

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1596
of Speer Virtual Media, Ltd.)
of Nashville, Tennessee, seeking)
authority to operate as a resale) GRANTED
carrier of intrastate interLATA)
and intraLATA interexchange)
telecommunications services)
within the state of Nebraska.) Entered: October 21, 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 25, 1997, Speer Virtual Media, Ltd., ("Applicant") of Nashville, Tennessee, seeks authority to provide intraLATA and interLATA interexchange telecommunications services in Nebraska. Notice of the application appeared in The Daily Record on July 29, 1997. No protests were filed; therefore, this application was administered pursuant to the Commission's Rules of Modified Procedure.

Applicant was incorporated under the laws of the state of Nevada on September 28, 1995, and received a certificate of authority to transact business in Nebraska as a foreign corporation on May 8, 1997. Applicant has filed for and plans to become certificated in 21 states. Applicant has authority to operate in eight states. No state has denied applicant a certificate of authority.

Applicant's communications network in Nebraska will utilize the telecommunications facilities of Sprint and other carriers certificated with the Commission. The company's name and customer service number are printed on all its bills. In addition, applicant has a toll-free 800 number for customer service.

Applicant will offer a full range of 1+ interexchange telecommunications, 800 services, calling card, prepaid calling card services, audio conferencing and directory assistance statewide to both residential and business customers.

Applicant was dormant from its inception until January, 1997. Consequently, annual financial statements for the previous three

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years of operations were not available. Financial statements submitted by the applicant indicated for the period ended April 30, 1997 a net loss of \$121,838.60. Staff made additional inquiries of the company to ascertain financial fitness. The applicant presented a projected income statement of operations to the year 1999 and a business plan.

The staff review of the applicant's projections and business plan indicates profitability will be achieved during latter half of 1997. The underlying assumptions and strategies presented in the projections and business plan for profitability appear reasonable. Additionally, the balance sheet indicates that equity funding of \$1,187,900 has been raised by the company. The applicant also has an equity funding commitment with RMS Limited Partnership in the amount of \$3,000,000. Of this amount, \$1,812,100 is available at April 30, 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, 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-1596 be, and it is hereby, granted and Speer Virtual Media, Ltd., 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 Commis-

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sion, (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 a 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.

MADE AND ENTERED at Lincoln, Nebraska this 21st day of October, 1997.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Rod Johnson

Frank E. Landis

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

Chairman

Robert A. Logsdon

ATTEST:

Robert A. Logsdon
Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION
