

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-3003
of Capsule Communications, Inc.)
of Chattanooga, Tennessee, seek-)
ing authority to operate as a) GRANTED
resale common carrier of tele-)
communications services within)
the state of Nebraska.) Entered: September 23, 2003

BY THE COMMISSION:

On August 18, 2003, an application was filed by Capsule Communications, Inc. (Capsule) of Chattanooga, Tennessee, seeking authority to operate as a resale common carrier of telecommunications services within the state of Nebraska. Notice of the application was published in The Daily Record, Omaha, Nebraska, on August 20, 2003. 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

Capsule is a Delaware corporation with its headquarters in Chattanooga, Tennessee. Capsule has been authorized by the Secretary of State to operate in Nebraska as a foreign corporation.

Applicant is a switch-based interexchange resale carrier, which intends to provide switched and dedicated-to-switched interexchange telecommunications services in the state of Nebraska. Applicant proposes to offer switched and dedicated access 1+ long distance telecommunications service suitable for voice and limited data applications along with prepaid calling cards, postpaid calling cards, toll-free service and directory assistance.

Interexchange reseller applications are subject to Commission jurisdiction under Neb. Rev. Stat. §§ 86-128 and 86-129 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 Capsule 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-3003 be, and it is hereby, granted and Capsule Communications, Inc., is authorized to operate as a resale common 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. §§ 86-301 to 86-315) and the Nebraska Telecommunications Universal Service Fund Act (Neb. Rev. Stat. §§ 86-316 to 86-329).

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 23rd day of September, 2003.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director