BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1193
Central Payphone Services, Inc. of)
Roswell, Georgia, seeking authority)
to operate as a resale carrier of) GRANTED

intrastate interLATA and intraLATA)
telecommunications services within)

the state of Nebraska.) Entered: September 19, 1995

APPEARANCES:

For the Applicant

For the Communications Department

Barry E. Selvidge 1150 Northmeadow Parkway Suite 118 Roswell, Georgia 30076

Deonne L. Bruning 300 The Atrium, 1200 N Street P.O. Box 94927 Lincoln, Nebraska 68508

PRELIMINARY MATTERS

Central Payphone Services, Inc. (hereinafter referred to as CPS) of Roswell, Georgia filed an application with the Commission on May 26, 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, May 30, 1995. CPS appeared before the Commission for a video-conference hearing, August 28, 1995 in the Commission Library, Lincoln, Nebraska.

BY THE COMMISSION

OPINION AND FINDINGS

Upon consideration of the application, the governing statutes and ${\rm rules}^1$, the evidence adduced at the hearing, and being fully informed, the Commission is of the opinion and finds:

¹Interexchange reseller application are governed by Neb. Rev. Stats. 75-604 and 86-805 (Cum. Supp. 1994 and 1994 Reissue, 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. <u>United States v. American Telephone & Telegraph Co.</u>, F.Supp. 131 (D.D.C. 1982), aff'd sub nom., <u>California v. United States</u>, 460 U.S. 1001 (1983) and <u>United States v. American Telephone & Telegraph Co.</u>, 569 F.Supp. 990 (D.D.C. 1983) aff'd sub nom., <u>California v. United States</u>, 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.

Barry Selvidge, Vice-President of Regulatory Affairs, testified. Mr. Selvidge stated, and the pleadings reflect, the applicant seeks both intraLATA and interLATA authority. The filed application also seeks authority to provide AOS.

CPS is a wholly-owned subsidiary of Communications Central Inc., (CCI). CCI is publicly traded on the NASDAQ. CPS is in the process of becoming certified nationwide and is currently certificated in approximately twenty states. No state has denied CPS a certificate and no formal complaints have been filed against the company.

The applicant intends to offer intrastate services throughout Nebraska. Specifically, the applicant proposes to provide operator assisted and direct dial services to call aggregators, such as hotels and pay telephone providers. The underlying carrier will be WilTel or Sprint. Zero Plus Dialing is an authorized agent for CPS for billing and collection purposes.

The company provides a toll-free 800 number for customer service during normal business hours and has on-call capability twenty-four hours a day.

The requisite financial information was provided to the Commission in the application. The company provided a copy of the parent's latest annual report, as well as copies of Forms 10-Q for December, 1994 and March, 1995 that have been submitted to the Securities and Exchange Commission. Through CCI, the applicant has the financial resources to operate successfully as a telecommunications reseller and operator

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service provider. CCI has assets of over \$63 million, operates over 24,000 pay telephones nationwide.

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

In conclusion, Mr. Selvidge testified that CPS began offering operator assisted services in mid-1984 and the officers and directors have vast experience in the telecommunications industry.

Based on the testimony, the exhibits, and the proposed tariff, the applicant has provided the requisite information, has demonstrated its financial resources, and has proven to be technically competent to provide service. 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-1193 be, and it is hereby, granted and Central Payphone Services, Inc. of Roswell, Georgia, is hereby authorized to operate as a resale carrier of intrastate interexchange intraLATA and interLATA telecommunications services within the state of Nebraska, including operator services.

IT IS FURTHER ORDERED that the applicant shall file, in accordance with the applicable statutes on or before April 30th of each year, 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, (c) a copy of the latest Form 10-K filed with the Securities and Exchange Commission and (d) 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 19th day of September, 1995.

COMMISSIONERS CONCURRING:

Louis Timou

//s//Frank Land's

//s//James F. Munnelly
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION

Daniel G. Grundler

Chairman

ATTEST:

Executive Director