

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1600
Electric Lightwave, Inc., of)
Vancouver, Washington seeking)
authority to operate as a resale) GRANTED
carrier of intrastate interLATA)
and intraLATA interexchange)
telecommunications services within)
the state of Nebraska.) Entered: Sept. 9, 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 August 4, 1997, Electric Lightwave, Inc. (ELI) of Vancouver, Washington, 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 August 6, 1997. No protests were filed; therefore, this application was administered pursuant to the Commission's Rules of Modified Procedure.

ELI is a wholly owned subsidiary of Citizens Utilities Company. Applicant was organized in the state of Delaware as a corporation on July 18, 1990. Applicant has received authority to operate in approximately 15 states and plans to become certificated in all states. No state has denied applicant a certificate of authority.

All network services are supplied by registered underlying carriers. The company's name and customer service number are printed on all its bills. In addition, ELI has a toll-free 800 number for customer service, which operates seven days a week, 24 hours a day.

ELI will offer business 1+ switched, business 800, business calling cards, directory assistance and prepaid calling card services to the public.

Applicant indicated it would be backed by the financial resources of Citizens Utilities Company, whose operating results were submitted with this application. Financials for ELI for the previous three-year period from 1994 to 1996, were also provided. Citizens Utilities Company revenues grew 18.2% to over \$1.3 billion in 1996 from \$1.1 billion in 1995. Total assets for Citizens increased over 15% to over \$4.5 billion in 1996 from \$3.9 billion in 1995. Citizens operating income grew to over \$296 million in 1996, as compared to \$254 million in 1995. Analysis of ELI's financials indicate the company has incurred operating losses since 1994. However, a review of selected statistical data indicates that there have been sub-

stantial gains in number of route miles, fiber miles and customers served. ELI's customer base has increased to 762 in 1996, as compared to 402 in 1995. ELI's revenues have increased to \$52.5 million in 1996, as compared to \$27.5 million in 1995.

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-1600 be, and it is hereby, granted and Electric Lightwave, Inc. is hereby authorized to operate as a resale carrier of intrastate interexchange intraLATA and interLATA telecommunications services, as well as operator 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.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

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MADE AND ENTERED at Lincoln, Nebraska this 9th day of September, 1997.

COMMISSIONERS CONCURRING:

Rod Johnson
Frank E. Landis

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

NEBRASKA PUBLIC SERVICE COMMISSION

Chairman

ATTEST:

Robert H. Logsdon
Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION
