BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1392 of Transcommunications, Inc., of) Chattanooga, Tennessee, seeking) authority to operate as a resale com-) mon carrier of telecommunication) GRANTED services within the state of) Nebraska.) Entered: November 25, 1996

APPEARANCES:

For the Applicant: None

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

BY THE COMMISSION:

OPINION AND FINDINGS

By application filed August 5, 1996, Transcommunications, Inc., of Chattanooga, Tennessee, seeks authority to provide intra-LATA and interLATA resold telecommunications services within the state of Nebraska. Notice of the application was published in the Daily Record, Omaha, Nebraska, on August 7, 1996, pursuant to the rules of the Commission. No protests were filed. Hearing on the application was held by video communication on October 29, 1996.

Applicant produced one witness, Christopher A. Giles, who testified: He is executive vice president of finance for applicant. The application is correct; however, applicant has been authorized to do business in several more states since the application was filed. Thirty states are now served. No complaints have been filed against applicant in any state. Applicant's chief product is prepaid phone cards and some post-billing cards. Most of its sales are sold through stores and truck stops who retail the cards to the end user. Applicant currently offers 29 minutes of calling for ten dollars. Applicant has been in business since October, 1993. Its underlying carriers are MCI (80 percent) and Sprint (20 percent). Ninety-five percent of applicant's stock is held by six shareholders.

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.

Application No. C-1392

Page 2

ORDER

IT IS THEREFORE ORDERED BY THE Nebraska Public Service that Application Number C-1392 be, and it is hereby, granted and Transcommunications, Inc., of Chattanooga, 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) 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 25th day of November, 1996.

CONCURRING:

//s//Rod Johnson

//s//Frank E. Landis

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

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman ATTEST

Executive Director