

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1520
of KeyArt Communications, Inc., of)
Keystone, Nebraska, seeking)
authority to operate as a resale) GRANTED
common carrier of telecommunica-)
tion services within the state of)
Nebraska.) Entered: June 11, 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 April 11, 1997, KeyArt Communications, Inc., of Keystone, Nebraska, 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 April 15, 1997, pursuant to the rules of the Commission. No protests were filed. Hearing on the application was held in Lincoln on May 28, 1997.

Applicant produced one witness, William Hill, who testified: He is president and chief executive officer of applicant. Its shareholders are shown in the application. Its underlying carrier will be ANPI, Inc., a group that buys time from MCI at present. Applicant's services will be marketed through radio and newspaper advertisements and mailers. Billing of customers will be performed under contract with Keystone-Arthur Telephone Company which will also furnish applicant with technical services. Exhibit 1 shows applicant's business plan.

Applicant has not filed for authority in any other state. It proposes to offer its services to the Keystone and Lemoyne exchanges initially and may eventually offer its services statewide.

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

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required 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-1520 be, and it is hereby, granted and KeyArt Communications, Inc., Keystone, Nebraska, 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 11th day of June, 1997.

COMMISSIONERS CONCURRING:

[Signature]
[Signature]

//s//Rod Johnson
//s//Frank E. Landis

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

[Signature]

ATTEST:

Executive Director

[Signature]