

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application                    ) Application No. C-1460  
of Destiny Telecomm International,                )  
Inc., Oakland, California, seeking                )  
authority to operate as a resale                    ) GRANTED  
common carrier of telecommunication                )  
services within the state of                        )  
Nebraska.    ) Entered: May 12, 1997

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 December 16, 1996, Destiny Telecomm International, Inc., of Oakland, California, 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 December 18, 1996, pursuant to the rules of the Commission. No protests were filed. Hearing on the application was held by video communication on March 26, 1997.

Applicant produced one witness, Michael W. Milnar, who testified: He is applicant's consultant. Destiny sells its services through agents. It does not use telemarketing. Applicant's principal product is its prepaid calling card. They are sold through agents who are paid a commission on their sales. Customer service is provided through an 800 number which is manned at all times. Applicant's marketing plan has been investigated in several states, all of which resolved their questions in applicant's favor. Applicant is seeking authority in all states. Exhibit 1 shows the status of applicant's filings in 28 states where applications are pending and approval in 22 states. Exhibit 2 shows applicant's balance sheet as of December 31, 1996, with shareholders' equity of more than seven million dollars. Exhibit 3 shows applicant's marketing materials.

Interexchange reseller applications are subject to Commission jurisdiction under Neb. Rev. Stat. Sections 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

Application No. C-1460

Page 2

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 Application Number C-1460 be, and it is hereby, granted and Destiny Telecomm International, Inc., Oakland, California, 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 May, 1997.

COMMISSIONERS CONCURRING:

*Laurel Johnson*

*Anne C. Boyle*

//s//Rod Johnson

//s//Frank E. Landis

//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

*R. Johnson*

ATTEST:

Executive Director

*Robert H. Logsdon*