIN BOX TELEPHONE SERVICE	0.00	24.90
CUSTOMER-OWNED COIN OPERATED TELEPHONE SERVICE	0.00	25.00
SEMI-PUBLIC TELEPHONE SERVICE	6.00	0.00
MILEAGE EXCH LINE - 1 PARTY	0.50	0.00
MILEAGE EXCH LINE - 2 PARTY	0.40	0.00
LOCAL LOOP	7.50	0.00
OFF PREMISE EXTENSION-ADDTNL 1/4 MI.	0.50	0.00
OFF PREMISE EXTENSION-1ST MI.	1.00	0.00

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APPENDIX 1
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DESCRIPTION -----	MONTHLY RATE -----	
MISCELLANEOUS SERVICES -----	PRESENT	PROPOSED
TOUCH CALL, BUSINESS OR RESIDENCE	1.50	0.00
DIRECTORY LISTING, ADD'L-RESIDENCE	0.50	1.00
DIRECTORY LISTING, ADD'L-BUSINESS	1.00	2.00
DIRECTORY LISTING, ADD'L LINE OF INFO	0.00	1.00
NONPUBLISHED SERVICE-PER LISTING	0.00	2.00
NONLISTED SERVICE-PER LISTING	0.00	1.50
FOREIGN DIRECTORY LISTING, BUS/RES	0.00	1.50
CALL FORWARDING	1.25	1.25
CALL WAITING	1.75	1.75
SPEED CALLING, 8 CODES	1.25	1.25
SPEED CALLING, 30 CODES	1.75	1.75
THREE-WAY CALLING	1.25	1.25
INTERCOM CALLING	0.75	0.75
DIRECT CONNECT	0.75	0.75
DO-NOT-DISTURB	0.75	0.75
CANCEL CALL WAITING	0.75	0.75
PACKAGE CF, CW, SCB, 3WC	3.75	3.75
CLASS 3 CHNL SAME BLDG 1ST TWO TERM	0.00	3.60
CLASS 3 CHNL SAME BLDG ADDL TERMINATION	0.00	1.20
CLASS 3 CHNL DIFF BLDG 1ST TWO TERM	0.00	3.60
CLASS 3 CHNL DIFF BLDG ADDL TERMINATION	0.00	1.20
CLASS 3 CHNL NON-CONT PROP 1ST TWO TERM	11.00	18.50
CLASS 3 CHNL NON-CONT PROP ADDL TERM	0.00	1.20
CLASS 3 CHNL NON-CONT PROP ADDL TERM	0.00	1.20
EXT MILEAGE CONT PROP, ADD'L 1/4 MI	1.80	1.80
EXT MILEAGE NON-CONT PROP, ADD'L 1/4 MI	0.00	1.80
ROTARY LINE SERVICE	1.00	6.00
PAYSTATION-LOCAL CALLS	0.10	0.25

DESCRIPTION -----	MONTHLY RATE -----	
SERVICE CONNECTION CHARGES -----	PRESENT	PROPOSED
LINE CONNECTION-BUS/RES	0.00	20.00
INITIAL SERVICE ORDER-BUS/RES	4.00	18.00
SUBSEQUENT SERVICE ORDER-BUS/RES	4.00	11.00
RECORD SERVICE ORDER-BUS/RES	1.00	5.50
RECONNECT CHARGE	20.00	18.00
RETURN CHECK CHARGE	0.00	15.00

SCHEDULE OF DEPRECIATION RATES
NEW LONDON TELEPHONE COMPANY
CASE NO. TR-90-34

<u>ACCOUNT DESCRIPTION</u>		<u>DEPRECIATION RATE %</u>
<u>General Support Assets</u>		
2112	Motor Vehicles	6.00
2116	Other Work Equipment	6.00
2121	Buildings	2.50
2122	Furniture	5.00
2124	General Purpose Computers	20.00
<u>Central Office Equipment</u>		
2112	Digital Switching	5.00
2219	Traffic Measuring Equipment	5.00
2232.1	Circuit Equipment, Subscriber	5.00
2232.2	Circuit Equipment, Toll Carrier	5.00
<u>Infor. Orig/Term. Assets</u>		
2351	Public Telephone Equipment	6.00
<u>Cable and Wire Facilities</u>		
2421	Drop & Block - Aerial	3.33
2423.1	Buried Cable - Metal	3.33
2423.3	Drop & Block - Buried	3.33