

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-1219  
SNET America, Inc. of North Haven, )  
Connecticut seeking authority to )  
operate as a resale carrier of ) GRANTED  
intrastate intraLATA and interLATA )  
telecommunications services within )  
the state of Nebraska. ) Entered: February 5, 1996

APPEARANCES:

For the Applicant:

Al Mayhew  
SNET America, Inc.  
127 Washington Av. 5th Floor  
North Haven, CT 06473

For the Communications Department:

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

PRELIMINARY MATTERS

SNET America, Inc. of North Haven, Connecticut filed an application with the Commission on August 1, 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, on August 3, 1995. SNET America appeared before the Commission for a video-conference hearing, chaired by Commissioner Landis, January 23, 1996 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 rules<sup>1</sup>, the evidence adduced at the January 23, 1996 hearing, and being fully informed, the Commission is of the opinion and finds:

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<sup>1</sup>Interexchange 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. 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.

SNET America, Inc. is a wholly-owned subsidiary of New England Telecommunications Corporation. In May, 1993, SNET America was incorporated in the state of Connecticut. SNET America seeks both intraLATA and interLATA authority. Mr. Al Mayhew testified on behalf of SNET America.

The applicant has received authority to operate in approximately forty (40) states and plans to eventually be certified in all states. No state has denied SNET America a certificate of authority and no formal complaints have been filed against the company.

The underlying carrier for the services will be Sprint. SNET America provides a toll-free 800 number for customer service, twenty-four hours a day, seven days a week. The customer service toll-free 800 number is displayed on SNET America's bill. SNET America does all of its own billing.

At this time SNET America markets 1+, 800 services and travel cards. SNET America markets to both the residential and the business market. In particular, SNET America targets small businesses. SNET America uses both sale agents and telemarketing. In addition, SNET America has a policy that prohibits slamming.

Financial information was provided to the Commission in the application. The statements reflect the company's parent is adequately financed and is capable of offering service within the state. SNET America began doing business in August, 1993, and anticipates to be profitable by year-end 1996.

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The proposed tariff, which is part of the application, is in accordance with the Commission's Rules and Regulations. The tariff states that company may collect advance payments or deposits if deemed necessary.

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.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1219 be, and it is hereby, granted and SNET America, Inc. of New Haven, Connecticut is hereby authorized to operate as a resale carrier of intrastate interexchange intraLATA and interLATA telecommunications services within the state of Nebraska.

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) a copy of any annual report to stockholders, (c) a copy of the latest Form 10-K filed with the Securities and Exchange Commission, (d) balance sheet and income statement for the previous year of operation and (e) 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.

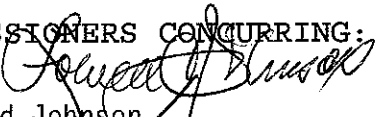
IT IS FINALLY ORDERED that this order be, and it is hereby made the Commission's official certificate of authority to furnish the service authorized herein as a common carrier.

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MADE AND ENTERED at Lincoln, Nebraska this 5th day of February, 1996.

COMMISSIONERS CONCURRING:

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

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman 

ATTEST:

  
Executive Director