

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

M. Gene Hand, Director,) Departmental Complaint 27
Communications Department,) Application No. C-1824
Nebraska Public Service)
Commission, Lincoln,)
Nebraska, Complainant,)
vs.) ORDER TO SHOW CAUSE
Cherry Communications, Inc.,)
Lombard, Illinois,)
Defendant.) ENTERED: June 16, 1998

BY THE COMMISSION:

On the motion filed by complainant in this matter on June 15, 1998, the Nebraska Public Service Commission (Commission) finds and orders as follows:

OPINION AND FINDINGS

Complainant, M. Gene Hand, presented preliminary evidence that Cherry Communications, Inc. (defendant) of Lombard, Illinois, has incurred severe financial losses for the 1997 year and filed Chapter 11 bankruptcy in October of 1997. Specifically, complainant alleged:

1. Complainant is Director of the Department of Communications of this Commission.
2. On March 7, 1996, defendant obtained a conditional Certificate of Public Convenience and Necessity to operate as a reseller of intrastate interLATA and intraLATA interexchange telecommunications services in Nebraska in Application No. C-1183.
3. Due to concerns regarding Cherry Communications, Inc.'s financial fitness, defendant was required to submit financial statements on a timely basis. Such statements have not been filed.
4. The Commission has jurisdiction in this matter because defendant provides intrastate telecommunications services in Nebraska.
5. The defendant's financial reports indicate a severe net operating loss for the year of 1997.
6. In October of 1997, the defendant filed Chapter 11 bankruptcy. The status of the bankruptcy proceeding is unknown to the Commission.

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7. Defendant's financial instability is not in the public's interest.
8. Staff has been unable to obtain information as to the status of defendant's bankruptcy proceeding and current financial standing.

Accordingly, the Commission finds that the defendant should be ordered to show cause why the Commission should not (1) revoke defendant's Certificate of Public Convenience and Necessity to operate as a reseller of intrastate interLATA and intraLATA interexchange telecommunications services in Nebraska pursuant to Neb. Rev. Stat. Section 75-133 (1996), and (2) order the defendant to cease and desist from offering telecommunications services in Nebraska pursuant to Neb. Rev. Stat. Section 75-133 (1996).

O R D E R

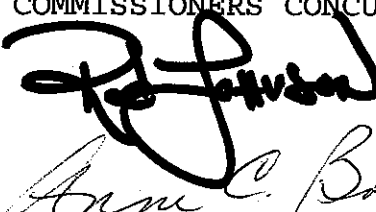
IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Cherry Communications, Inc. of Lombard, Illinois, be, and it is hereby, ordered to show cause why the Commission should not (1) revoke defendant's Certificate of Public Convenience and Necessity to operate as a reseller of intrastate interLATA and intraLATA interexchange telecommunications services in Nebraska pursuant to Neb. Rev. Stat. Section 75-133 (1996), and (2) order the defendant to cease and desist from offering telecommunications services in Nebraska pursuant to Neb. Rev. Stat. Section 75-133 (1996).

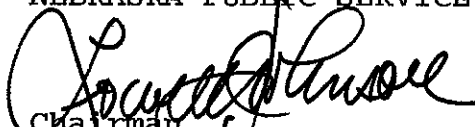
IT IS FURTHER ORDERED that the defendant appear personally before this Commission at a hearing in this matter in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln, Nebraska, on August 11, 1998, at 1:30 p.m.

MADE AND ENTERED at Lincoln, Nebraska, this 16th day of June, 1998.

COMMISSIONERS CONCURRING:

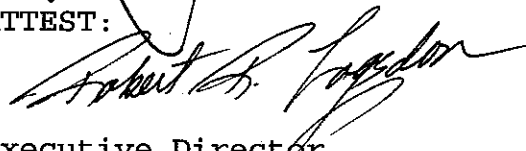
NEBRASKA PUBLIC SERVICE COMMISSION




Chairman



ATTEST:


Executive Director

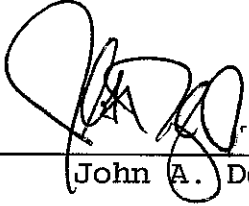
//s//Lowell C. Johnson
//s//Frank E. Landis

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing ORDER TO SHOW CAUSE was sent by registered certified mail to the defendant Cherry Communications, Inc. and its officers at 1919 South Highland Avenue, Building D, Suite 129, Lombard, Illinois 60148, on the 17th day of June, 1998.



John A. Doyle, Jr.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION
