

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application)	Application No. C-2259
of PDS, Inc. d/b/a Phone Debit)	
Systems, Inc., of Dallas, Texas,)	
seeking authority to operate as)	GRANTED
a resale carrier of intrastate)	
interLATA and intraLATA tele-)	
communications services within)	
the state of Nebraska.)	Entered: July 11, 2000

BY THE COMMISSION:

By application filed April 3, 2000, PDS, Inc. d/b/a Phone Debit Systems, Inc. (PDS) of Dallas, Texas, seeks authority to operate as a resale carrier of intrastate interLATA and intraLATA telecommunications services in the state of Nebraska. Notice of the application was published in The Daily Record, Omaha, Nebraska, on April 4, 2000. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

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

PDS, a Texas corporation, is principally located in Dallas, Texas, and has received authorization from the Secretary of State to conduct business in Nebraska. PDS is presently authorized to provide telecommunications service in five states, and seeks authority in Nebraska on a statewide basis. PDS proposes to offer prepaid debit card services to organizations and commercial entities for use by their members or customers. PDS is a non-facilities-based carrier and will thus utilize the network of existing certificated carriers in Nebraska.

Interexchange reseller applications are subject to Commission jurisdiction under Neb. Rev. Stat. §§ 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 PDS has provided all the information 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 No. C-2259 be, and it is hereby, granted and PDS, Inc. d/b/a Phone Debit Systems, Inc., is authorized to operate as a resale carrier of intrastate interLATA and intraLATA 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)

Application No. C-2259

Page 2

a copy of any report filed with the Federal Communications Commission; (b) a copy of any annual report to stockholders; and (c) a copy of the latest Form 10-K filed with the Securities and Exchange Commission. If these are not available, applicant shall submit a balance sheet and income statement for the previous year of operation, as well as the investment made in telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues and expenses and taxes.

IT IS FURTHER ORDERED that, to the extent applicable, the applicant shall comply with all laws pertaining to, and all rules and regulations promulgated under, the Telecommunications Relay System Act (Neb. Rev. Stat. §§ 86-1302 to 86-1307) and the Nebraska Telecommunications Universal Service Fund Act (Neb. Rev. Stat. §§ 86-1402 to 86-1410).

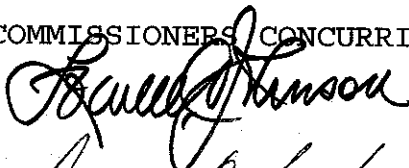
IT IS FURTHER ORDERED that applicant file its current tariff prior to offering service pursuant to the certificate granted in this order.

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 July, 2000.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

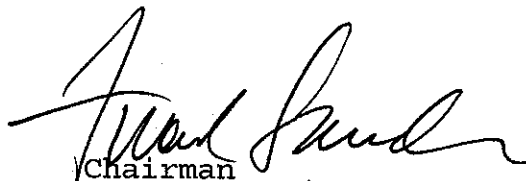




//s//Rod Johnson

//s//Frank E. Landis

//s//Daniel G. Urwiller


Chairman

ATTEST:


Deputy Director