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CERTIFICATE

STATE OF WISCONSIN)
PUBLIC SERVICE COMMISSION) SS.
OF WISCONSIN

File No. 1-AC-115

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Jacqueline K. Reynolds, Secretary of the Public Service Commission of Wisconsin, and custodian of the official records of said commission, do hereby certify that the annexed order 1-AC-115, PSC 162.02, Wis. Adm. Code, was duly approved and adopted by this commission on August 20, 1987.

I further certify that said copy has been compared by me with the original on file in this commission and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the commission at the Hill Farms State Office Building, in the City of Madison, on October 13, 1987.

Jacqueline K. Reynolds
Secretary of the Public Service
Commission of Wisconsin

DATE MAILED AUG 21 1987



BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of PSC 162.02 Telephone Construction Projects

1-AC-115

ORDER OF THE PUBLIC SERVICE COMMISSION ADOPTING RULES

To amend section PSC 162.02, relating to information telephone utilities must submit to the Public Service Commission regarding construction projects.

ANALYSIS PREPARED BY THE PUBLIC SERVICE COMMISSION OF WISCONSIN

PSC 162.02, Wis. Adm. Code, requires telephone utilities to submit for commission review construction budgets in excess of \$25,000 or 25% of the corresponding plant account in the same exchange. The \$25,000 threshold figure was last increased (from \$10,000) in 1966. The commission is making two changes in the rule. First, the \$25,000 figure will be raised to \$75,000 to reflect the effect of inflation on telephone equipment costs.

The second change is to eliminate the "same exchange" limit on the 25% increase of the corresponding plant account. Many telephone utilities have developed accounting areas or districts where the plant account investments are not on an exchange basis, making a calculation on this "same exchange" basis difficult.

RULES AND STATUTORY AUTHORITY

Pursuant to authority vested in the Public Service Commission by ss. 196.49 and 227.11(2)(a), Stats., the Public Service Commission amends the following rules:

SECTION 1: PSC 162.02(1) is amended to read:

PSC 162.02 INFORMATION TO BE SUBMITTED. (1) Each telephone utility shall submit information with respect to the following improvement and extension of plant at least 60 days before commencement of work on gross property addition or before consummating acquisition as defined in s. 162.07, estimated to involve gross property additions, as described in pars. (a) through (c), inclusive, of this subsection, in excess of 25% of

the existing investment in the corresponding plant account in the same exchange company or in excess of \$25,000 per project, whichever is the smaller, except that information need not be given for any project estimated to involve gross property additions of less than \$2,000;

This is a Type 2 action pursuant to PSC 2.90(2), Wis. Adm. Code. An environmental assessment was performed to determine whether an environmental impact statement would be required under s. 1.11, Stats. It has been determined that the preparation of an environmental impact statement is not required.

No additional fiscal burden will be imposed on the state or municipalities, or on small businesses, as a result of these rule amendments.

These rules have been forwarded to the Legislature for review pursuant to s. 227.19, Stats. They will take effect as final rules on the first day of the month following publication in the Wisconsin Administrative Register, as provided in s. 227.22(2)(a), Stats.

Dated at Madison, Wisconsin,

August 20, 1987

By the Commission.

Jacqueline K. Reynolds Secretary to the Commission

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PUBLIC SERVICE COMMISSION

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4802 Sheboygan Avenue P. O. Box 7854 Madison, Wisconsin 53707

October 13, 1987

Honorable Douglas LaFollette Secretary of State Room 271 201 W. Washington Avenue Madison, WI 53702

Re: Clearinghouse No. 87-21

File No. 1-AC-115

Dear Mr LaFollette:

Enclosed please find a certified copy of a Public Service Commission rule in the above-entitled matter. The rule must be filed with your office under sec. 227.023, Stats., in order to be effective.

Thank you.

Sincerely,

Steve Levine Assistant Chief Counsel

SL:mac10138702

Enc.