

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of Application of) Application No. C-792
Payline Systems, Inc., Portland,)
Oregon, who seeks a Certificate)
of Public Convenience and Necessity) GRANTED
to operate as a reseller of)
telecommunications services within)
the State of Nebraska.) Entered: May 30, 1990

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed November 20, 1989, Payline Systems Inc., of Portland, Oregon, (Payline) seeks authority to operate as a reseller of telecommunications services within the State of Nebraska.

Notice of filing of the application was published pursuant to the provision of the Commission's Rules and Regulations. No protests to the application was filed.

By order entered March 6, 1990, the Commission denied the application of Payline Systems, Inc., of Portland, Oregon for Certification of Public Convenience and Necessity to operate as a reseller of telecommunication services in Nebraska. On March 19, 1990, applicant filed a timely motion for rehearing in order to present additional evidence. That motion was granted.

Pursuant to notice required by law, rehearing on the application was held May 16, 1990.

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

1. Applicant is a Oregon corporation with its principal place of business at 921 S.W. Washington Street, Suite 250, Portland, Oregon 97205.

2. Applicant seeks a Certificate of Public Convenience and Necessity to furnish intrastate telecommunications service as a common carrier both interLATA and intraLATA. Applicant proposed to offer 24 hour originating and terminating intrastate operator assisted calls from locations serving the transient public.

3. A. Roger Pease, President and Chief Executive Officer, testified on behalf of applicant. Pease, a certified public accountant, has also served as a director of the company since 1987. For the record, he corrected one statement from the previous hearing, "Callers can be patched to the carrier of one's choice and the point of access will be from the source at the property, not

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from Portland as originally stated." Payline's financial position continues to improve on a daily basis. Payline has the sufficient financial resources to provide the service in Nebraska. Lastly, the impact on the customers would be virtually nothing if Payline did discontinue service in the state.

4. Applicant offered and explained Exhibit 2 - which described Paylines property locations and growth between 1988, 1989 and 1990; Exhibit 3 - a graph of quarterly revenues; Exhibit 4 - a statement of recent developments; and Exhibit 5 - a late filed annual report of 1989.

5. Applicant's fiscal 1989 annual report reflects a loss similar to prior annual reports. Fiscal year 1989 was the second complete year of operations. Foremost in the company's plan of securing needed liquidity is receipt of the proceeds from the debenture offering. Also additional revenues are to be derived from subscriber property additions.

6. Total additional capital expenditures through the second quarter of fiscal 1990 are estimated to be \$75,000. Management is looking forward to profits and positive cash flow although like other small companies, they are undercapitalized.

The application is fair and reasonable and should be granted.

ORDERED

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-792 be and it is hereby granted.

MADE AND ENTERED at Lincoln, Nebraska this 30th day of May, 1990.

NEBRASKA PUBLIC SERVICE COMMISSION

Daniel G. Urwiller

Chairman

COMMISSIONERS CONCURRING:

Duane D. Gay

//s//Frank E. Landis, Jr.

//s//James F. Munnelly

//s//Daniel G. Urwiller

ATTEST:

D. H. Young
Executive Director