

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-863  
Convergent Communications, Inc., )  
Bixby, Oklahoma, who seeks a )  
Certificate of Public Convenience ) GRANTED  
and Necessity to operate as a )  
reseller of "calling card" )  
telecommunications services within )  
the state of Nebraska. ) Entered: January 15, 1991

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed September 27, 1990, Convergent Communications, Inc., Bixby, Oklahoma filed for a certificate of public convenience and necessity to operate as a reseller of "calling card" 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 December 10, 1990, at 1:30 p.m. in the Commission Hearing Room, Lincoln, Nebraska.

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 Oklahoma with its principal office located in Bixby, Oklahoma. Applicant is in the business of reselling telecommunications services and specializes in customized telephone calling cards. Applicant also does business in Delaware, Michigan, Montana, New Jersey, Oklahoma, Pennsylvania, Tennessee, Texas, Virginia and Utah under the initials, CCI.

2. Mr. Mark Agee, President of Convergent Communications, Inc., testified on behalf of the applicant. Applicant markets and administers what it calls affinity type long distance programs. It markets to groups such as the University of Nebraska Alumni Association, a program that lets them acquire long distance service at competitive rates and gives the customer an opportunity to either take a discount or donate that discount to the association with which he is affiliated, for example, the University of Nebraska.

3. Applicant is a newly formed corporation as of October 1989. In order to utilize the service of applicant, the customer is assigned a calling card number and has a 1-800 access number.

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The customer has to call that number, then a voice prompt instructs him to enter the phone number that he wishes to call, another voice prompt asks him to enter his authorization code and then the call is completed.

4. Mr. Agee testified that all customers receive a 15% discount which the customers give all or part to the affinity group or keep the discount themselves. When asked if they would offer services to affinity groups with which they philosophically disagree, applicant's witness testified that, "if it is a requirement of the law in Oklahoma that any groups who approaches us, we would have to offer the service to, we would comply with that law." When asked by the commission staff, "if that were the requirement of the law in Nebraska, you would--your answer would be the same?", applicant's witness answered, "Yes, or any other state."

5. Applicant's balance sheet reflects a negative total equity figure for the period ending June 30, 1990, however, long term debt is being financed by applicant's chairman and an additional community development block grant loan of \$500,000 from the state of Oklahoma is forthcoming. No advance payments or deposits are required.

6. 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-863 be and it is hereby granted and Convergent Communications, Inc., be and it is hereby authorized to provide 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 15th day of January 1991.

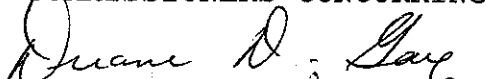

NEBRASKA PUBLIC SERVICE COMMISSION

  
Chairman

ATTEST:

  
Executive Director

COMMISSIONERS CONCURRING:

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

//s//James F. Munnelly

//s//Eric Rasmussen