

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of )	Application No. C-880
Phoenix Network, Inc., San Francisco, )	
California, seeks a Certificate of )	
Convenience and Necessity to provide )	GRANTED
intrastate interLATA telecommunica- )	
tions services in the state of )	
Nebraska. )	Entered: April 16, 1991

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed January 31, 1991, Phoenix Network, Inc., of San Francisco, California, seeks to transact business as a reseller of 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 26, 1991, 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 publicly held corporation, organized and existing under the laws of the state of Delaware. Applicant is listed on the NASDAC board and traded over the counter. Applicant's principal office is located in San Francisco, California. Applicant offers interLATA telecommunications services through the resale and rebilling of services provided by AT&T, MCI and Sprint. The rates charged by applicant are priced below the three major carriers.

2. Mr. Jeffrey Bailey, Chief financial officer for Phoenix Network Inc., testified on behalf of the applicant. Mr. Bailey has a B.S. in Business Administration and has been employed by Phoenix Network for approximately one year. Applicant's most recent financial information (Exhibit #3) was submitted as evidence of its financial capability. On September 19, 1990, applicant closed a private placement of 155,500 shares of its Series "A" Preferred Stock at \$10 per share. The shares are entitled to 9% cumulative dividends, voting rights and are convertible into 622,000 shares of the company's common stock. This offering increased stockholder's equity and working capital by approximately \$1,444,000 as of September, 1990.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

3. Applicant will principally market its services through independent distributors. Currently applicant has approximately 10,000 customers in four states.

4. Applicant has a computerized data processing system which enables it to monitor a great volume of information on a minute-by-minute basis. This customized billing format and management report can sort call detail according to various parameters which may be valuable to customers. Applicant's interLATA services are available to residential and business customers served by exchanges that offer equal access. Applicant offers only interLATA services. Applicant offers a travel card service that allows a customer to place an interLATA call. Applicant does not collect advance payments or advance deposits from its customers.

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

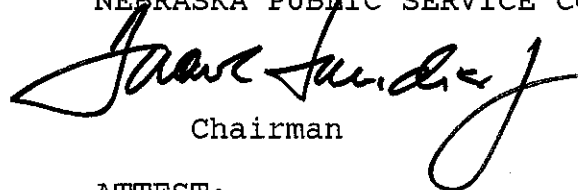
ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-880 be and it is hereby granted and Phoenix Network, Inc., San Francisco, California, be and it is hereby authorized to provide interLATA 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 16th day of April 1991.

NEBRASKA PUBLIC SERVICE COMMISSION

  
Chairman

COMMISSIONERS CONCURRING:

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

//s//James F. Munnally

//s//Eric Rasmussen

ATTEST:

  
Executive Director