

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) APPLICATION NO. C-1387  
of GTE Midwest, Inc., Wentzville, )  
Missouri, which seeks to obtain a )  
certificate of public convenience ) GRANTED  
and necessity to provide interLATA )  
and intraLATA telecommunications )  
services within the state of )  
Nebraska. ) Entered: September 24, 1996

APPEARANCES:

James C. Stroo, Esq.  
1000 GTE Drive  
Wentzville, Missouri

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

BY THE COMMISSION:

OPINION AND FINDINGS

By application filed August 1, 1996, GTE Midwest, Inc., of Wentzville, Missouri, seeks to obtain a certificate of public convenience and necessity to provide interLATA and intraLATA telecommunication services within Nebraska. Notice of the application was published in the Daily Record, Omaha, Nebraska, on August 5, 1996, pursuant to the rules of the Commission. Hearing on the application was held September 16, 1996, in the Commission Hearing Room with appearances as shown. Applicant produced two witnesses.

Gerald W. Shannon testified: He is manager of regulatory planning. This application was made to allow the company to provide intraLATA and interLATA and operator services to give its customers greater choice as far as the carrier that they would use. Customers would see no difference between their current service and service under GTE. Facilities would be made more efficient and provide the customer with an increase in choices as far as service and rates. GTE proposes an equal access cost recovery rate in its tariff to recover some of the costs of intraLATA equal access.

David M. Anderson testified: He is the state director of external affairs responsible for regulatory, legislative and inter-company relations. Whether or not this application is granted, equal access will become available at the first GTE exchange on the 8th of October. The rate that will be in effect is calculated on a three-year cost recovery mechanism. He estimates the cost somewhere around \$750,000. Customers will select their intraLATA carrier by ballot after the conversion schedule. Customers that are already GTE customers will be defaulted to GTE unless they are marketed away by alternative providers. At present, the provider is US West. GTE has no plans to change the balloting process as it goes forward pending any decisions on what the FCC rules actually say.

Financial reports were filed as late filed Exhibit 1.

Although applicant prefaced its application by stating that, in its opinion, it did not need further authority on grounds that it was covered by Neb. Rev. Stat. 86-805(4), the evidence shows that applicant had not been offering intraLATA service since January, 1987, therefore, this application is appropriate and does require Commission ratification of the proposed offer of service. The evidence further shows that GTE will resell service provided by other carriers.

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.

## O R D E R

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that the request of GTE Midwest, Inc., to offer and provide interLATA and intraLATA interexchange telecommunications services be and it is hereby, approved.

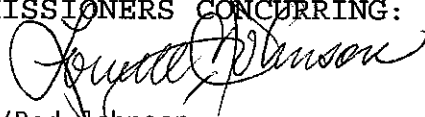
IT IS FURTHER ORDERED that the applicant shall file, in accordance with the applicable statutes on or before April 30th of each year, an annual report with this Commission consisting of (a) a copy of any report filed with the Federal Communications Commission, (b) a copy of any annual report to stockholders, (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 24th day of September, 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