

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-888
TCI Communications, Inc., Sioux Falls,))
South Dakota, seeks authority to) GRANTED
operate as an operator service)
provider within the state of Nebraska.) Entered: August 6, 1991

OPINION AND FINDINGS

BY THE COMMISSION:

By its application filed April 29, 1991, TCI Communications, Inc., of Sioux Falls, South Dakota seeks authority to operate as an operator service provider 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 June 21, 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 operator service provider which was recently incorporated in the state of South Dakota in August of 1990, with its principal office in Sioux Falls. Applicant is authorized to do business in South Dakota, Iowa and Minnesota. All major shareholders are from Sioux Falls, South Dakota. The corporation primarily has been marketing its services to hotels, motels, colleges, hospitals and pay phone vendors. Advance deposits are not required for services rendered by customers. Applicant does not serve residential customers. Applicant is asking for both interLATA and intraLATA authority.

2. Mr. John F. Archer testified on behalf of the applicant. He is the founding secretary and part owner of the corporation. He has been with the company since its incorporation. Prior to that, Mr. Archer was Commissioner of the Securities Division with the State of South Dakota from 1978 to 1983. His primary responsibility is in the financial affairs of the corporation. He is in charge of billing which is done through an independent third party, "Integretel", located in San Jose, California. He is also responsible for regulatory affairs with the South Dakota Public Utilities Commission.

3. Applicant will use Dial-Net, Sprint and Wil-Tel as carriers. Applicant is aware of the Commission Rules and Regulations regarding operator service providers in Nebraska and will abide by all of those rules. Operators will brand their calls and tent cards are available for premise owners. Customers are able to access other carriers if requested. Currently there are 12

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to 14 operators and they are located in Sioux Falls. TCI Communications employs 20 to 22 employees in total.

4. Applicant allows surcharges to be placed on the phone which cannot exceed \$1.00. Mr. Archer testified that very few of their motel and hotel customers put any surcharges on the service. Mr. Archer testified that applicant's operator service rates are competitive with the dominant carrier, however, discounts for evening and night rates are slightly different. Applicant's rate list reflect various rate tables which are provided primarily because of volume discounts. It was recommended by staff that each rate group needed to be amended to clarify which customer qualifies for the discounts. In regard to the this matter, the Commission received a late filed exhibit amending the tariffs which clarifies the applicability of each rate table.

5. Applicant filed a balance sheet which reflects a loss for the three months ending March 31, 1991. Applicant's projection would indicate a profit some time in the middle of 1992, however, a monthly break even point with calls is expected some time in September or October.

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-888 be and it is hereby granted and TCI Communications, Inc., Sioux Falls, South Dakota, be and it is hereby authorized to operate as an operator service provider 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.

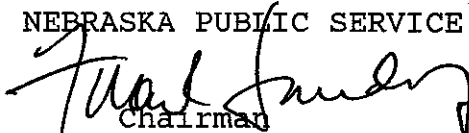
IT IS FURTHER ORDERED that this order be and it is hereby made the commission's official Certificate of Public Convenience and Necessity to furnish the service authorized herein.

MADE AND ENTERED at Lincoln, Nebraska, this 6th day of August 1991.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

//s//Duane D. Gay
//s//Frank E. Landis, Jr.
//s//James F. Munnally
//s//Eric Rasmussen
//s//Daniel G. Urwiller


Chairman

ATTEST:


Executive Director