

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1169
National Teleservice, Inc., d/b/a)
N.T.I. of Winona, Minnesota seeking)
authority to provide intraLATA and) GRANTED
interLATA resold telecommunications)
services in the state of Nebraska.) Entered: May 23, 1995

APPEARANCES:

For the Applicant

Mary Lang
Vice-President of Operations
111 Riverfront
Winona, Minnesota 55987

For the Communications Department

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

PRELIMINARY MATTERS

National Teleservice Inc., d/b/a NTI (hereinafter referred to as NTI) of Winona, Minnesota, filed an application with the Commission on March 29, 1995. The company seeks authority to conduct business as an intrastate telecommunications common carrier offering resold intraLATA and interLATA long distance service. The applicant's business address is noted above. Notice of the application appeared in the Omaha Daily Record, March 31, 1995. NTI appeared before the Commission for a video-conference hearing chaired by Commissioner Urwiller, May 16, 1995 in the Commission Library, Lincoln, Nebraska.

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 and rules¹, the evidence adduced at the hearing, and being fully informed, the Commission is of the opinion and finds:

¹Interexchange 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.

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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., 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.

Mary Lang, Vice-President of Operations for NTI, testified. Ms. Lang has been employed with the company since its inception in 1984. Ms. Lang stated, and the pleadings reflect, the applicant seeks both interLATA and intraLATA authority. The filed application does not seek authority to provide AOS.

NTI is currently certified to operate in Illinois, Iowa, Minnesota and Wisconsin. Applications are pending in four (4) other states. The company does not intend on becoming certified nationwide at this time. No state has denied NTI a certificate and no formal complaints have been filed against the company.

NTI intends to offer intrastate services throughout Nebraska. Specifically, the applicant proposes to provide 1+, 800 service and calling cards. The underlying service will be provided by Allnet. For questions regarding customer service, the company provides a toll-free 800 number.

The company will compile and prepare its own billings. Marketing will be done through sales agents based in Nebraska. The agents will make direct contact with potential customers. The company does not use telemarketing and multi-level marketing at this time. NTI will target small to medium businesses as potential customers.

The requisite financial information was provided to the Commission in the application and the statements reflect the

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company is adequately financed. The company has been in business since 1984 and is financially stable and secure.

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

In conclusion, Ms. Lang testified that NTI will offer quality telecommunications services to customers at significant savings over the major carriers. Further, since NTI has been in the long distance business since 1984, it has a thorough understanding of the industry and how to properly serve customers. Lastly, the company agrees to abide by all Commission Rules and Regulations.

Based on the testimony, the exhibits, and the proposed tariff, the applicant has provided the requisite information, possesses adequate financial resources, and is technically competent to provide services. The application 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 No. C-1169 be, and it is hereby, granted and National Teleservice Inc., d/b/a NTI, of Winona, Minnesota 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) 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.

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

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MADE AND ENTERED at Lincoln, Nebraska this 23rd day of
May, 1995.

COMMISSIONERS CONCURRING:

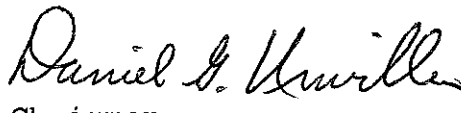


//s//Rod Johnson

//s//James F. Munnelly

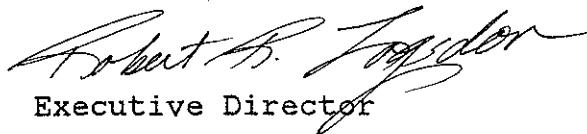
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION



Chairman

ATTEST:



Executive Director