

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-1137  
Great Lakes Telecommunications )  
Corp., dba Telecom Advantage, 800 )  
Advantage and Small Business Group )  
of Rolling Meadows, Illinois, )  
seeking authority to obtain a ) GRANTED  
Certificate of Public Convenience )  
and Necessity to transact the )  
business of a reseller of inter- )  
exchange telecommunications )  
services in Nebraska. ) Entered: March 7, 1995

APPEARANCES:

For the Applicant:

B. Stephen May  
1701 Gulf Road  
Rolling Meadows, IL 60008

For the Communications Department:

Deonne Niemack, Staff Counsel  
300 The Atrium, 1200 N Street  
P.O. Box 94927  
Lincoln, NE 68509

PRELIMINARY MATTERS

By application filed December 19, 1994, Great Lakes Telecommunications Corporation, dba Telecom Advantage a GLTC Company, dba 800 Advantage, a GLTC Company, dba Small Business Group, of Rolling Meadows, Illinois seeks authority to operate as a resale common carrier of telecommunication services in the state of Nebraska. Notice of the application was published in The Daily Record, Omaha, Nebraska, December 21, 1994, pursuant to the rules of the Commission. Hearing on the application was held on January 25, 1995 in the Commission Hearing Room with Commissioner Urwiller chairing the proceeding.

BY THE COMMISSION

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

Upon consideration of the application, the governing statutes,<sup>1</sup> the evidence adduced at the hearing and being fully advised in the premises, the Commission is of the opinion and finds:

Nebraska was divided into three Local Access Transport Areas ("LATAs") as a result of the terms of the Modification of Final Judgement (the "MFJ") issued in the AT&T divestiture case. United States v. American Telephone & Telegraph Co., 552

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<sup>1</sup>Interexchange resellers applications are governed by Neb. Rev. Stats. 75-604 and 86-805 (1990 and 1987 Reissues, respectively) and Title 291 Neb. Admin. Regs. Ch. 5, Rule 003.12.

F.Supp. 131 (D.D.C. 1982), aff'd sub nom., California v. United States, 460 U.S. 1001 (1983) and United States v. American Telephone & Telegraph Co., 569 F.Supp. 990 (D.D.C. 1983) aff'd sub nom., California v. United States, 460 U.S. 1001 (1983).

While Neb. Rev. Stat. 75-604, by its language, refers to local exchange service, the Nebraska Supreme Court in Northwestern Bell Telephone v. Consolidated Telephone Co., 180 Neb. 268, 142 N.W.2d 324 (1966) held that long distance service is also subject to the provisions of the statute. This was recognized by the Legislature in LB 835 (LAWS 1986) because interexchange services (which include resellers) in Sec. 86-805 (part of LB 835) are referenced to in Sec. 75-604. For this reason, the Commission distinguishes between intraLATA and interLATA resale when deciding reseller applications.

Applicant produced one witness, B. Stephen May, who testified: He is chief operating officer and executive vice president of the applicant. Great Lakes is a privately held corporation with its principal place of business in Rolling Meadows, Illinois, a suburb of Chicago. Its registered agent in Nebraska is CT Corporation Systems. Applicant seeks both intraLATA and interLATA authority. It is currently certificated in 26 states and has applications pending in approximately 20 more. The company intends to become certificated nationwide. It will offer switched and dedicated inbound and outbound service. Applicant will eventually offer calling cards on a very limited basis. Great Lakes' primary underlying carrier is AT&T, but is negotiating contracts with Sprint, MCI and Allnet. Mr. May testified Great Lakes rates will be 30-35% below AT&T and in many cases, 5-10% below MCI and Sprint. Applicant will target small businesses. Great Lakes markets its services through telemarketing done by its own salespeople. No operator services will be offered. Complaints can be registered through an 800 number to a customer service center which is staffed 24 hours a day, 7 days a week. The company is opposed to "slamming." Great Lakes uses three different billing methods. It works with an outside company to bill its own traffic, utilizes agreements with other providers to bill through the local exchange, and bills through an AT&T provider called ACCUS. Services will be offered nationwide under three names, Residential Group, Corporate Accounts Group, and Small Business Group.

Financial information was provided to the Commission in the application, as well as in a late-filed exhibit. The statements reflect the Company is in good financial standing and is becoming more profitable each year.

The proposed tariff, which is part of the application, is in accordance with the Commission's Rules & Regulations. The tariff appears reasonable in light of the proposed service.

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The evidence shows the application is complete. All required information has been furnished. The application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1137 be and it is hereby, granted and Great Lakes Telecommunications Corporation of Rolling Meadows, Illinois is hereby authorized to operate as a resale carrier of intrastate interexchange interLATA and intraLATA telecommunications services within the state of Nebraska.

IT IS FURTHER ORDERED that the 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) its 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, revenues, operating expenses, and taxes.

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

IT IS FINALLY ORDERED this order shall be, and it is hereby made the Commission's official certificate of authority to furnish the service authorized herein as a common carrier.

MADE AND ENTERED at Lincoln, Nebraska this 7th day of March, 1995.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*[Signature]*

//s//Rod Johnson

//s//Frank E. Landis

//s//James F. Munnelly

//s//Daniel G. Urwiller

*[Signature]*

Chairman

ATTEST:

*[Signature]*

Executive Director

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