

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-1260  
Pantel Communications, of DeKalb, )  
Illinois seeking to obtain a Cert- )  
ificate of Public Convenience and ) GRANTED  
Necessity to operate as a reseller )  
of interexchange telecommunications )  
services within Nebraska. ) Entered: February 20, 1996

APPEARANCES:

For the Applicant:

Eugene Chase  
806 Lawnwood Ave.  
DeKalb, Illinois 60615

For the Communications Department:

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

PRELIMINARY MATTERS

Pantel Communications, Inc. (hereinafter referred to as Pantel) of DeKalb, Illinois filed an application with the Commission on November 3, 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 November 9, 1995. Pantel appeared before the Commission for a video-conference hearing, chaired by Commissioner Rod Johnson, February 5, 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 February 5, 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.

Pantel Communications, Inc. is a privately held company which originally incorporated under a different name in 1987 in Illinois. The company underwent several name changes and became known as Pantel Communications, Inc. in 1993. Pantel is seeks both intraLATA and interLATA authority.

Mr. Chase is the President of Pantel and is responsible for the day to day management of the company. Mr. Chase has been involved in the telecommunications industry for several years in technical positions. Mr. Chase and his wife, Kay, are the shareholders on Pantel.

Pantel has received authority to operate in roughly thirty-five (35) states and plans to eventually be certified nationwide. No state has denied Pantel a certificate of authority and no formal complaints have been filed against the company.

The underlying carrier for the services will be WilTel. Pantel uses USBI for billing services. Through USBI, Pantel offers a toll-free 800 number for questions concerning customer billing, twenty-four hours a day, seven days a week. In addition, Pantel has their own toll-free 800 number for customer service which operates during normal business hours.

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At this time, Pantel markets 1+, 800 services and travel cards. Pantel targets both the residential and business market. The company currently has twelve employees and roughly an additional fourteen sale agents. In December, 1995, marketing materials from Pantel were circulated in Nebraska advertising its one bill, one check, one envelope advantages. The applicant obviously was not certificated to operate in the state at that time. This Commission does not condone such deception and if the company ignores state statutes, rules and regulations in the future, immediate sanctions will be implemented.

Financial information was provided to the Commission in the application. The statements reflect the company generated a net profit at the end of 1995.

The proposed tariff, which is part of the application, is in accordance with the Commission's Rules and Regulations. The tariff states that company will not collect advance payments or deposits.

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-1260 be, and it is hereby, granted and Pantel Communications, Inc. of DeKalb, Illinois 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.

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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.

MADE AND ENTERED at Lincoln, Nebraska this 20th 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