

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1694
of Atlas Communications, Ltd. of)
Blue Bell, Pennsylvania, seeking)
authority to amend its Certificate)
of Public Convenience and Necessity) GRANTED
to provide local exchange tele-)
communications service within the)
state of Nebraska in the areas)
served by US West and GTE.) Entered: June 30, 1998

APPEARANCES:

For the Applicant:
Nancy Crawford
11404 West Dodge Road
Suite 500
Omaha, NE 68154-2576

For the Commission Staff:
Deonne Bruning
300 The Atrium, 1200 N Street
Lincoln, NE 68508

For Arapahoe, Benkelman,
Cozad, Diller, Hemingford,
Henderson, and Wauneta
Telephone Companies:
Mark Fahleson
1201 Lincoln Mall, Suite 102
Lincoln, NE 68508

BY THE COMMISSION:

On November 25, 1997, Atlas Communications, Ltd. (Atlas or applicant) of Blue Bell, Pennsylvania, filed an application with the Commission requesting a Certificate of Public Convenience and Necessity to provide local exchange telecommunications services in Nebraska. Notice of the application was published in The Daily Record, Omaha, Nebraska, on November 26, 1997. Such notice was accepted into evidence as Exhibit 1. The following parties filed petitions for formal intervention: Aliant Communications, Arapahoe Telephone, Benkelman Telephone, Cozad Telephone, Diller Telephone, Hemingford Cooperative Telephone, Henderson Cooperative Telephone, and Wauneta Telephone. The following parties filed petitions for informal intervention: Nebraska Independent Telephone Association, Cambridge Telephone, Clarks Telephone, Consolidated Telephone, Consolidated Telco, Great Plains Communications, HunTel Systems, and Southeast Nebraska Telephone. Notice of a hearing on the matter was sent by first class mail to all interested parties on April 2, 1998, and was made a part of the record as Exhibit 2. A hearing was held on April 28, 1998, in the Commission Library, Lincoln, Nebraska, with appearances as shown above.

E V I D E N C E

Applicant offered its 1997 audited financial statement into the record and it was admitted as late-filed Exhibit 3.

Applicant offered a stipulation into the record and it was admitted into evidence as late-filed Exhibit 4. The stipulation was signed by all formal and informal intervenors. As a part of the stipulation, before the applicant is allowed to provide local exchange service to its users, it must reach an interconnection agreement with US West Communications, Inc. (US West) and/or GTE Midwest, Inc. (GTE) and receive Commission approval of such agreement and its tariff.

Applicant produced one witness, Patrick Crocker, who testified as follows:

He has provided state and federal regulatory assistance for Atlas since the inception of the company.

Atlas currently has authority to provide resold inter-exchange service in Nebraska pursuant to Application No. C-1251, which was granted on February 13, 1996. It also has authority to provide local exchange service in twenty-five states but has not begun to serve customers on a local basis. It has local exchange applications pending in other states and has never been denied authority in any state.

Atlas possesses the technical, managerial, and financial competency to provide local exchange telecommunications services. Atlas has hired highly-qualified, experienced personnel to handle the growth of the company. Because of this team of personnel, Atlas has revenues nearing \$50 million for the year ending 1997.

Atlas intends to offer a full range of local services. Atlas will not have facilities or employees in Nebraska, but rather will purchase its services from US West and/or GTE. Consumer complaints will be handled with a toll free number already in place. Local service complaints will be handled in the same manner as the long distance service complaints.

Atlas will market its services with its own employees using direct marketing. Occasionally, it may employ outside agents. They have a strict no-slamming policy and always follow one of the four confirmation procedures established by the Federal Communications Commission. They have not yet begun negotiating an interconnection agreement with US West or GTE.

Atlas will serve the public interest by providing competition in the local exchange market with leadership, integrity, and vision. Competition has brought many benefits to the interexchange market, and Atlas believes competitive benefits will also occur in the local exchange market. It will also contribute to the Universal Service Fund.

No other parties introduced testimony or evidence.

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

In accordance with the stipulation reached by the parties and entered into the record, the Commission limits the scope of its review in this application to whether the applicant meets the criteria necessary to provide resold local exchange service in Nebraska in those territories presently served by US West and GTE. After examining the record, the Commission finds that Atlas has demonstrated that it meets the standards of financial, technical, and managerial competence and all other criteria necessary to provide resold local exchange service in those areas stipulated to. No party to this proceeding refuted Atlas's competence. No performance bond is required.

Before Atlas is allowed to provide local exchange service to its users:

- (a) Atlas, either through negotiation or arbitration, must reach an interconnection agreement with the incumbent local exchange carrier;
- (b) The Commission must approve the interconnection agreement; and
- (c) Atlas must file, and the Commission must approve, a tariff in accordance with the provisions of Section 002.21 of Neb. Admin. R. & Regs. tit. 291, ch.5.

Further, prior to providing service to any area outside the US West or GTE service areas, Atlas must obtain additional authority from this Commission to expand its service territory.

The intervenors who participated in the stipulation maintain the right and opportunity to contest any further application of Atlas to expand its service territory. Nothing in the stipulation shall in any way limit Atlas's right in connection with any such future application(s) to demonstrate to the Commission the applicant's satisfaction of any such criteria or standards established by the Commission.

As a provider of local exchange service in the state of Nebraska, Atlas would be subject to the same laws, rules and regulations, both federal and state (including any laws, rules, or regulations regarding universal service, restrictions on joint marketing and quality of service), applicable to any other local exchange company except those obligations imposed on incumbent local exchange carriers pursuant to Section 251(c) of the Act. Therefore, the application to provide such service should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1694 be, and it is hereby, granted.

IT IS FURTHER ORDERED that upon final approval of the interconnection agreement and tariff, Atlas Communications, Ltd. is granted authority to provide resold local exchange service within Nebraska in those territories presently served by US West Communications, Inc. and GTE Midwest, Inc. Atlas Communications, Ltd. must make further application to this Commission for authority to provide local exchange service outside these areas.

IT IS FURTHER ORDERED that Atlas Communications, Ltd. shall abide by the same laws, rules and regulations, both federal and state (including any laws, rules or regulations regarding universal service, restrictions on joint marketing and quality of service), applicable to other local exchange carriers except obligations imposed on incumbent local exchange carriers pursuant to Section 251(c) of the Federal Telecommunications Act.

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 FINALLY ORDERED that this order be, and it is hereby made, the Commission's official Certificate of Public Convenience and Necessity to the applicant to provide local exchange service within the territory described herein.

MADE AND ENTERED at Lincoln, Nebraska, this 30th day of June, 1998.

COMMISSIONERS CONCURRING:

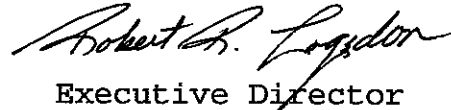


//s//Lowell C. Johnson
//s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION


Chairman

ATTEST:


Executive Director