

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

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| In the Matter of the Application |) | Application No. C-774 |
| of Telenational Communications |) | |
| Limited Partnership seeking |) | |
| authority to operate as a reseller |) | GRANTED |
| of telecommunications service |) | |
| within the State of Nebraska. |) | Entered: July 11, 1989 |

APPEARANCES: George Rebensdorf, Attorney
7300 Woolworth Avenue,
Omaha, Nebraska 68124

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed May 15, 1989, Telenational Communications Limited Partnership of Omaha, Nebraska seeks a Certificate of Public Convenience and Necessity to provide interexchange 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. No protests to the application were filed.

Pursuant to notice required by law, public hearing was held on the application on June 23, at 10:30 a.m. in the Board of Equalization Room, Omaha Civic Center, Omaha, Nebraska with appearance 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 Nebraska Limited Partnership. The General Partner of the applicant is International Message Telephone Service, Inc., a Nebraska Corporation with its principal place of business in Omaha, Nebraska. Telenational has authority from the Secretary of State to transact business in the State of Nebraska as a registered limited partnership. It is engaged in the business of interexchange telecommunications services.

2. All the capital investment for Telenational has been provided by a general partner Edmund Blankenau, the majority shareholder. Mr. Blankenau is the founder and primary equity holder of the applicant.

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3. Telenational plans to provide intrastate service to Nebraska residence and commercial customers primarily through resale of long distance facilities leased from other carriers. Telenational will provide such services using a digital switch for interconnection to the facilities of such other carriers and create invoice records for users.

4. Two witnesses testified for applicant: Mr. David Lajiness, General Manager of the company testified for the applicant. He also functions as the Senior Director of Corporate Resources and is responsible for all the operations of the applicant; the assets of the company, the technology, the personnel, and the cash. Telenational has invested in switching equipment and will interface and interconnect with local exchange and interstate carriers. Telenational also provides a unique billing system which renders bills based on the calling patterns of individual users. They establish the most synergistic common calling pattern of a customer and then give them the best rates they can.

Telenational is looking at employing between 80 and 100 people on the staff side and perhaps 40 sales personnel in Nebraska. Telenational rates are competitive as they are within 5% to 10% either less or break even with the other companies.

Telenational does not require a deposit from its end users, however, at an end user option, one may choose to pay in advance not more than one month's use in order to qualify for deep discounts.

Mr. David Wennstedt, chief financial officer with Telenational Communications testified for the applicant. His job involves the cash management, budgetary pro forma work, preparation of monthly financial statements, and tracking all of the accounting of the business. Future investors will be solicited as limited partners in the applicant. Mr. Wennstedt testified that it is possible for the company to provide the Commission with a six months running balance sheet regarding any advance payments.

5. The Commission has found in similar cases that the lack of competition results in inadequate service, therefore, 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-774 be and it is hereby granted and Telenational Communications Limited Partnership be and it is hereby authorized to provide interexchange telecommunications services within the State of Nebraska.

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IT IS FURTHER ORDERED that as a precondition to certification the Commission requires the procurement of a performance bond in the amount of \$50,000 (fifty thousand dollars) to protect any advances or deposits Telenational Communications Limited Partnership may collect from its customers. This bond may be adjusted upon review by the Commission.

IT IS FURTHER ORDERED that this order is effective upon proof of such performance bond being filed with the Commission. The bond shall run to the Public Service Commission for the benefit of subscriber's advance payments or deposits.

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 11th day of July, 1989.

NEBRASKA PUBLIC SERVICE COMMISSION

Eric Rasmussen
Chairman

COMMISSIONERS CONCURRING:

Duane D. Gay
//s//Frank E. Landis
//s//James F. Munnelly
//s//Eric Rasmussen

ATTEST:

D. J. Rasmussen
Executive Director