

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of) Application No. C-1332
the Nebraska Public Service) DC-19
Commission Communications Department)
seeking an order to cease and desist)
operations and to revoke the certi-) COMPLAINT SUSTAINED
ficates of public convenience and)
necessity issued to the defendants)
named below.) Entered: August 1, 1996

APPEARANCES:

For the Communications Department:

Deonne L. Bruning
300 The Atrium, 1200 N Street
P.O. Box 94927
Lincoln, NE 68508

PRELIMINARY MATTERS

On May 3, 1996, the petition in the caption above was filed by the Communications Department (the "Department") of the Nebraska Public Service Commission (the "Commission") by and through its Director, M. Gene Hand, and petitioned the Commission to revoke the intrastate operating authority of the following telecommunications companies (the "Defendants") for failing to file an annual report pursuant to Neb. Rev. Stat. § 86-807 (Reissue 1994):

ACC National Long Distance; C-1123
Alternate Communications Tech.; C-894
American Teletronics LD; C-943
American TelGroup, Inc.; C-1241
AmeriVision Communications; C-947
Caribbean Telephone, Inc.; C-1203
Capital Network System, Inc.; C-1037
Central Payphones Services; C-1193
Century Telecomm, Inc.; C-1229
Clear Choice Comm. Inc.; C-1158
Corporate Telemanagement; C-932
Dial & Save of Nebraska; C-1154
Equal Net Communications; C-986
GSTNET, Inc. d/b/a/ITG; C-1226
GlobeNet Communications Ltd.; C-1174
Great Lakes Telecommunications; C-1137
GTE TSI; C-1070
IDT America Corporation; C-1112
InTeleCom, Inc.; C-1268
InVision Telecom, Inc.; C-1208
LDDS Metromedia Communications/WorldCom; C-1238

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LDD, Inc.; C-1184
Lubbock Radio Paging; C-942
Metropolitan Fiber Systems-NE; C-1092
MFS Intelenet of Nebraska; C-1076
Mid-Com Communications; C-924
MTC Telemanagement Corp.; C-1185
Network Services, Inc.; C-795
NOSVA Limited Partnership; C-1062
One to One Communications; C-1120
Pegasus Information Systems, Inc.; C-944
PowerNet Communications, Inc.; C-1151
QAI, Inc. d/b/a Long Distance Billing; C-1240
Smartel Communications, Inc.; C-1134
Teledial America, Inc.; C-1271
Telegroup, Inc.; C-981
Tele-Trend Communications, Inc.; C-1053
TelTrust Communications; C-1102
TotalTel USA Comm.; C-1098
Touchtone Network, Inc.; C-1117
Trans National Comm.; C-913
Universal Network Svs. of Nebraska; C-1113
WATS/800 Inc.; C-901
Wats International Corp.; C-1135
World Call Telecom/West Coast Tel.; C-1069
WillTel, Inc./WorldCom; C-1160
WorldTel Services, Inc.; C-964
and XIEEX; Telecommunications, Inc. C-1124

The above-named defendants were sent via certified mail a copy of said petition notifying them of the departmental complaint.

On June 4, 1996, the complaint was sustained against all defendants; however, defendants who timely responded to the complaint and filed an annual report were given the option to negotiate a settlement with the staff in order to be dismissed from the complaint. Numerous companies signed stipulations agreeing to pay administrative fines for failing to file their annual reports on or before April 30, 1996. These companies have been dismissed from the complaint.

BY THE COMMISSION

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

Being fully advised in the premises, the Commission is of the opinion and finds:

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The defendants remaining in this docket are telecommunications companies generally regulated by the Commission pursuant to Neb. Rev. Stats. 75-101 et seq. (1994 Cum. Supp.) and 86-801 to 86-811 (Reissue 1994). These companies are also governed by Title 291, NAC Ch. 5 of the Commission's Rules and Regulations.

As part of its regulatory authority and pursuant to 86-807, the Commission, through its Communications Department, requires telecommunications companies which file an annual report with a federal agency to file a copy of the same report with the Commission on or before the date on which said report is filed with the federal agency. Every such company not required to file such a report with a federal agency shall file an annual report with the Commission in a form prescribed on or before April 30 of each year.

In the case of the defendants, proper and complete annual reports were not filed for 1995, as of the date of the petition. Each company was notified by the staff two times by first class mail, January 5, 1996 and April 1, 1996, that the annual report was due. None of the defendants responded with a report satisfying the Commission's requirements.

When the petition was filed, copies of the petition were sent to the defendants via certified mail. The certified receipts have been marked as exhibits and entered into the record. Further, the companies were faxed hearing notices, where fax numbers were available, and copy of the transmission receipts were also entered into the record. No defendant made an appearance at the July 16, 1996 hearing.

The defendants are regulated telecommunications companies operating in Nebraska, and as such are subject to the Commission's jurisdiction and the statutes and rules established by the Legislature and the Commission to regulate them in the public interest. One of the basic regulatory requirements is that companies with the status of the defendants file an annual report on or before April 30 of each year.

Based on the failure of the defendants to file the required annual report and each company's disregard of the requests to do so, each defendant's certificate of authority should be revoked and each company ordered to cease and desist operation in Nebraska. The defendants include:

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Caribbean Telephone, Inc.
Corporate Telemanagement
GlobeNet Communications
GTE TSI
Network Services, Inc.
PowerNET Communications
Tele-Trend Communications
WATS/800 Inc.

Clear Choice Comm. Inc.
Equal Net Communications
Great Lakes Telecommunications
IDT America Corp.
One to One Communications
Teledial America, Inc.
Touchtone Network, Inc.
Wats International Corp.

World Call Telecom/West Coast Tel. is dismissed from the docket without prejudice, as it submitted a satisfactory report under its parent Frontier Communications.

Great Lakes Telecommunications filed a letter with the Commission, after the hearing notice was sent, indicating the company filed to reorganize under Chapter 11 of the Bankruptcy Act. The company demonstrated no indication of its inability to comply with the state statutes until the day of the hearing by facsimile. The company had numerous occasions to file a report with the Commission and we further find that an appearance should have been made. The facsimile notice does not relieve the company of its statutory obligations and we therefore revoke this company's certificate.

Teledial America, Inc. filed an annual report once the petition was entered. However, the company did not sign a stipulation or pay an administrative fine. The company was personally contacted by the staff and also was sent a sample stipulation. The company received a hearing notice, but did not appear at the hearing or respond.

Alternate Communications Tech., MTC Telemanagement Corp., Pegasus Information Systems, Inc. and WorldTel Services, Inc. all filed a timely report and were included in the original petition in error. These companies are not defendants in this docket.

Based upon the above information, the Commission is hereby of the opinion that the petition be sustained.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-1332 / DC-19 filed by the Communications Department of the Nebraska Public Service Commission be, and it is hereby sustained.

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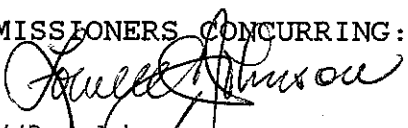
IT IS FURTHER ORDERED that the named defendants shall cease and desist operations within the state of Nebraska. The defendant's respective Certificates of Public Convenience and Necessity are hereby revoked.

IT IS FURTHER ORDERED that the named defendants shall not provide intrastate interexchange intraLATA and interLATA services in the state of Nebraska until granted a Certificate of Public Convenience and Necessity.

MADE and ENTERED at Lincoln, Nebraska, this 1st day of August, 1996.


NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:


//s//Rod Johnson
//s//Frank Landis
//s//Daniel G. Urwiller

Chairman

ATTEST:


Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION
