

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1487
Max-Tel Communications, Inc. of)
Alvord, Texas, seeking authority to)
obtain a Certificate of Public) DENIED
Convenience and Necessity to resell)
intrastate local exchange telecom-)
munications services.) Entered: August 12, 1997

APPEARANCES

For the Applicant:
Daniel Ryberg
11823 Arbor Street, Suite 400
Omaha, Nebraska 68144

For the Commission staff:
Hal Hasselbalch
300 The Atrium, 1200 N St.
Lincoln, Nebraska 68508

For Arapahoe Telephone Co.,
Benkelman Telephone Co.,
Cozad Telephone Co., Diller
Telephone Co., Henderson Coop-
erative Telephone and Wauneta
Telephone Co.:
Timothy Clare
1201 Lincoln Mall, #102
Lincoln, Nebraska 68508

BY THE COMMISSION

By application filed February 11, 1997, Max-Tel Communications, Inc. (Max-Tel) of Alvord, Texas, seeks authority to provide local exchange telecommunications services in exchanges served by US West, Sprint-United and GTE of the Midwest in Nebraska. Notice of the application was published in The Daily Record, February 13, 1997. No protests to the application were filed. The Nebraska Telephone Association; the Nebraska Independent Telephone Association; Aliant Communications; Plainview Telephone Company; Arapahoe Telephone Company; Benkelman Telephone Company; Cozad Telephone Company; Diller Telephone Company; Henderson Cooperative Telephone and the Wauneta Telephone Company filed as formal intervenors in the matter. A hearing was held May 20, 1997, in the Commission Hearing Room, Lincoln, Nebraska, with appearances as shown.

EVIDENCE

In support of its application, Daniel Ryberg appeared on behalf of Max-Tel and testified:

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MaxTel will provide prepaid local service in exchanges served by US West, Sprint-United and GTE of the Midwest. The company incorporated in January 1997 in Texas. Max-Tel has applications pending in at least ten other states and has been approved to operate by the state commissions in Kansas and Texas. Information regarding the technical and managerial competency of Max-Tel was unavailable. Current financial information was unavailable.

O P I N I O N A N D F I N D I N G S

On February 8, 1996, the Federal Telecommunications Act was enacted and authorized competition to exist in the local telecommunications industry. Subsequently, this Commission promulgated rules and regulations to establish the criteria that a competitive local exchange carrier must meet to receive a certificate of public convenience and necessity. Pursuant to our rules, technical, financial and managerial competency must be demonstrated, as well as a showing that the applicant will preserve and advance universal service and protect the public safety and welfare.

At the hearing, Max-Tel did not provide sufficient information to demonstrate it was technically, financially or managerially qualified to provide local exchange services in Nebraska. Further, no testimony was offered regarding the provisioning of 911 or E911 services, operator services, directory services or whether the company would participate in a state universal service fund.

Max-Tel was asked to provide the following late-filed exhibits: (1) updated financial statements; (2) telecommunications industry experience and/or educational experience or skills possessed by personnel; (3) managerial experience of personnel; (4) a more accurate break-even analysis; (5) information regarding Max-Tel's shareholders; and (6) information concerning the technical and managerial competency of the person handling customer complaints.

The Commission staff sent a letter to Max-Tel dated May 29, 1997, listing the information that was to be submitted. The information was to be returned on or before June 13, 1997. By letter dated June 10, 1997, Max-Tel asked the Commission to extend the period to provide the requested information by thirty days stating it was necessary due to the extensive nature of the Commission's request.

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On June 23, 1997, the Commission granted Max-Tel's request and gave the company on or before August 1, 1997, to provide the requested information. The Commission staff notified Max-Tel of the extension in writing stating the information must be submitted by August 1, 1997. To date, the information has not been submitted.

Pursuant to the Commission's rules, applicants must demonstrate technical, managerial and financial ability to provide telecommunications services and must demonstrate that it will preserve and advance universal services, as well as protect the public safety and welfare. Max-Tel has made no such demonstration in any of these categories. Max-Tel was given the opportunity to submit information to support its application but has failed to respond. Accordingly, we find the application should be denied.


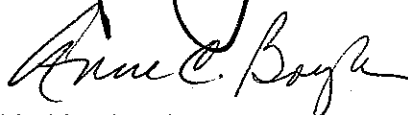
O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1487 be, and it is hereby, denied and Max-Tel Communications, Inc. of Alvord, Texas, shall not operate as a local exchange telecommunications service provider within the state of Nebraska.

MADE AND ENTERED at Lincoln, Nebraska, this 12th day of August, 1997.

NEBRASKA PUBLIC SERVICE COMMISSION

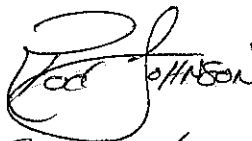

COMMISSIONERS CONCURRING:

//s//Rod Johnson
//s//Frank E. Landis
//s//Daniel G. Urwiller

Chairman

ATTEST:



Executive Director