

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1092
Metropolitan Fiber Systems of Nebr-)ask, Inc., of Oakbrook Terrace,)
Illinois seeking authority to pro-) GRANTED
vide interLATA and intraLATA inter-)exchange private line services)
within the state of Nebraska.) Entered: October 11, 1994

APPEARANCES:

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Cindy Schonhaut, Vice-President
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Government Affairs Office
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PRELIMINARY MATTERS

Metropolitan Fiber Systems of Nebraska, Inc. (MFS) filed its application for a Certificate of Public Convenience and Necessity on August 2, 1994. The company seeks authority to provide intraLATA and interLATA interexchange dedicated, non switched private line telecommunications services to the public within Nebraska. Notice of the application was published in the Omaha Daily Record on August 3, 1994, pursuant to the Commission's Rules and Regulations. No protests to the application were received. MFS appeared before the Commission for a hearing, chaired by Commissioner Landis, September 27, 1994 in the Commission Hearing Room, Lincoln, Nebraska.

BY THE COMMISSION

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

Ms. Cindy Schonhaut, Vice President of Government Affairs for the Applicant, testified, and the application reflects, MFS seeks authority to provide private line services in the Omaha and Grand Island LATAs. MFS is a Delaware corporation and is a

wholly-owned subsidiary of MFS Telecom, Inc., which in turn is a wholly-owned subsidiary of MFS Communications Company, Inc. (MFSCC). MFSCC is owned by Kiewit Diversified Group and is publicly traded over NASDAQ.

The applicant is presently conducting business in several metropolitan markets including Albany, Atlanta, Baltimore, Boston, Buffalo, Chicago, Dallas, Houston, Los Angeles, Minneapolis, New York City, northern New Jersey, Philadelphia, Pittsburgh, Rochester (N.Y.), San Francisco, St. Louis and the District of Columbia. Facilities are under construction in Hartford, San Jose, Tampa, Wilmington and London, England. If this certificate is granted, the applicant intends to construct facilities in the metropolitan area of Omaha. Expansion is not anticipated on a statewide basis at this time; however, the company will assess the needs and opportunities outside Omaha in the future.

MFS will target large businesses, government agencies, hospitals, and universities as potential customers. Marketing will be conducted within the business community through business organizations, business publications and local newspapers. Customer service will be available 24 hours a day through a toll-free telephone number.

Financial statements were provided to the Commission which demonstrate the applicant has adequate access to the capital necessary to expand services to Nebraska. MFSCC, the parent company of MFS, is the largest competitive access provider in the United States. MFSCC's submitted its most recent annual report on Form 10-K as evidence of its financial fitness.

The authority requested in this application is similar to the authority requested by Teleport Communications Group of Omaha, Inc. (TCG) in Application No. C-984. Like C-984, MFS seeks authority statewide, with exception of the Lincoln LATA No. 958.

In conclusion, Ms. Schonhaut testified that granting this application will enhance competition in the marketplace and foster economic development. The applicant is qualified financially to offer state-of-the-art technology and equipment to its customers. She stated that granting this application will improve reliability, security and service for citizens of Nebraska.

Based on the testimony, the exhibits, and the proposed tariff, the application is fair and reasonable, is in the public interest, and should be granted.

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O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that, pursuant to Neb. Rev. Stat. Sections 86-805 and 75-604 and Title 291 Neb. Admin. Reg., Chap. 5, Sec. 003.12A, Application No. C-1092 is hereby granted and MetropolitanFiber Systems of Nebraska, Inc., is hereby authorized to provide interLATA intraLATA interexchange dedicated, non switched private line telecommunications service within the state of Nebraska.

IT IS FURTHER ORDERED that the territory of the Applicant be limited to the Omaha LATA and the Grand Island LATA.

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 FINALLY ORDERED that this Order be, and it is hereby made the Commission's official Certificate of Convenience and Necessity to furnish the services as authorized herein.

MADE AND ENTERED at Lincoln, Nebraska this 11th day of October, 1994.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

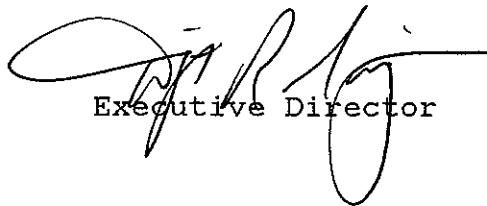
//s//Rod Johnson
//s//Frank E. Landis
//s//James F. Munnelly


Chairman

ATTEST:

COMMISSIONERS DISSENTING:

//s//Duane D. Gay
//s//Daniel G. Urwiller


Executive Director