

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1463
of Family Telecommunications, Inc.,)
Phoenix, Arizona, seeking autho-)
rity to operate as a resale common) GRANTED
carrier of telecommunication ser-)
vices within the state of Nebraska.) Entered: May 6, 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 18, 1996, Family Telecommunications, Inc. (Family) of Phoenix, Arizona, 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 19, 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, Denise Edwards, who testified: She is secretary of applicant. Family wants to offer 1+ dialing, 800 service, calling cards and prepaid debit cards in Nebraska using the underlying facilities of MCI. Applicant sells its services by person to person network marketing and through telemarketing. A copy of its marketing materials is included in the record as Exhibit 1. Customer complaints would be handled through an 800 number. Applicant is authorized to do business in 39 states and has applications pending in 11 other states. Two complaints which were filed against applicant in Nebraska before it filed its application will be cleared before authority is granted. Applicant stipulates that it will pay a civil penalty of \$1,000 to satisfy its violation of Nebraska law (Neb. Rev. Stat. Section 75-604 and 86-805) against doing business in Nebraska without a certificate from this Commission.

Following the hearing, applicant paid the agreed penalty and the complaints pending against applicant by Nebraskans were resolved.

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

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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-1463 be, and it is hereby, granted and Family Telecommunications, Inc., Phoenix, Arizona, is hereby authorized to operate as a resale carrier of intra-state 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 FURTHER ORDERED that quarterly financial statements be filed by applicant within 30 days of the close of each quarter during its first year of operation in Nebraska.

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 6th day of May, 1997.

COMMISSIONERS CONCURRING:

//s//Lowell C. Johnson
//s//Frank E. Landis
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION


Vice Chairman

ATTEST:


Executive Director