

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-1281  
United Telecom of America, Inc. of )  
New York, New York seeking authority )  
to operate as a resale carrier of ) GRANTED  
intrastate interLATA and intraLATA )  
telecommunications services within )  
the state of Nebraska. ) Entered: May 14, 1996

APPEARANCES:

For the Applicant:

Robert R. Neumann  
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Chicago, Illinois 60606

For the Communications Department:

Deonne Bruning  
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Lincoln, NE 68508

PRELIMINARY MATTERS

United Telecom of America, Inc. (hereinafter referred to as United Telecom) of New York, New York filed an application with the Commission on January 16, 1996. 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 January 23, 1996. United Telecom appeared before the Commission for a hearing, chaired by Commissioner Urwiller, April 23, 1996 in the Commission Hearing Room, 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 April 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.

United Telecom of America, Inc. is a privately held company which was incorporated in May, 1988 in Delaware. United Telecom seeks both intraLATA and interLATA authority.

Mr. Robert R. Neumann testified for United Telecom. Mr. Neumann is the Director of Legal Regulation and External Affairs. He has been with United Telecom for a year and has an extensive background in regulatory affairs.

The applicant has received authority to operate in approximately thirty-two (32) states and it plans to eventually be certified in all fifty (50) states. No state has denied United Telecom a certificate of authority and no formal complaints have been filed against the company.

The underlying carrier for the services will be Wiltel. In the future, United Telecom plans to employ sales and marketing personal in Nebraska. United Telecom uses Telco Billing service of New York for some of its customers. United Telecom's name and customer service information is located on all of United Telecom's bills. In addition, United Telecom has a toll-free 800 number for customer service, which operates twenty-four (24) hours a day.

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At this time United Telecom markets 1+, 800 services, and debit calling cards. United Telecom targets both residential and small to medium sized businesses. Some of the marketing techniques that will be used in Nebraska are direct mailing, telemarketing and eventually, direct sales agents. United Telecom has incorporated a screening process to insure that all of its sales agents operate in good faith. In addition, United Telecom does have a policy that prohibits slamming. United Telecom will not provide alternate operator services and does not require an advance deposit to obtain any of its services.

Financial information was provided to the Commission in the application. The statements reflect the company is adequately financed and is capable of offering service within the state. 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-1281 be, and it is hereby, granted and United Telecom of America, Inc. of New York, New York 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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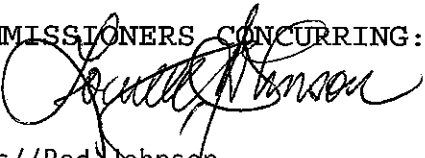
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IT IS FURTHER ORDERED that applicant file an updated tariff prior to offering service pursuant to the certificate granted in this order.

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 14th day of May, 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