

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application    ) Application No. C-3331  
of BCN Telecom, Inc.,                )  
Bedminster, New Jersey, seeking    )  
authority to operate as a resale    ) GRANTED  
common carrier of                    )  
telecommunications services in       )  
the State of Nebraska.               ) Entered: March 22, 2005

BY THE COMMISSION:

By its application filed January 10, 2005, BCN Telecom, Inc. of Bedminster, New Jersey (Applicant), seeks authority to operate as a resale common carrier of telecommunications services in the state of Nebraska. Notice of the application was published in the Daily Record, Omaha, Nebraska, on January 20, 2005. 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

In the application, Applicant stated that it is a corporation organized under the laws of the state of New Jersey and is authorized to transact business in the state of Nebraska. Telecom Acquisition, LLC (Acquisition) is the only shareholder of the Applicant having a beneficial interest of five percent (5%) or more in the voting securities. Acquisition owns 2,500 shares which comprises 100% of the shares issued, shares outstanding and voting shares. The application also states that the Applicant is authorized to provide and is providing telecommunication services throughout the United States and in no instance has any application been denied or rejected. Applicant proposes to provide its services throughout the entire state of Nebraska.

Applicant stated it is a switch-based interexchange resale carrier, which intends to provide switched and dedicated switched interexchange telecommunications services to all persons or businesses desiring to purchase its service. Applicant further stated that it proposes offering these services in the state of Nebraska. Applicant submits it possesses the requisite managerial and technical expertise to offer the proposed services. Qwest and other certificated underlying carriers will supply all network services. Applicant neither owns nor leases equipment or facilities used for transport of telecommunications in Nebraska. Additionally, Applicant will depend on the technical capabilities of its underlying carriers. Applicant also stated that it will bill customers utilizing real-time completed call detail information

from Applicant's underlying carriers. Moreover, Applicant's customer service will be performed in-house; however, it does not provide alternative services nor does it own or lease facilities in the state of Nebraska.

Applicant intends to provide switched and dedicated to switched interexchange telecommunications services on an interstate basis pursuant to FCC rules and regulations. The application also stated that the Applicant proposes to offer "1+" long distance telecommunications services suitable for voice and limited data applications in the state of Nebraska, along with prepaid calling cards, postpaid calling cards, toll-free service and directory assistance. Applicant does not propose to provide alternative operator services nor require advance payments or deposits.

A copy of Applicant's financial statement is filed within the application under separate cover as "Confidential" and is listed as Application Exhibit 3. Also, the Applicant attached its proposed tariffs establishing its proposed services to the application as Exhibit 4.

Applicant states approval of this application will serve the public interest of Nebraskans as its proposed intrastate telecommunications services are developed to serve the long distance needs of subscribers who can not otherwise realize similar cost savings through major carriers. Further, Applicant stated an increase in the traffic generated through provision of Applicant's proposed intrastate services over existing major carriers' communications facilities will improve the efficiency and reduce major carriers' costs in provision of these services. Additionally, Applicant stated that the public will benefit from greater consumer choice created through the broadening of innovative telecommunications service alternatives and ongoing affordable rates maintained by the additional competitive pressure placed on other competitors.

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 that Applicant 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-3331 be, and it is hereby, granted and BCN Telecom, Inc., is authorized to operate as a resale carrier of intrastate 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 22<sup>nd</sup> day of March, 2005.

NEBRASKA PUBLIC SERVICE COMMISSION  
COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director