

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-1333  
Commonwealth Long Distance Company of )  
Princeton, New Jersey seeking author- ) GRANTED  
ity to operate as a resale common )  
carrier of telecommunications ser- )  
vices within the state of Nebraska. ) Entered: August 20, 1996

APPEARANCES:

For the Applicant:

Pamela L. Hinte  
105 Carnegie Center  
Princeton, New Jersey 90212

For the Communications Department:

Deonne Bruning/R. Andrew Massey  
300 The Atrium, 1200 N St.  
P.O. Box 94927  
Lincoln, NE 68508

PRELIMINARY MATTERS

Commonwealth Long Distance Company (hereinafter referred to as Commonwealth) of Princeton, New Jersey filed an application with the Commission on May 6, 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 May 8, 1996. Commonwealth appeared before the Commission for a video-conference hearing, chaired by Commissioner Rod Johnson, July 16, 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 (1) the evidence adduced at the July 16, 1996 hearing, and being fully informed, the Commission is of the opinion and finds:

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(1) Interexchange resellers applications are governed by Neb. Rev. Stats. 75-604 and 86-805 (1990 and 1987 Reissues, 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 North-western 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.

Commonwealth Long Distance Company of Princeton, New Jersey is a wholly-owned subsidiary of C-TEC Properties, Inc., which in turn is a wholly-owned subsidiary of C-TEC Corporation, a publicly traded company. RCN Corporation has held a controlling ownership interest in the C-TEC Corporation since 1993, and Peter Kiewit Sons', Inc. holds a controlling ownership interest of RCN. Commonwealth was incorporated in 1990 in Pennsylvania. Commonwealth seeks both intraLATA and interLATA authority. Commonwealth was represented at the hearing by Ms. Pamela L. Hinte. Ms. Hinte has been active in telecommunications for a number of years and one of her current tasks is to achieve nationwide certification of Commonwealth.

The applicant has received authority to operate in approximately twenty-eight (28) states and it plans to eventually be certified in all the states. No state has denied Commonwealth a certificate of authority. A complaint was filed against Commonwealth's local exchange company in the state of Pennsylvania, but the complaint was dismissed without prejudice. The complaint did not concern Commonwealth's interexchange carrier business.

The underlying carriers for the services will be MCI, Frontier, and IXC. Commonwealth uses the billing company, USBI, for a small portion of their bills. Commonwealth's name and customer service information is located on all of its bills. In addition, Commonwealth has a toll-free 800 number for customer service, which operates 24 hours, every day.

Commonwealth markets 1+, 800 services, travel cards and dedicated lines. The company is aware of the Commission's

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requirement that as a common carrier, no interested customers are denied service. In addition, Commonwealth does have a policy that prohibits slamming. Commonwealth does occasionally require an advance deposit. Commonwealth stated that they will follow the Commission's requirements for advance deposits.

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-1333 be, and it is hereby, granted and Commonwealth Long Distance Company of Princeton, New Jersey 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.

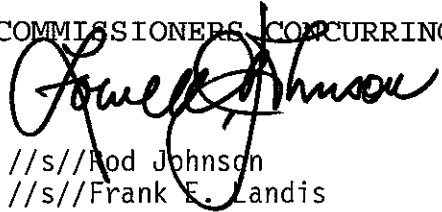
IT IS FINALLY ORDERED that this order be, and it is hereby made the Commission's official certificate of authority to furnish the service authorized herein as a common carrier.

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MADE AND ENTERED at Lincoln, Nebraska this 20th day of August, 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