

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-1585  
ASC Telecom, Inc. of Kansas City, )  
Missouri, seeking authority to )  
operate as a resale carrier of )  
intrastate interLATA and intraLATA ) GRANTED  
interexchange telecommunications )  
services and operator services )  
within the state of Nebraska. ) Entered: Sept. 3, 1997

BY THE COMMISSION:

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

By application filed July 1, 1997, ASC Telecom, Inc. (ASC) of Kansas City, Missouri, seeks authority to provide intraLATA and interLATA interexchange telecommunications services and operator services in Nebraska. Notice of the application appeared in the The Daily Record on July 3, 1997. No protests were filed; therefore, this application was administered pursuant to the Commission's Rules of Modified Procedure.

ASC is a wholly owned subsidiary of Sprint Corporation. Applicant was organized in the state of Kansas as a corporation on August 26, 1994. Applicant has received authority to operate in approximately 24 states and plans to become certificated in seven additional states. No state has denied applicant a certificate of authority.

The underlying carrier for the services will be Sprint. The company's name and customer service number are printed on all its bills. In addition, ASC has a toll-free 800 number for customer service, which operates seven days a week, 24 hours a day.

ASC will offer operator services and prepaid card services statewide. ASC operator services will be provided primarily to the hospitality industry and the payphone industry. Prepaid card services will be provided directly to consumers for use throughout the United States.

Applicant indicated that ASC is a new operation, thus no operating results were available. Applicant indicated it would be backed by the financial resources of Sprint Corporation, whose operating results were submitted with this application. Sprint Corporation's revenues grew 10% to \$14 billion in 1996 from 12.8 billion in 1995. Long distance revenues increased 14% to \$8.3 billion in 1996 from \$7.2 billion in 1995. Sprint Corporation's operating income in 1996 was \$1.2 billion, a 23% increase from \$1 billion a year ago.

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, the Commission finds: 1) Applicant has provided all the information required by the Commission; 2) Applicant has access to adequate financial resources to provide the proposed service; 3) Applicant possesses adequate technical competency to provide the proposed service; and 4) The application should be granted.

### O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1585 be, and it is hereby, granted and ASC Telecom, Inc. is hereby authorized to operate as a resale carrier of intrastate interexchange intraLATA and inter-LATA 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) 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 an updated tariff within thirty days.

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.

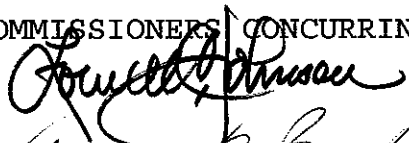

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MADE AND ENTERED at Lincoln, Nebraska this third day of September, 1997.

COMMISSIONERS CONCURRING:

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

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:

  
Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

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