

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-2566
of Direct One, L.L.C. of Santa)
Ana, California, seeking authority)
to operate as a resale carrier of) GRANTED
intrastate interLATA and)
intraLATA telecommunications)
services within the state of)
Nebraska.) Entered: October 30, 2001

BY THE COMMISSION:

By application filed July 5, 2001, Direct One, L.L.C. (Direct One) of Santa Ana, California seeks authority to operate as a resale carrier of intrastate interLATA and intraLATA telecommunications services within the state of Nebraska. Notice of the application was published in The Daily Record, Omaha, Nebraska, on July 9, 2001.

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

Direct One, a California corporation, is principally located in Santa Ana, California and is authorized to conduct business in Nebraska. Direct One is in the process of filing for certification nationwide. At no time has the applicant or any of its members been involved in a formal complaint or other investigatory enforcement proceeding.

Direct One intends to provide service originating from and terminating to points located throughout the state of Nebraska. The applicant is a switchless reseller of interexchange telecommunication services. Direct One originates calls via feature group D purchased by Direct One's underlying carrier from the local exchange carrier. The calls are routed over switched access facilities to the nearest underlying carrier's point of presence. The underlying carrier transports the calls to its switch and terminates calls over its own terminating network.

All network switching equipment and transmission facilities used by Direct One are owned and operated by their underlying carriers. As a result of its minimal investment and the incremental nature of its expenses, Direct One expects to break even in Nebraska during the first month of service and earn a profit after that time.

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 Direct One 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-2566 be, and it is hereby, granted and Direct One, L.L.C. 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) 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 day of 30th day
of October, 2001.

COMMISSION

NEBRASKA PUBLIC SERVICE

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director