

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-865  
Matrix Telecom, Fort Worth, Texas )  
who seeks authority to operate as a ) GRANTED  
reseller of telecommunications )  
services within the state of )  
Nebraska. ) Entered: February 19, 1991

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed October 30, 1990, Matrix Telecom of Fort Worth, Texas, seeks authority to operate as a reseller of 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 January 22, 1991, 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 recently created Texas partnership created to provide discount long distance services to a nationwide non-profit organization called the National Association for the Self-Employed (NASC). NASC is the nation's largest provider of benefit packages and serves the interest of the self-employed in America. Currently, applicant is operating in 40 states. Applicant is authorized in 25 states and has applications pending in 11 other states.

2. Mr. Dennis Miga, testified on behalf of the Applicant. He is the managing partner of Miga, Inc., one of the two corporations which own the applicant. Applicant plans to market and administer the long distance services to the NASC organization. Although they will take other subscribers, they will be spending their marketing efforts and dollars on the NASC membership. Applicant has secured long term off-tariff contracts with a couple of nationwide long distance vendors who have given them discounted rates. Applicant does not own any facilities in the state nor does it lease any facilities to carry traffic. All services are switch based. There will be no private line/dedicated access services offered. In Nebraska the vendor will be US Sprint. Applicant relies on local exchange carriers to do all billing for its service.

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3. Applicant is a partnership of two corporations: Miga, Inc., and Onward and Upward. Both corporations are privately owned corporations with Onward and Upward loaning the capital for this venture. Onward and Upward has loaned approximately \$900,000 through December 1990. Applicant's witness testified that the cumulative negative cash flow will be probably somewhere between \$3,000,000 and \$5,000,000. Applicant should be turning a positive net cash flow in the fourth quarter of this year.

4. Applicant will not be providing operator services to the public. Subscribers can access applicant's long distance services on a presubscribed (1+) basis. Applicant does not charge any advance fees or deposits.

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

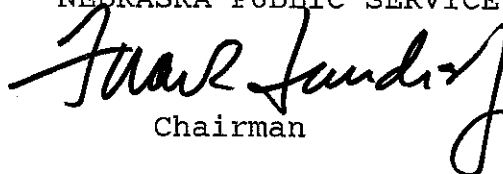
ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-865 be and it is hereby granted and Matrix Telecom of Forth Worth, Texas be and it is hereby authorized to provide interexchange telecommunications services within the state of Nebraska.

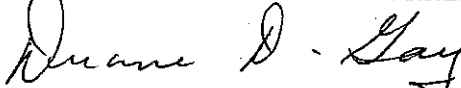
IT IS FURTHER ORDERED that this order be and it is hereby made the Commission's official Certificate of Public Convenience and Necessity to furnish the service authorized herein.

MADE AND ENTERED at Lincoln, Nebraska, this 19th day of February 1991.

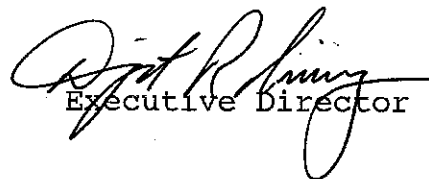
NEBRASKA PUBLIC SERVICE COMMISSION

  
Chairman

COMMISSIONERS CONCURRING:

  
//s//Frank E. Landis, Jr.  
//s//James F. Munnelly  
//s//Eric Rasmussen

ATTEST:

  
Executive Director