

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1362
of Econophone, Inc., of Brooklyn,)
New York, seeking authority to)
operate as a resale common car-) GRANTED
rier of telecommunication ser-)
vices within the state of)
Nebraska.) Entered: October 8, 1996

APPEARANCES:

For the Applicant:
None

For the Commission Staff:
Hal Hasselbalch, Staff Attorney
300 The Atrium
Lincoln, Nebraska 68508

BY THE COMMISSION:

O P I N I O N A N D F I N D I N G S

By application filed June 11, 1996, Econophone, Inc., of Brooklyn, New York, seeks authority to provide intraLATA and interLATA resold telecommunications services within the state of Nebraska. Notice of the application was published in the Daily Record, Omaha, Nebraska, on June 12, 1996, pursuant to the rules of the Commission. No protests were filed. Hearing on the application was held by video communication on August 20, 1996.

Applicant produced one witness, Monte Banish, who testified: He is assistant secretary of applicant corporation. Applicant's customer base has traditionally resided in Europe. Applicant now seeks to extend its operations in the United States. It has authority in 26 states and has applications in the rest of them. It will use Sprint, MCI and WilTel as underlying carriers. Applicant intends to sell its services through agents solicited in magazine ads. Applicant's target market is small business and residential customers. Exhibit 3 shows applicant's sales materials. It has an 800 number for use of customers to register complaints. A letter of authorization must be in hand before a customers is transferred to applicant's network.

Interexchange reseller applications are subject to Commission jurisdiction under Neb. Rev. Stat. 75-604 and 86-805 and Title 291 of the Commission's Rules and Regulations, Chapter 5, Rule 003.12. From examination of the application filed herein and the testimony adduced at the hearing, the Commission finds applicant has provided all the information required by the Commission; possesses adequate financial resources to provide the proposed service, and possesses adequate technical competency to provide the proposed service. The application should be granted.

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O R D E R

IT IS THEREFORE ORDERED BY THE Nebraska Public Service that Application Number C-1362 be, and it is hereby, granted and Econophone, Inc., of Brooklyn, 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) a 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 its current 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 8th day of October, 1996.

COMMISSIONERS CONCURRING:



//s//Rod Johnson
//s//Frank E. Landis
//s//James F. Munnelly

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman



ATTEST:

Executive Director

