

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO ALLEGED)	
UNAUTHORIZED ACTIVITIES OF MCI)	
TELECOMMUNICATIONS CORPORATION)	
_____)	CASE NO.
)	90-428
ALLEGED VIOLATIONS OF KRS CHAPTER)	
278)	

ORDER TO SHOW CAUSE

The Commission has information indicating that MCI Telecommunications Corporation ("MCI") has been providing or seeking to provide unauthorized rates and services in violation of KRS Chapter 278, specifically KRS 278.160, in that it may be offering telecommunications services not approved by the Commission.

Exhibit 1, attached hereto and incorporated herein, is a Corporate Account Service Plus Letter of Understanding under which MCI proposed to offer telecommunications services to NCN Communications, Inc. ("NCN") for resale. NCN currently has an application pending before the Commission¹ seeking approval to operate as a reseller of long distance telecommunications

¹ Case NO. 90-099, The Application of NCN Communications, Inc. As a Reseller of Telecommunications Services Within the Commonwealth of Kentucky.

services, but is not yet authorized to provide service in Kentucky.

The Commission finds from this information that a prima facie showing has been made that MCI may have charged rates and provided services not contained in filed schedules of its currently effective tariff in violation of the provisions of KRS Chapter 278 and that an investigation should be opened regarding any and all unauthorized rates and service being provided by MCI.

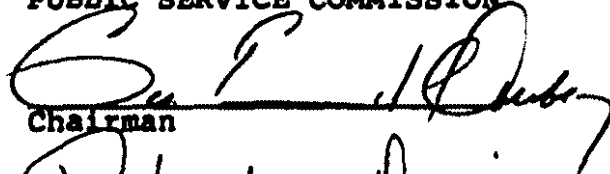
IT IS THEREFORE ORDERED that:

1. MCI shall immediately cease and desist from charging any and all rates and charges and providing any service not contained in its schedules of rates and conditions of service filed with and approved by the Commission.

2. Within 20 days of the date of this Order, MCI shall file a written response showing cause, if any, why it should not be fined pursuant to KRS 278.990 for violations of KRS Chapter 278 and be required to refund all unauthorized rates and charges collected.

Done at Frankfort, Kentucky, this 4th day of January, 1991.

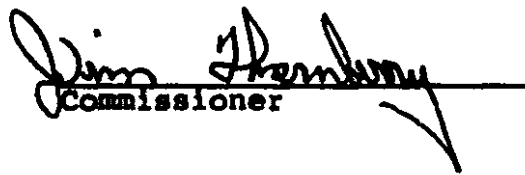
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner

Complete this form (please type) to enroll your new and existing MCI accounts in MCI Corporate Account Service PLUS. Forward the white and yellow copy to your MCI Representative, and keep the pink copy for your records.

COMPANY NAME NCN COMMUNICATIONS, INC DBA		
National Communications Network		
CONTACT NAME Ron Pratt	CONTACT TITLE VP Finance OPERATIONS	PHONE NUMBER (602) 497-8425
CONTACT ADDRESS 1440 N. Fiesta Blvd. Suite 100 P.O. Box 2000		
CITY Gilbert	STATE AZ	ZIP CODE 85234
BILLING CONTACT Ron Pratt		PHONE NUMBER (602) 497-8425
Address for Management Reports (if Different than Above)		Billing address for CAS PLUS Monthly Fee (if Different than Above)
COMPANY NAME Same As Above		COMPANY NAME Same As Above
ADDRESS		ADDRESS
CITY	STATE	ZIP CODE
CITY	STATE	ZIP CODE
CONTACT NAME		CONTACT NAME
CONTACT TITLE	PHONE NUMBER	CONTACT TITLE
		PHONE NUMBER

Enrollment Information
 Number of Accounts to be Enrolled: New: X Existing: Total: 2000

Local Account's Desired Billing Address
 Invoices sent to each location.
 Invoices sent to company address as indicated above.

Equal Access Conversion Authorization
 Please enroll company locations in MCI Long Distance Service as available.

I hereby accept responsibility for all conditions listed in the MCI Corporate Account Service PLUS Letter of Understanding and the terms and conditions set forth in MCI's Tariff FCC No. 1, Section B-6.03 (Your local MCI Sales Office can provide you with a copy of this tariff upon written request, and will be happy to help you enroll your locations into the program.)

