

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1483
of Communication Telesystems Inter-)
national, San Diego, California,)
seeking authority to operate as a) GRANTED
resale common carrier of telecommuni-)
cation services within the state of)
Nebraska.) Entered: June 23, 1997

APPEARANCES:

For the Applicant:
Eric Anderson, Esq.
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409 South 17th Street
Omaha, NE 68102-2663

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 February 4, 1997, Communication Telesystems International of San Diego, 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 February 5, 1997, pursuant to the rules of the Commission. No protests were filed. Hearing on the application was held in the Commission Hearing Room on May 20, 1997.

Applicant produced one witness, Esther Rosenthal, who testified: She is an attorney for applicant. Thirty-four states have approved applicant. Five applications are pending in other states. No operator service and no deposits are involved in applicant's operations. Underlying carriers furnish applicant with technical advice. Billing is done through local exchange carriers. An 800 number is continuously manned to respond to customer complaints. A summary of applicant's complaint record at the California Public Utility Commission is shown as Exhibit 6. A copy of applicant's sales contract is shown as Exhibit 5.

Exhibit 6 shows that the number of complaints filed against applicant for unauthorized switching have decreased from 54 in 1995 to 13 in 1996. Only two were filed in the first five months of 1997.

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-1483 be, and it is hereby, granted and Communication Telesystems International, San Diego, 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 23rd day of June, 1997.

COMMISSIONERS CONCURRING:

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:

Executive Director

//s//Rod Johnson

//s//Daniel G. Urwiller