

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application)	Application No. C-1168
of MIDCOM Communications, Inc. of)	
Seattle, Washington and Wats/800,)	
Inc. of Newburgh, Indiana seeking)	GRANTED
authority to transfer a portion of)	
the assets of Wats/800, Inc. to)	
MIDCOM Communications.)	Entered: May 2, 1995

PRELIMINARY MATTERS

On March 29, 1995, an application was filed by MIDCOM Communications, Inc. (MidCom) of Seattle, Washington and Wats/800, Inc. of Newburgh, Indiana for authority to transfer a portion of the assets of Wats/800 to MidCom. Notice of the application was published in the Omaha Daily Record on March 31, 1995. No protests were received; therefore, we will process this application pursuant to the Commission's Rule of Modified Procedure.

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

Wats/800 obtained a Certificate of Public Convenience and Necessity from the Commission pursuant to Application C-901 on December 31, 1991. No departmental or formal complaints have been filed against the company since its certification.

MidCom is a Washington corporation with its principal place of business in Seattle, Washington. The Commission granted MidCom a Certificate of Public Convenience and Necessity in Application C-924 on June 9, 1992. The company has grown rapidly over the past two years and has expanded its operations nationwide. Like Wats/800, no formal or departmental complaints have been filed against the company.

Wats/800 has agreed to convey a portion of its assets to MidCom, specifically (a) a portion of its customer base and records; (b) certain accounts receivable arising on or before February 28, 1995; (c) limited use of software billing and information services; and (d) certain other assets. The agreement is effective the date the Commission approves the authority sought herein.

Wats/800 will continue to exist and operate under its own name; therefore, the company does not desire its certification or tariff cancelled.

Wats/800 will continue to bill its customers under the rates, terms and conditions of its tariff; however, MidCom will bill the customers its acquires from Wats/800 under the rates, terms and conditions of MidCom's tariff. Wats/800 does not collect deposits; therefore, no refunds or credits are

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necessary. Customers are being notified of the acquisition by direct mail.

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds:

The transfer of assets belonging to Wats/800 Inc. of Newburgh, Indiana to MidCom Communications, Inc. of Seattle, Washington is fair and reasonable, is in the public interest and should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-1168 be, and it is hereby granted and a portion of the assets of Wats/800 are hereby transferred to MidCom Communications, whereby MidCom Communications is 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 Wats/800 and MidCom Communications shall continue to 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, expenses and taxes.

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

IT IS FINALLY ORDERED that this order be and 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 2nd day of May, 1995.

COMMISSIONERS CONCURRING:

[Signature]
 //s//Rod Johnson
 //s//Frank E. Landis
 //s//James F. Munnelly
 //s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION

[Signature]
 Chairman

ATTEST:

[Signature]
 Executive Director