

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1275
COMDATA Telecommunications Services,)
Inc. of Brentwood, Tennessee seeking)
authority to operate as a resale) GRANTED
carrier of intrastate intraLATA and)
interLATA telecommunications)
services within the state of)
Nebraska.) Entered: March 19, 1996

APPEARANCES:

For the Applicant:

For the Communications Department:

Charles Isdell, Vice-President	Chris A. Post / Deonne Bruning
COMDATA Telecom. Services, Inc.	300 The Atrium, 1200 N St.
5301 Maryland Way	P.O. Box 94927
Brentwood, Tennessee 37027	Lincoln, NE 68508

PRELIMINARY MATTERS

COMDATA Telecommunications Services, Inc. of Brentwood, Tennessee, filed an application with the Commission on December 19, 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 December 22, 1995. COMDATA Telecommunications Services, Inc. appeared before the Commission for a video-conference hearing, chaired by Commissioner Rod Johnson, March 7, 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 rules¹, the evidence adduced at the March 7, 1996 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. 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.

Mr. Charles Isdell, Vice-President of COMDATA Telecommunications Services, Inc. (COMDATA) testified. Mr. Isdell stated the company seeks both intraLATA and interLATA authority. He also testified that COMDATA is a publicly-held corporation that incorporated in Delaware on May 16, 1995.

Mr. Isdell stated the applicant has received authority to operate in approximately twelve (12) states and has applications pending in twenty (20) others. No state has denied COMDATA a certificate of authority. Also, COMDATA has never been subject of a formal or departmental complaint by a state commission.

The underlying carrier for services will be AT&T and Sprint. COMDATA provides a 24-hour, toll-free 800 number for customer service. The 800 number is located on customer bills. COMDATA bills its customers through an underlying carrier.

At this time, COMDATA markets 1+, 800 services and travel cards. COMDATA markets its products through independent sales agents, telemarketing and internal sales staff. To minimize unauthorized changes, sales agents must obtain written approval on all LOA's.

COMDATA does not propose to provide alternate operator services in Nebraska. Also, new subscribers are not required to make a deposit; but the company reserves the right to request an advance payment if necessary.

Financial information was provided to the Commission in

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the application. COMDATA began doing business in May 1995, and expects to be profitable within one year. The proposed tariff, which is part of the application, is in accordance with the Commission's Rules and Regulations.

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-1275 be, and it is hereby, granted and COMDATA Telecommunications Services, Inc. of Brentwood, Tennessee 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.

MADE AND ENTERED at Lincoln, Nebraska this 19th day of March, 1996.

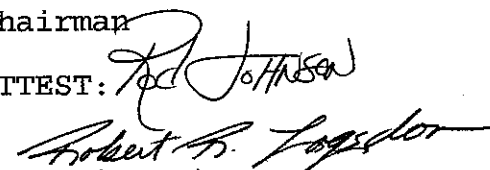
NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:


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

Chairman

ATTEST:


 Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION
