

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-885  
Excel Telecommunications, Inc., )  
Dallas, Texas, seeks authority for a )  
certificate of interexchange service ) GRANTED  
authority to operate as a reseller of )  
telecommunications services within )  
the state of Nebraska. ) Entered: July 30, 1991

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed April 8, 1991, Excel Telecommunications Inc., of Dallas, Texas seeks authority for a certificate of interexchange service authority to operate 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 May 23, 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 was incorporated under the laws of the state of Texas in 1988. Its principle place of business is in Dallas, Texas. Applicant provides interstate interexchange long distance services in most of the contiguous 48 states and is granted or pending on an intrastate basis in approximately 30 states. Applicant operates strictly as a reseller marketing under the label "Excel" relying exclusively on the resold services of underlying carriers such as U.S. Sprint and others. Applicant is a switchless reseller. Security deposits are not required for services rendered to customers. Applicant is asking only for interLATA authority and does not provide operator services to end users.

2. Mr. Kenny A. Trout testified on behalf of the applicant, he is the president and majority stockholder of Excel Telecommunications. Applicant employees individuals who make contacts with fundraising groups and charities to sign up members. Recently applicant has signed a contract with Southland Corporation, to solicit customers at 7-Eleven locations. Applicant renders bills by the local exchange companys as well as out of the home office in Dallas, Texas. Customers can reach service representatives by a toll free 800 number connected to the customer service department in Texas.

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3. Applicant will use Sprint, MCI, Allnet, ATC, and Telesphere, as carriers. Excel's application states that by bulk service arrangements they resell services at levels equal to industry standards and at rate levels always below AT&T. The rate list filed with the application reflects competitive rates. Applicant intends to provide service in most equal access converted end offices throughout the state.

4. Applicant's witness testified that in the first year of business they grossed a little over \$1,000,000. The second year they expanded into other states and grossed over \$6,000,000. The third year applicant has grossed over \$8,000,000 with approximately 100,000 customers on line. Applicant's witness testified that the company never has had an audited financial statement or a report made. The balance sheet submitted reflects a gross profit of \$205,511 for December 31, 1990 and \$1,910,457 as year-to-date 1991. In a late filed exhibit the net income before taxes for the two months ending February 28, 1991 was \$414,424.

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

ORDER

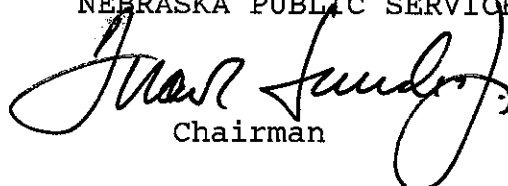
IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-885 be and it is hereby granted and Excel Telecommunications Inc., of Dallas, Texas seeks authority for a certificate of interexchange service authority to operate as a reseller of interLATA telecommunications services within the state of Nebraska.

IT IS FURTHER ORDERED that applicant shall file in accordance with the applicable statutes an annual report with this Commission consisting of (1) a copy of any report filed with the Federal Communication Commission, (2) the annual report to stockholders and (3) for the state of Nebraska on a combined interstate-intrastate basis, the investment in telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues, operating expenses and taxes.

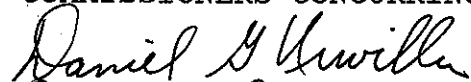

IT IS FURTHER ORDERED that this order be and it is hereby made the commission's official Certificate of Public Convenience and Necessity to furnish the service authorized herein.

MADE AND ENTERED at Lincoln, Nebraska, this 30th day of July 1991.

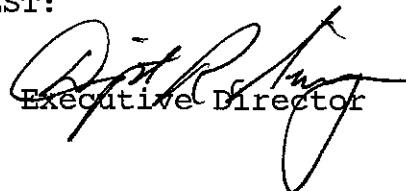
NEBRASKA PUBLIC SERVICE COMMISSION

  
Chairman

COMMISSIONERS CONCURRING:

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

ATTEST:

  
Executive Director