

Application No. C-901

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BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In re) Application No. C-901
)
 Application of WATS/800, Inc., Evans-)
 ville, Indiana, which seeks authority) GRANTED
 to operate as a reseller of telecommuni-))
 cation services in Nebraska.)
) ENTERED: Dec. 3, 1991

For the Applicant:

John S. Staser, Esq.
 Mitchell, Staser & Shaw
 522 Main St.
 Evansville, IN 47711

By its application filed September 16, 1991, WATS/800, Inc. of Evansville, Indiana (WATS) seeks authority to operate as a reseller of telecommunications services in Nebraska. The applicant's business address is:

WATS/800, Inc.
 255 S. Garvin Suites B & C
 Evansville, IN
 47711

Notice of the application was published in the Omaha DAILY RECORD September 18, 1991 in accordance with the Commission's rules of procedure. No protests to the application were received. The application was therefore processed by modified procedure pursuant to Title 291, Ch. 1, Rule 018.03.

O P I N I O N A N D F I N D I N G S

BY THE COMMISSION:

Upon consideration of the application, the evidence adduced in the affidavit, and being fully informed in the premises, the Commission is of the opinion and finds:

1. WATS is a privately-held "S" corporation incorporated in Indiana in 1989 which has registered with the Nebraska Secretary of State and obtained a certificate of authority to transact business in Nebraska as a foreign corporation. All the major shareholders of WATS are residents of Indiana.

2. WATS is a switchless, non-facilities based reseller of interexchange telecommunications services authorized to do business in all states except Maine and Pennsylvania; application for the latter is currently pending. WATS is currently certified to provide telecommunications services in Indiana and has applied for authority to do so in all other states except Maine. WATS does not own, operate, or

control, directly or indirectly, any transmission facilities within Nebraska nor does it provide or intend to provide any alternative operator services (AOS) within Nebraska.

3. WATS will purchase the Software Defined Network (SDN) and Distributed Network Service (DNS) from American Telephone & Telegraph (AT&T) for resale. A subscriber purchasing telecommunications service from WATS will be provided with access to AT&T's SDN and DNS by dialing 1 + the number. AT&T's computer system will make the route selection and retain billing information. WATS anticipates 100% of its subscribers will be businesses, 0% residential, and 0% transient. WATS will not bill subscribers directly for operator assisted calls; AT&T bills them directly. WATS' billing and customer service is handled by Premier Billing, 5132 W. Washington, Springfield, IL 62707.

4. WATS filed an affidavit in support of its application on November 22, 1991 signed by Kenneth J. Schroering, C.P.A., Treasurer, and Chief Financial Officer. The affidavit shows the following:

WATS' 1990 gross profit was \$69,249 with a retained earnings loss of \$34,715. WATS' gross profits were \$178,768 for the first nine months of 1991 with a retained earnings loss of \$9,007. As of September 30, 1991, WATS has total assets of \$500,518 and the same amount in total liabilities and shareholders' equity.

5. WATS filed a proposed tariff as part of its application in accordance with the Commission's rules and regulations.

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-901 be, and it is hereby, granted and WATS/800, Inc., Evansville, Indiana be, and it is hereby, authorized to *operate as a reseller of telecommunications services in Nebraska.*

IT IS FURTHER ORDERED that Applicant shall file, in accordance with the applicable statutes, an annual report with this Commission consisting of (a) a copy of any report filed with the Federal Communications Commission, (b) the annual report to stockholders, and (c) 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.

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IT IS FURTHER ORDERED that the Applicant file an updated tariff prior to offering service pursuant to the certificate granted in this order.

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 3rd day of December, 1991.

NEBRASKA PUBLIC SERVICE COMMISSION

Commissioners Concurring:

Daniel M. Kiville
Deane D. Gay

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

Frank E. Landis, Jr.
Chairman

ATTEST:

John R. King
Executive Director