Customer Signature X *Ron Pratt* Date JULY 11, 1990
 Customer Name NCN COMMUNICATIONS, INC
DBA National Communication Network
 Title VP ~~Finance~~ OPERATIONS

FOR MCI USE ONLY

CONT NUMBER	DUWS NUMBER	SALES REP I NAME	SALES REP I SSN
CAS PLUS ACCOUNT NUMBER	CAS SALES CITY NAME/CODE	SALES REP II NAME	SALES REP II SSN
MCI CARD <input type="checkbox"/> Private Label <input type="checkbox"/> Custom Card	ESTIMATED MONTHLY USAGE	SALES MANAGER SIGNATURE	

Understanding for enrollment in MCI's Corporate Account Service PLUS. To enroll your accounts, please read this carefully. Fill in the required information on the attached enrollment form, and return both forms to your MCI Representative.

MCI Corporate Account Service PLUS is an option offered in accordance with MCI's Tariff FCC No. 1. MCI Corporate Account Service PLUS is an option offered to organizations that will accept financial responsibility for new or existing MCI accounts. Combined long distance usage charges on MCI Card, PRISM PLUS, and PRISM I must total at least \$25,000 per month for savings to be realized under this program. Your MCI Representative will provide you with specific details on the monthly usage threshold your company must attain to achieve maximum savings under CAS PLUS.

Based on the conditions listed below, customers who elect this option will receive the following benefits:

- MCI's broad selection of services including Dial 1, MCI Card, Prime Calling Option, PRISM PLUS, PRISM I, PRISM II, PRISM III, and WATS to meet the varying long distance needs of each of your company's locations.
- Free monthly cost management reports that feature usage statistics by service for each location.
- Dedicated Corporate Account Service Representative to provide you and your company's locations premier service and support.
- Maximum volume discounts available, regardless of the usage per enrolled location. These discounts will be in addition to MCI's already low rates.
- Additional savings for all locations enrolled in PRISM PLUS, PRISM I, and MCI Card.
- Conversion, at your request, to MCI Long Distance Service when Equal Access becomes available.
- Quality connections on every call over MCI's state of the art network.

Customer Responsibilities

Indicate, by signing the attached enrollment form, that you will assume financial responsibility for all accounts enrolled in the program. Place your Company Contact's name, title, and address on the enrollment form.

List the new and existing Dial 1, MCI Card, Prime Calling Option, PRISM PLUS, PRISM I, PRISM II, PRISM III, and WATS accounts to be enrolled, and the desired billing address for these accounts. (You may choose whether you want all invoices sent to the Contact's address or to each individual location's address.)

Maintain your active MCI accounts so their combined monthly usage meets the program requirements by:

- Adding additional accounts whose usage will increase your company's combined monthly usage total.
- Increasing monthly usage of existing accounts.

The Contact should notify MCI in writing of changes to be made on the list of enrolled accounts (e.g. address changes, additions or deletions of accounts, etc.).

The customer agrees to a one year enrollment commitment. Customers who elect to cancel their CAS PLUS agreement prior to the completion of the one year commitment will still be financially responsible for the \$1,500 monthly fee for those months remaining. Customers who migrate to MCI's Vnet service will be exempt from this penalty.

The customer's financial responsibility for all accounts will commence on the date of the account's enrollment in the program. Payments for existing accounts must be up to date to qualify for enrollment in Corporate Account Service PLUS.

MCI Responsibilities

Before enrollment, MCI will assist the Contact in identification of existing MCI accounts affiliated with the customer.

After enrollment, MCI will provide the Contact a monthly summary report listing enrolled accounts and showing:

- Account name, address, account number, and install date by service type for each account.
- Monthly domestic and international usage charges, additional volume discounts, other charges, and total amount invoiced, plus number of calls and minutes for each enrolled location.
- Total number enrolled and combined monthly usage by service option.
- A summary of current invoices.
- MCI will waive the monthly \$1,500 CAS PLUS fee during the first three full billing months for all new customers.

Indicate that you have reviewed and received a copy of this document by signing below:

Customer Signature: X Ronald W Pratt

Date: JULY 11, 1990

Customer Name: RONALD W PRATT

Title: VP OPERATIONS

MCI Representative Signature: X Barbara S Will

Date: 7/11/1990

MCI Representative Name Barbara S Will