

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-1226  
of International Telemanagement )  
Group, Inc. of Lima, Ohio seek- )  
authority to transfer ownership ) GRANTED  
to GSTNET, Inc. of Vancouver, )  
Washington. ) Entered: November 7, 1995

PRELIMINARY MATTERS

On August 23, 1995, an application was filed by International Telemanagement Group, Inc. (ITG) of Lima, Ohio to transfer ownership of ITG to GSTNET, Inc. of Vancouver, Washington. Notice of the application was published in the Omaha Daily Record on August 25, 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

International Telemanagement Group, Inc. obtained a Certificate of Public Convenience and Necessity from the Commission pursuant to Application C-1072 on September 19, 1994. No departmental or formal complaints have been filed against the company since its certification.

GSTNET, Inc. is a Delaware corporation with its principal offices in Vancouver, Washington and is not certificated as a telecommunications provider in Nebraska. GSTNET is a wholly-owned subsidiary of GST Telecommunications, Inc., which is traded on the American Stock Exchange under the symbol, GST.

In the present application, the sole stockholder of ITG entered into a Stock Purchase Agreement on May 1, 1995, whereby ITG's stockholder agreed to sell all of the issued and outstanding capitol stock to GSTNET.

Interrogatories were served on GSTNET, through the attorney of record, Patrick Crocker, on September 15, 1995. Answers were to be returned within thirty days; however, on October 17, 1995, GSTNET, requested the Commission grant an extension of time for it to answer the interrogatories. The Commission hereby grants the motion for the extension of time. The interrogatories were received by first class mail and the responses will be accepted as timely filed.

The answers indicate that GSTNET will provide long distance service, debit cards, 800 service and private line services. GSTNET is in the process of certifying with each

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state to conduct business, at this time, the company is not certified in any state.

GSTNET will not make any changes to the rates, services or tariff provisions currently offered by ITG. GSTNET will utilize the underlying carriers, AT&T and MCI. The underlying carriers will be responsible for repairing network services; however, GSTNET will serve as a central point of contact for assistance for customers.

Bills will continue to be rendered under the name International Telemanagement Group, ITG. Therefore, the customers will not see a visible difference in their service. Notification of the transaction will be given to customers through a separate letter and will be provided with information regarding the opportunity to change carriers if desired.

GSTNET has been in operation less than one year; therefore, the 1994 annual report of the parent was offered to demonstrate fitness. The report indicates the parent company, GST Telecommunications, Inc., is able to support GSTNET in its efforts to serve as a telecommunications carrier within the state of Nebraska.

Lastly, by acquiring the certificate previously issued to ITG, GSTNET is hereby able to provide only those services afforded to ITG in its original application. If additional authority is requested, such as authority to provide alternate operator services, an application to amend the certificate of public convenience and necessity must be filed with the Commission.

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 ownership of International Telemanagement Group, Inc. to GSTNET, Inc. 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-1226 be, and it is hereby granted and ownership of International Telemanagement, Inc. is hereby transferred to GSTNET, Inc.

IT IS FURTHER ORDERED that GSTNET, Inc. shall file, in accordance with the applicable statutes, an annual report with this Commission consisting of (a) a copy of any report filed

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with the Federal Communications Commission and/or the Security and Exchange 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 on or before April 30th of each year.

IT IS FURTHER ORDERED that GSTNET, Inc. file a tariff with this Commission within thirty (30) days.

IT IS FURTHER ORDERED that a copy of the letter giving customers notice of the proposed transaction be remitted to the Commission.

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 7th day of November, 1995.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Rod Johnson*

//s//Rod Johnson

//s//Frank E. Landis

//s//James F. Munnelly

//s//Daniel G. Urwiller

*Daniel G. Urwiller*

Chairman

ATTEST:

*Robert R. Logsdon*

Executive Director

# SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

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