

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application                    ) Application No. C-1498  
of Southland Corporation, Dallas,                    )  
Texas, seeking authority to operate                ) GRANTED  
as a resale common carrier of tele-                )  
communication services within the                    )  
state of Nebraska.                                    ) Entered: June 23, 1997

APPEARANCES:

For the Applicant:  
Thomas Hennen, Esq.  
2711 N. Haskell Avenue  
Dallas, TX 75204

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 March 7, 1997, Southland Corporation, Dallas, 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 March 11, 1997, pursuant to the rules of the Commission. No protests were filed. Hearing on the application was held by video communication on May 28, 1997.

Applicant produced one witness, Thomas Hennen, who testified: He is an attorney for and assistant secretary of applicant. No state has denied applicant authority. It holds authority in Colorado and Utah and has applications pending in 17 other states. Applicant's principal product is its prepaid calling card which it sells through its network of 7-Eleven stores exclusively. Its underlying carrier is AT&T.

The application shows that applicant has been in business since 1961. The financial reports submitted with the application show that applicant is currently profitable although the balance sheet shows an accumulated deficit of \$1.4 billion. On the basis of its recent performance, the applicant should be considered sound.

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-1498 be, and it is hereby, granted and Southland Corporation, Dallas, 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 23rd day of June, 1997.

COMMISSIONERS CONCURRING:

//s//Rod Johnson

//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:

Executive Director

