

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1194
McLeod Telemanagement, Inc., of)
Cedar Rapids, Iowa, seeking author-) SUPPLEMENTAL ORDER GRANTED
ity to operate as a resale common)
carrier in the state of Nebraska.) Entered: December 5, 1995

PRELIMINARY MATTERS

McLeod Telemanagement, Inc. (hereinafter referred to as McLeod) of Cedar Rapids, Iowa filed an application with the Commission on May 30, 1995 for authority to conduct business as an intrastate telecommunications common carrier offering resold intraLATA and interLATA long distance service. McLeod appeared before the Commission for a hearing, chaired by Commissioner R. Johnson, July 18, 1995 in the Commission Hearing Room, Lincoln, Nebraska. On August 14, 1995, the Commission approved the application and granted McLeod the authority to operate as a resale telecommunications common carrier within the state of Nebraska.

BY THE COMMISSION

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

In its initial application for authority, financial information was provided by McLeod to the Commission. The statements reflect the company has encountered significant net losses; therefore, the Commission granted McLeod the authority to operate provided it did not accept deposits or advance payments from Nebraska subscribers, unless a performance bond was posted with the Commission.

McLeod has hence come forward to request that it receive the authority to receive deposits and advance payments from Nebraska subscribers. McLeod agrees to furnish a bond or an irrevocable letter of credit in the sum of \$5,000.00. In its motion, McLeod anticipates it will require approximately \$5,000 in deposits from business customers through the end of 1996.

McLeod also agrees in its motion to submit to the Commission, as a part of its annual report, the amount of deposits that it is holding at that time on behalf of Nebraska subscribers.

The Commission also mandates McLeod provide current financial statements and the amount of deposits collected to the Commission staff in December, 1996 to determine whether the bond is sufficient to cover the amount of deposits requested and also to review whether the financial statements support the discontinuance of the bond.

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Based on the motion and the stipulation, the applicant has has filed financial statements, has agreed to post a bond or an irrevocable letter of credit and has agreed to follow all Commission Rules and Regulations regarding the collection of deposits. The supplemental order 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-1194 be, and it is hereby amended to grant McLeod Telemanagement, Inc. of Cedar Rapids, Iowa the authority to collect deposits from Nebraska subscribers.

IT IS FURTHER ORDERED that the applicant furnish a bond or an irrevocable letter of credit in the sum of \$5,000.00 to the Nebraska Public Service Commission prior to accepting deposits.

IT IS FURTHER ORDERED that the applicant shall file, in its annual report to the Commission, a listing of the amount of deposits collected from Nebraska subscribers.

IT IS FURTHER ORDERED that applicant file an updated tariff prior to collecting deposits to reflect the authority hereby bestowed in this order.

IT IS FURTHER ORDERED that the applicant provide the Commission, in December, 1996, updated financial statements and any other information necessary to determine whether the bond is adequate and whether it should be continued.

MADE AND ENTERED at Lincoln, Nebraska this 5th day of December, 1995.

COMMISSIONERS CONCURRING:


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

NEBRASKA PUBLIC SERVICE COMMISSION



Vice Chairman

ATTEST:



Executive Director