

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application    ) Application No. C-2812  
of ePHONE Telecom, Inc. of            )  
Herndon, Virginia, seeking            )  
authority to operate as an            ) GRANTED  
interexchange carrier of            )  
telecommunications services           )  
within the state of Nebraska.        ) Entered: October 29, 2002

BY THE COMMISSION:

On September 16, 2002, an application was filed by ePHONE Telecom, Inc. (ePHONE) of Herndon, Virginia, seeking authority to operate as an interexchange carrier of telecommunications services within the state of Nebraska. Notice of the application was published in The Daily Record, Omaha, Nebraska, on September 19, 2002. 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

ePHONE is a Florida corporation with its headquarters in Herndon, Virginia. ePHONE has been authorized by the Secretary of State to transact business in the state of Nebraska as a foreign corporation. No officer, director or shareholder having five percent or more of the applicant's voting securities has been involved in a formal complaint or other investigatory or enforcement proceeding.

Applicant is a non-facilities-based interexchange carrier providing phone-to-phone voice-over Internet protocol (VOIP) telecommunications services to residential and small business customers. Applicant is solely dependent on the technical capabilities of its underlying carriers. Applicant proposes to offer switched prepaid long distance telecommunications services suitable for voice applications 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 ePHONE 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-2812 be, and it is hereby, granted and ePHONE Telecom, Inc., is authorized to operate as an interexchange carrier of 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 a 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 29th day of October, 2002.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director