

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the matter of the application ) Application No. C-745  
of International Telecharge, Inc., )  
(ITI) of Dallas, Texas, for auth- ) GRANTED  
ority to operate as a reseller of )  
telecommunications services within )  
the State of Nebraska. ) Entered August 9, 1988

APPEARANCES: For the applicant  
Steven G. Seglin, Attorney  
134 South 13th Street, Suite 400  
Lincoln, Nebraska 68508  
and  
Eddie M. Pope, Attorney  
108 South Akard  
Dallas, Texas

For Protestant, The Lincoln Telephone  
and Telegraph Company  
Victor E. Covalt III, Attorney  
1500 American Charter Center  
Lincoln, Nebraska 68508

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed September 3, 1987, International Telecharge, Inc., (ITI), Dallas, Texas, seeks authority to operate as a reseller of telecommunications services within the State of Nebraska.

Notice of the filing of the application was published pursuant to the provisions of the Commission's Rules and Regulations. A protest to the application was filed by The Lincoln Telephone and Telegraph Company (LT&T) and a petition to intervene was filed by the Nebraska Telephone Association (NTA).

Several continuances were granted by the Commission at the applicant's request. On May 23, 1988 applicant amended its application limiting the authority sought to interLATA interexchange service whereupon NTA withdrew its intervention.

Pursuant to notice required by law, public hearing was held on the application on June 16, 1988 at 9:30 a.m. in the Commission Hearing Room, Lincoln, Nebraska with appearances as shown.

Upon consideration of the application, the evidence adduced at the hearing and being fully advised, the Commission is of the opinion and finds that:

1. Applicant is a corporation organized and existing under the laws of the State of Delaware and is authorized to do

business as a foreign corporation in the State of Nebraska. Its principal place of business is 108 South Akard, Dallas, Texas. ITI is currently doing business in 21 states and has applications pending in 13 others.

2. Applicant seeks a Certificate of Public Convenience and Necessity authorizing it to provide interLATA telecommunications services within the State of Nebraska.

3. Paul Freels, Executive Vice President testified for the applicant. ITI is an operator services provider currently providing services primarily to hotels, motels, hospitals and private pay phone owners so that their patrons, guests employees and others may place operator assisted long distance calls. When a caller dials "O" to place a long distance call an access number and authorization code is outputted which connects the phone to the interexchange carrier serving ITI at that location. The caller then dials the called number. An ITI operator answers, confirms billing information and releases the call for completion.

4. Mr. Freels also testified concerning the procedure followed by ITI in handling emergency calls. All telephones connected to ITI are identified so that the operator is aware of the location and appropriate emergency services for that location. Emergency numbers can be dialed with one key stroke and the operator remains on the line to assist.

5. On all calls received ITI is identified when the call is answered by the operator and again before releasing the call. In addition, ITI provides its customers with stickers and cards to be placed on or by the telephone identifying ITI as the operator service provider.

6. Testimony indicates that rates charged by ITI are now equal to or less than those charged by AT&T although higher rates were charged in the past.

7. The evidence indicates that ITI has the technical and financial ability to provide the services proposed.

8. This Commission is concerned about the services of operator service providers also known as alternate operator services or AOS's and in particular in the areas of identification, rates and billing, emergency services and complaint handling procedures. Appropriate rules and regulations will be developed for telecommunications companies providing operator services.

9. Recognizing the very recent evolution of operator services competition this Commission finds that it is consistent with the policy of the state and believes that there is some potential consumer benefit in the provision of competitive operator services.

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10. The protestant offered no direct evidence but moved to dismiss the application arguing that ITI is not a common carrier (and therefore not subject to the Commission's jurisdiction) and did not comply with Commission rules and regulations. We find that the application is in compliance with the rules and regulations and that the service proposed is subject to the jurisdiction of this Commission and we overrule the motion to dismiss.

11. The application is fair and reasonable, is in the public interest and should be granted.

ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-745 be and it is hereby granted and International Telecharge, Inc. be and it is hereby authorized to provide interLATA interexchange telecommunications services within the State of Nebraska.

IT IS FURTHER ORDERED that this order be and it is hereby made the Commission's Official Certificate of Public Convenience and Necessity to furnish the service authorized herein.

MADE AND ENTERED at Lincoln, Nebraska, this 9th day of August, 1988.

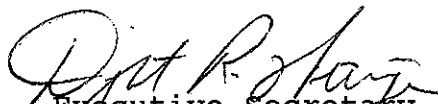
NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

//s//James F. Munnelly  
//s//Eric Rasmussen  
//s//Daniel G. Urwiller

  
Chairman

ATTEST:

  
Executive Secretary

We respectfully dissent from the majority opinion in regard to this order. Upon consideration of the record in this proceeding it is our opinion that the service proposed by the applicant does not appear to benefit the subscribers of Nebraska, which is the primary consideration of this Commission in any certification process.

The evidence reflects that the service proposed will be only over existing facilities at applicants rates which in the past have been significantly higher than the competition. This duplication of service serves no useful purpose to subscribers in Nebraska.

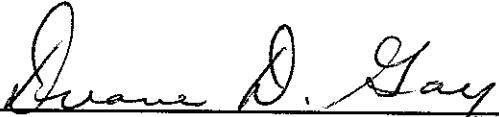
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The practice of placing surcharges on applicant's service, although not condoned by these Commissioners, needs further investigation.

Therefore, it is our opinion the benefits to telephone subscribers in the State of Nebraska with respect to the availability of the applicant's service are minimal and do not exist for the majority of Nebraska subscribers.

COMMISSIONERS DISSENTING:

  
Duane D. Gay

  
Harold D. Simpson