

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the application of)	Application No. C-497
GTE Sprint Communications Corporation,)	
Washington, D.C. for a Certificate of)	
Public Convenience and Necessity to)	MOTION FOR REHEARING
Offer Intercity Telecommunications)	OVERRULED
Services to the Public in the State)	
of Nebraska.)	
In the matter of the application of)	Application No. C-552
MCI Telecommunications Corporation,)	
Washington, D.C. for a Certificate of)	MOTION FOR REHEARING
Public Convenience and Necessity to)	OVERRULED
Provide Telecommunications Services and)	
Request for Streamlined Regulation.)	Entered: September 10, 1985

OPINION AND FINDINGS

BY THE COMMISSION:

By order entered August 5, 1985, the commission granted the above docketed applications as amended authorizing the applicants, GTE Sprint Communications Corporation and MCI Telecommunications Corporation, to provide intrastate interLATA communications service in the State of Nebraska.

On August 19, 1985 applicant, GTE Sprint, filed a Motion for Rehearing with respect to that order. MCI subsequently joined in that motion. Oral argument was held before the Commission on September 10, 1985.

The Applicants have sought rehearing and reconsideration of the Order with respect to two determinations made by this Commission. First, the Applicants have requested rehearing with respect to that part of the Order that would permit AT&T Communications of the Midwest Inc. (ATT/COM) to file tariffs that set forth a range of rates for intrastate interLATA services and would allow ATT/COM to vary its rates within that range on one day's notice to the Commission.

Secondly, the Applicants have requested rehearing with respect to that part of the Order that imposes requirements on them in connection with intraLATA calls carried by them.

With regard to the Applicants' first point, they have argued that this Commission should not have indicated that it would allow ATT/COM to file a tariff containing a range of rates since notice of this issue was not given to the public and further that such a tariff filing by ATT/COM would pose a danger to the public interest and the interests of the Nebraska telephone subscribers.

The Commission rejects both of these arguments as reasons for having a rehearing. The Applicants raised the issue of flexible pricing themselves in this proceeding. It was GTE Sprint that filed a tariff with a range of rates and that contained the additional provision that the rates could be varied within that range with one day's notice. Having heard the evidence, the commission has concluded that because of the competition that will now exist in the interLATA toll market, it is in the public interest to move away from tradi-

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tional rate fixing and to allow greater flexibility in the pricing of what has now become a competitive service. For that reason, the Commission stated that any certificated telecommunications common carrier furnishing interLATA service within this State (which includes ATT/COM) shall be allowed to file with this Commission for its approval tariffs containing a range of rates and charges.

ATT/COM made no tariff filing in this proceeding and no tariff approval for ATT/COM was granted by the Commission's Order of August 5, 1985. If ATT/COM decides to file such a tariff with this Commission, notice of the filing will be given to the public at that time, a full and complete record on that tariff will then be developed and any concerns about the dangers that such a tariff would pose to the public interest and the interests of Nebraska telephone subscribers can be addressed in that docket.

Likewise, the Commission rejects the arguments which the Applicants have interposed for vacating those portions of the Order dealing with Applicants' handling of unauthorized intraLATA calls. It should be noted that the Applicants on February 15, 1985 amended their applications asking only for authority to provide intrastate interLATA long distance service and that is what this Commission has granted them. Therefore, any intraLATA call carried by them is unlawful. The Commission does not intend to allow the Applicants to proceed as if they had asked for and received authority to provide intraLATA service. The provisions of paragraphs 22, 23 and 24 were placed in the order to encourage the Applicants to dissuade their customers from making illegal calls.

The Commission believes it is entirely appropriate for the Applicants to compensate the lawfully authorized carriers for any illicit traffic which the Applicants carry. Since it is impossible to track the exact amount due for each unlawful message carried, the Commission has devised what it believes to be a reasonable compensation formula. In the Order, the Commission has directed that all interLATA carriers including ATT/COM file monthly reports showing the number of intraLATA messages carried by them within this state so that the Commission may continue to monitor the situation. In this way if it becomes apparent that a different compensation formula is needed or that other procedures should be instituted, appropriate action can be taken at that time.

Upon consideration of the applications, the Motions for Rehearing and being fully advised, the Commission is of the opinion and finds that Applicants' motions should be overruled.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Motions for Rehearing in Applications No. C-497 and C-552 be and they are hereby overruled.

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MADE AND ENTERED at Lincoln, Nebraska, this 10th day of September, 1985.

NEBRASKA PUBLIC SERVICE COMMISSION

Harold D. Simpson
Chairman

ATTEST:

COMMISSIONERS CONCURRING:

Donald Adams
Executive Secretary