BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1413 of Telscape USA, Inc., of Houston,) Texas, seeking authority to operate) as a resale common carrier of tele-) GRANTED communication services within the) state of Nebraska.) Entered: November 12, 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 September 11, 1996, Telscape USA, Inc., of Houston, Texas, 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 September 13, 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, E. Scott Crist, who testified: He is president of applicant. The application is complete except that authority has been granted for applicant to operate in Arkansas, Colorado, Utah and Texas. No complaints are pending against applicant in any of those states. Applicant plans to offer outbound long distance and 1+ dialing on a switched and dedicated-to-switched basis. No operator services will be offered. Its target market is small to medium sized businesses. Applicant has a direct sales force and uses some telemarketing. Its advertising and telemarketing script for verification of new subscribers is shown in Exhibit 1. Applicant is a wholly owned subsidiary of Polish Telephone and Microwave Corporation.

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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ORDER

IT IS THEREFORE ORDERED BY THE Nebraska Public Service that Application Number C-1413 be, and it is hereby, granted and Telscape USA, Inc., of Houston, Texas, 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 12th day of November, 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