

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. C-2526  
of Fast Phones of Nebraska, Corp. )  
of Lincoln, Nebraska seeking )  
authority to obtain a Certificate ) GRANTED  
of authority to provide )  
prepaid resold flat rate local )  
exchange services in the state )  
of Nebraska. ) Entered: August 21, 2001

APPEARANCES:

For the Applicant:	For the Commission:
Steven G. Seglin	Shanicee Knutson
Crosby, Guenzel, LLP	Wayne Bena
134 South 13th Street, Suite 400	300 The Atrium, 1200 N Street
Lincoln, Nebraska 68508	Lincoln, Nebraska 68508

BY THE COMMISSION:

By its application filed May 4, 2001, Fast Phones of Nebraska, Corp., (Fast Phones, Applicant) Lincoln, Nebraska seeks authority to provide prepaid resold flat rate local exchange telecommunications services in the state of Nebraska. Notice of the application appeared in The Daily Record, Omaha, Nebraska, on May 7, 2001. No petitions of Formal intervention were filed. A hearing on the application was held June 27, 2001, in the Commission Hearing Room, Lincoln, Nebraska, with appearances as shown above.

E V I D E N C E

In support of its application, the applicant produced one witness, Bonnie Fox, President, who testified as follows:

Ms. Fox testified that the applicant is a privately-held company organized under the laws of the state of Nebraska and has its headquarters in Lincoln, Nebraska. Applicant has obtained authority to transact business in the state of Nebraska. It is a wholly-owned subsidiary of Fast Bucks Franchising, Inc., and will rely on said parent company for all financial support.

Applicant has been authorized to provide local exchange telecommunications services in Iowa since March of 2000. The applicant was denied a certificate in Nebraska on April 11, 2000, because it failed to provide sufficient evidence that it had the technical and managerial experience to provide the service for which it sought authority.

Ms. Fox testified that the applicant intends to provide service to business and residential customers in Nebraska on a resale basis. As such, it is seeking a certificate to provide prepaid resold flat rate local exchange telecommunications services in the exchanges currently served by Qwest, ALLTEL and Citizens.

The Applicant proposes to offer a limited range of services, including unlimited local calling, access to 911, toll-free services, call waiting, caller ID, call forwarding, three-way calling, speed dial and call return. However, as the service is prepaid, service blocks will be placed on toll, directory assistance, directory assistance call completion, operator-assisted inbound collect and third number billed calls. Customers would have access to customer service through a toll-free 800 number.

Ms. Fox presented testimony on Fast Phones' technical and managerial qualifications to provide the services it proposes to offer within the state of Nebraska. She testified that Fast Phones has over a year of experience in providing the same services in Iowa without any complaints from customers or the Iowa Commission. She had attended a seminar in Salt Lake City conducted by Qwest. At this seminar she learned to use Qwest's computer software in order to interface with Qwest computer network. She testified that she was now competent to place orders, request additional services, terminate service and complete other required tasks. She also testified that she was competent to bill the customers for the services provided by the Applicant. She also testified that she would contact ALLTEL and Citizens to learn how to interface with their respective computer networks and that she believed that their systems were similar to Qwest's.

Ms. Fox also testified that the Applicant has made arrangements with Americom Communications Corporation located in Lincoln, Nebraska, to assist with ordering, billing and service, if needed.

The applicant has also made arrangements with Businessphone Systems of Lincoln, Nebraska, to assist with the resolution of problems on end users' premises.

According to Ms. Fox, Fast Phones is financially qualified to provide telecommunications services in Nebraska. To demonstrate its financial fitness, the applicant provided financial statements as of January 31, for 2001 and 2000. Fast Bucks Franchising's 2001 and 2000 financial statements, in her opinion, clearly demonstrate that there is ample capital to compete effectively in the market for resold prepaid flat-rate competitive local exchange telecommunications services in Nebraska.

Ms. Fox believes that granting the Applicant a certificate to offer competitive local service will benefit Nebraska consumers. The prepaid local service industry provides the only means of telephone service for many residential and business customers that cannot obtain service from traditional carriers. By providing service to this unserved segment of society, prepaid local carriers serve the public interest by fulfilling universal service goals of the Telecommunications Act of 1996 (the Act) and state law. Finally, prepaid local carriers bring choice to residential and

business consumers who may have been overlooked by other competitive local carriers.

No other parties introduced testimony or evidence at the hearing.

O P I N I O N   A N D   F I N D I N G S

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 financial, technical and managerial competence and all other criteria necessary to provide local exchange service in the proposed territories. No evidence was submitted or testimony elicited to suggest that the Applicant is not qualified to provide its proposed services in light of the criteria this Commission must consider.

This order does not terminate, waive or in any manner diminish the exemptions and protections created by the Federal Telecommunications Act of 1996 (the Act) for rural carriers, as defined by the Act. This order does not address the issue of the rural local exchange carriers' exemption under the Act. Rural exemptions may be terminated, suspended or modified only as provided in Section 251(f) of the Act.

For the above reasons, the Commission is of the opinion and finds that Application No. C-2526 should be granted.

## O R D E R

IT IS THEREFORE ORDERED by the Commission that Application No. C-2526 be, and it is hereby, granted and Fast Phones of Nebraska, Corp., is authorized to obtain a Certificate of Public Convenience and Necessity provide prepaid resold flat rate local exchange services in the state of Nebraska.

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 other 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 the Applicant provides access line service as referenced in the Telecommunications Relay System Act, Neb. Rev. Stat. §§ 86-1302 to 86-1306 (Relay Act) and defined in Neb. Admin. R. & Regs. tit. 291, ch. 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 Relay 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 FINALLY ORDERED that this order be, and it is hereby, made the Commission's official Certificate of Public Convenience and Necessity to the Applicant to provide local exchange service within the authorized territories in Nebraska.

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MADE AND ENTERED at Lincoln, Nebraska, this 21st day of August, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Lowell J. Thomas*

*Frank E. Landis*

*Anne C. Boyle*

//s//Frank E. Landis

*Anne C. Boyle*

Chairman

ATTEST:

*Ad S. Pollack*

Executive Director

