#### BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application	)	Application No. C-4702
of Skywave Wireless, Inc., West	)	
Point, Nebraska, seeking	)	
authority to operate as a	)	
facilities-based local exchange	)	GRANTED
and interexchange carrier of	)	
telecommunications services	)	
within the State of Nebraska.	)	Entered: November 4, 2014

## BY THE COMMISSION:

On August 8, 2014, an application was filed with the Nebraska Public Service Commission ("Commission") by Skywave Wireless, Inc., ("Skywave" or "Applicant") of West Point, Nebraska. Applicant seeks authority to operate as a facilities-based local exchange and interexchange carrier of telecommunications services in the State of Nebraska. Notice of the application was published in <a href="The Daily Record">The Daily Record</a>, Omaha, Nebraska, on August 13, 2014. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

# EVIDENCE

Applicant is a privately held corporation, organized under the laws of the State of Nebraska. Applicant has been authorized by the Secretary of State to operate in Nebraska as a foreign corporation. Applicant currently provides Internet and Voice over Internet Protocol (VoIP) telephone services to business and residential customers in West Point, Nebraska and surrounding communities. 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 seeks to provide facilities-based local exchange and interexchange telecommunications services state-wide Nebraska. Applicant proposes to provide switched and dedicated access telecommunications services suitable for voice limited data applications in the State of Nebraska. states it will initially install equipment necessary to connect to its existing softswitch and equipment to provide DSL service in West Point. Such connection will also connect Applicant's network to upstream providers to establish a national reach for Applicant's network. Skywave expects to deploy additional facilities as traffic volume and demand increases. Applicant states it will provide its own billing services and customer service available through a toll-free number 24 hours a day. The Applicant has contracted with ConneXon Telecom, based in

Montreal, Quebec, to provide 911 services for its VoIP customers.

In support of its managerial, technical and financial capabilities, Applicant submitted a description of its senior officer's management and telecommunications experience. Applicant further supplemented its application with financial statements and a \$300,000 Letter of Credit.

Applicant states that a grant of the proposed application is in the public interest because Applicant's proposed services are designed to compete with other local carriers and long distance providers by providing high quality, fairly-priced, innovative telecommunications services. Skywave further states its entry into the market will make efficient use of existing communications resources and increase diversification and reliability in the supply of communications services. Finally Applicant states its services will aid the expansion of the telecommunications industry in Nebraska and promote attendant employment opportunities for Nebraska citizens.

## OPINION AND FINDINGS

The Commission considers this application for authority in light of the following criteria and standards established in the Commission's telecommunications rules:

- (a) Whether the Applicant has provided the information required by the Commission;
- (b) Whether the Applicant has provided a performance bond, if required;
- (c) Whether the Applicant possesses adequate financial resources to provide the proposed service;
- (d) Whether the Applicant possesses adequate technical competence and resources to provide the proposed service;
- (e) Whether the Applicant possesses adequate managerial competence to provide the proposed service; and
- (f) Whether granting the Applicant a certificate preserves and advances universal service, protects the public safety and welfare, ensures the continued quality of telecommunications services, and safeguards the rights of consumers, pursuant to Section 253(b) of the Act.

Applicant has demonstrated that it meets the standards of technical and managerial competence necessary to provide service in the State of Nebraska. Applicant has provided documentation of a \$300,000 Letter of Credit for the Benefit of the Commission to meet the financial competence requirements necessary for authority. The Commission shall review the financials of the company every year upon the filing of the Applicant's annual report pursuant to statute. In the event the Letter of Credit is still required to demonstrate required financial competence, Applicant shall provide documentation of a satisfactory Letter of Credit for the subsequent year.

These opinions and findings carry no precedential value other than establishing minimum standards and criteria to apply when considering applications to provide local exchange and interexchange service in the above-mentioned territories. All telecommunications carriers seeking such a certificate must demonstrate that they meet, at a minimum, the standards and criteria set forth herein.

Before the Applicant is allowed to provide local exchange service to its users, it must either:

- (a) Through negotiation or arbitration, reach an interconnection/resale agreement with the pertinent incumbent local exchange carrier and receive Commission approval of the interconnection/resale agreement; or
- (b) In the event a certified local exchange carrier provides a wholesale tariff, purchase rates from that tariff, file its own tariff and receive Commission approval of its tariff.

This order does not terminate, waive or in any manner diminish the exemptions and protections created by the Act for rural carriers as defined by the Act. This order does not address the issue of the rural local exchange carrier exemption under the Act. Rural exemptions may be terminated, suspended or modified only as provided in Section 251(f) of the Act.

Prior to providing service in any area in the State of Nebraska, Applicant must file tariffs in accordance with the provisions of Section 002.21 of the Neb. Admin. R. & Regs. Title 291, Chapter 5.

Upon the offering of interexchange and/or local exchange services in the State of Nebraska, Applicant would be subject to the same laws, rules and regulations, both federal and state (including any laws, rules or regulations regarding universal

service, restrictions on joint marketing and quality of service), applicable to any other local exchange and interexchange carriers, except those obligations imposed on ILECs pursuant to Section 251(c) of the Act.

### ORDER

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4702, be, and it is hereby, approved.

IT IS FURTHER ORDERED that the Applicant comply with Section 251(f)(1)(B) of the Telecommunications Act of 1996 and that the Applicant submit any bona fide request(s) for interconnection, services or network elements from a rural telephone company to the Commission for its approval.

IT IS FURTHER ORDERED that Applicant is obligated to abide by the same laws, rules and regulations, both federal and state (including any laws, rules or regulations regarding universal service, restrictions on joint marketing and quality of service), applicable to any other interexchange and local exchange carriers, except obligations imposed on incumbent local exchange carriers pursuant to Section 251(c) of the Act.

IT IS FURTHER ORDERED that, to the extent Applicant provides access line service as referenced in the Telecommunications Relay System Act, Neb. Rev. Stat. §§ 86-301 through 86-315 (Relay Act) and defined in Neb. Admin. R. & Reg. Title 291, Chapter 5 § 001.01B, the Applicant shall collect from its subscribers a surcharge (Relay Surcharge) pursuant to the relay act and the Commission's annual orders establishing the amount of the surcharge, and shall remit to the Commission the proceeds from the relay surcharge as provided by the relay act.

IT IS FURTHER ORDERED that the Applicant comply with all necessary statutes and Commission Rules and Regulations as they pertain to the Nebraska Universal Service Fund.

IT IS FURTHER ORDERED that Applicant shall file, in accordance with the applicable statutes, on or before April 30 of each year, an annual report with the Commission consisting of: (a) a copy of the ARMIS Report filed with the Federal Communications Commission if applicable; (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 such reports are unavailable, Applicant shall file a balance sheet and income statement for the previous year of operation, and for the State of Nebraska on a combined interstate-intrastate basis,

the investment in the telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues, operating expenses and taxes.

IT IS FURTHER ORDERED that within 30 days from the entry of this order that the Applicant file a tariff with the Commission as required by state statutes and the Commission's regulations.

IT IS FINALLY ORDERED that this order be, and hereby is, made the Commission's official Certificate of Public Convenience and Necessity to the Applicant to provide local exchange and interexchange telecommunications services in the State of Nebraska.

MADE AND ENTERED at Lincoln, Nebraska, this  $4^{\rm th}$  day of November, 2014.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Vice Chairman

ATTEST:

Executive Director

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//s//Gerald L. Vap

Executive Director