

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-795
of Network Services, Inc.,)
Houston, Texas for authority to) GRANTED
operate as a reseller of)
telecommunications services)
within the state of Nebraska.) Entered: March 27, 1990

APPEARANCES: Steven G. Seglin, Attorney
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& Kuester
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Lincoln, Nebraska 68508

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Nebraska Public Service Commission
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OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed January 5, 1990, Network Services, Inc., of Houston, Texas, 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 March 7, 1990, at 1:30 p.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 Texas since September of 1989 and is registered as a foreign corporation in the State of Nebraska. Applicant seeks to operate as a reseller of interLATA and intraLATA telephone services through leased facilities located in the state.

2. At the time of the hearing, Network Services Inc. did not have any customers in the State of Nebraska and intended to solicit customers during 1990 through sponsoring financial

Application No. C-795

Page Two

institutions such as banks, mortgage companies, savings and loans, credit unions, nonprofit companies and insurance companies. These sponsoring agents will receive a commission.

3. One witness testified for applicant: Mr. Brad J. Dann, President of Network Services, Inc. Mr. Dann's responsibility includes the overall operation of and management of the company. Mr. Dann established a similar reseller company currently existing in Texas. Applicant intends to provide Feature Group D service directly to customers in connection with MCI. Their billing is arranged through a third party company, Zero Plus Dialing, Inc., which has contracts with the seven regional Bell operating companies and the GTE companies.

4. Applicant is proposing to market its services primarily to the residential customer. Applicant can be competitive in the residential market by buying the service at MCI's commercial Prism-Plus rate and reselling it at 5% above that with discounts. Their commercial rates are MCI Commercial rates so there really is no advantage to a commercial customer selecting applicant as a provider. MCI would assist in any technical problem because of this carrier arrangement.

5. Mr. Dann testified the company is seeking approval in all states and has been granted approval in five states. There are no sign-up fees and no surcharges on applicant's service. The controlling parties, Charles Brown and Gerald Shapiro, have committed financial resources to make this a viable operation.

6. Applicant has not as yet begun its operations in any state, although it has mailed solicitations to prospective customers in Alabama.

7. 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-795 be and it is hereby granted and Network Service Inc., be and it is hereby authorized to provide interexchange telecommunications services within the State of Nebraska.

IT IS FURTHER ORDERED that Network Service Inc., file rate lists with this Commission which reflect the criteria for commercial accounts and services.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. C-795

Page Three

IT IS FURTHER ORDERED that this order by 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 27th day of March, 1990.

NEBRASKA PUBLIC SERVICE COMMISSION

Daniel G. Urwiller
Chairman

COMMISSIONERS CONCURRING:

Duane D. Gay

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

//s//James Munnelly

//s//Eric Rasmussen

//s//Daniel G. Urwiller

ATTEST:

John R. Shung
Executive Director