BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of the Nebraska Public Service Commission Communications Department seeking an order to cease and desist operations and to revoke the certificate of public convenience and necessity issued to the following Defendants: Amer-I-Net Services, CLM Associates, Convergent Comm., LDDS Metromedia Comm., National Telephone & Comm., Payline Systems, Inc., Silverado Comm. Corp., Telegroup Inc., Tel-Save, Inc., UniDial, Inc., West Coast Telecomm, Inc. DEFENDANTS.	Departmental Complaint No. 007 Docket C-1078 PETITION TO REVOKE OPERATING AUTHORITIES AND CEASE AND DESIST OPERATIONS IN NEBRASKA

BY THE COMMISSION:

OPINION AND FINDINGS

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 petitions the Commission to revoke the intrastate operating authority of the following telecommunications companies (the "Defendants"):

Amer-I-Net Services Corp. (C-878, April 16, 1991);
CLM Associates (C-905, December 3, 1991);
Convergent Comm., Inc. (C-863, January 15, 1991);
LDDS Metromedia Comm. (C-1044, February 8, 1994);
National Telephone & Comm. (C-902, March 31, 1992);
Payline Systems, Inc. (C-792, May 30, 1990);
Silverado Comm. Corp. (C-889, July 16,1991);
Telegroup, Inc. (C-981, June 30, 1993);
Tel-Save, Inc. (C-930, September 1, 1992);
UniDial, Inc. (C-1022, December 13, 1993); and
West Coast Telecomm., Inc. (C-973, June 16, 1993).

In its original order in Application No. C-878, the Commission granted Amer-I-Net Services Corp. ("Amer-I-Net") authority to operate as a resale carrier of intrastate interLATA interexchange telecommunications services in

Printed with soy ink on recycled paper

Nebraska. As such, Amer-I-Net is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-905, the Commission granted CLM Associates ("CLM") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, CLM is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-863, the Commission granted Convergent Communications, Inc. ("Convergent") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, Convergent is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-1044, the Commission granted LDDS Metromedia Communications ("LDDS") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, LDDS is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-902, the Commission granted National Telephone and Communications ("National") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, National is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-792, the Commission granted Payline Systems, Inc. ("Payline") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, Payline is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-889, the Commission granted Silverado Communications Corp. ("Silverado") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, Silverado is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-981, the Commission granted Telegroup, Inc. ("Telegroup") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, Telegroup is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-930, the Commission granted Tel-Save, Inc. ("Tel-Save") authority to provide interLATA interexchange telecommunications services in

Printed with soy ink on recycled paper

Nebraska. As such, Tel-Save is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-1022, the Commission granted UniDial, Inc. ("UniDial") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, UniDial is a "telecommunications company" for purposes of regulation in Nebraska.

In its original order in Application No. C-973, the Commission granted West Coast Telecommunications, Inc. ("West Coast") authority to provide interLATA interexchange telecommunications services in Nebraska. As such, West Coast is a "telecommunications company" for purposes of regulation in Nebraska.

The Defendants are telecommunications companies generally regulated by the Commission pursuant to Neb. Rev. Stats. § 75-101 et seq. (1990 Reissue) and §86-801 to 86-811 (Reissue 1987 and Cum. Supp. 1992.). These companies are also governed by Title 291 NAC Ch. 5 of the Commission's telecommunications rules.

As part of regulatory authority and pursuant to §86-807, the Commission, through its Communications Department, requires telecommunications companies, which file an annual report with a federal regulatory agency, to file a copy of same 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 each of the Defendants, no such annual reports were filed for 1993, as of April 30, 1994, nor has one been filed since that date to the date of this petition. Each company was notified by the Staff two times, by first class mail January 10 and May 9, 1994 that the annual report was due. None of the companies responded with a report or even acknowledged the Staff's letters.

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 regulatory requirements is that companies with the status of the Defendants file an annual report on or before April 30 of each year.

Printed with soy ink on recycled paper

Based on the failure of the Defendants to file the required annual report and each company's ignorance of the requests to do so by the Staff, each Defendant's certificate of authority should be revoked and each company ordered to cease and desist operations in Nebraska.

We take this opportunity to note that Payline Systems, Inc. and Silverado Communications also failed to timely file their annual reports in 1992. A similar petition was filed against these companies in 1993. Both companies were ultimately dismissed from the docket, as the subject of the petition was satisfied. The Commission will not tolerate this behavior, and strongly admonishes these companies for their continual failure to comply with its established rules and regulations.

WHEREFORE, the Department petitions this Commission to set this matter for hearing after Defendants have answered this departmental complaint and then revoke each certificate of authority previously issued to:

Amer-I-Net Services Corp. (C-878, April 16, 1991);
CLM Associates (C-905, December 3, 1991);
Convergent Comm., Inc. (C-863, January 15, 1991);
LDDS-Metromedia Communications (C-1044, February 8, 1994);
National Telephone & Comm. (C-902, March 31, 1992);
Payline Systems, Inc. (C-792, May 30, 1990);
Silverado Comm. Corp. (C-889, July 16, 1991);
Telegroup, Inc. (C-981, June 30, 1993);
Tel-Save, Inc. (C-930, September 1, 1992);
UniDial, Inc. (C-1022, December 13, 1993); and
West Coast Telecomm., Inc. (C-973, June 16, 1993)

and further to order each company to cease and desist operating in Nebraska without a lawful grant of authority.

M. Gene Hand, Director
Nebraska Public Service Commission
Communications Department
300 The Atrium, 1200 N Street
P.O. Box 94927
Lincoln, NE 68509

Printed with soy ink on recycled paper

Deonne L. Niemack

Deonne L. Niemack #20127
Legal Counsel
Nebraska Public Service Commission
Communications Department
300 The Atrium, 1200 N Street
P.O. Box 94927
Lincoln, NE 68509
(402) 471-3101

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on the _____ day of _____, 1994, the foregoing departmental complaint was served on the following companies and their last known representatives by mailing the complaint to each by United States certified mail, postage prepaid.

Amer-I-Net Services, Corp.
Mark W. Kelley
300 Corporate Center Drive
Manalapan, NJ 07726

CLM Associates
Dave Hinshaw
Room 4520
Growth 1801 California
Denver, CO 80202

Convergent Communications, Inc.
Cameron Chapman
8717 W. 110th St., Suite 460
Overland Park, KS 66210

LDDS Metromedia Communications
Karen Torres
13120 Ash Court
Thornton, CO 80241

National Telephone & Communications
Ed Jacobs
2801 N. Maine
Irvin, CA 92714

Printed with soy ink on recycled paper

Payline Systems, Inc.
Phil V. Barcellona
921 S.W. Washington, Suite 250
Portland, OR 97205

Silverado Communications Corp.
c/o Peoples Telephone Company
Steve Alexander
8041 N.W. 14th Street
Miami, FL 33126

Telegroup, Inc.
Fred Gratzon
505 N. 3rd Street
Fairfield, IA 52556

Tel-Save, Inc.
Daniel M. Borislow
22 Village Square
Logan Square, Suite 22-23
New Hope, PA 18938

UniDial, Inc.
Ed Wampler
P.O. Box 43958
Louisville, KY 40253

West Coast Telecommunications, Inc.
Richard Frockt
135 East Ortega St.
Santa Barbara, CA 93101

Deonne L. Niemack

Deonne L. Niemack, Legal Counsel
Communications Department
Nebraska Public Service Commission

Printed with soy ink on recycled paper