

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

WEBNET COMMUNICATIONS, INC.)
)
_____) CASE NO. 2001-123
)
ALLEGED VIOLATION(S) OF KRS 278.535)

O R D E R

WebNet Communications, Inc. ("WebNet") is a communications provider as defined in KRS 278.535(1)(a), is authorized to do business in Kentucky, and is subject to the Commission's jurisdiction. WebNet is a foreign corporation (identification number 0480433) authorized by the Office of the Secretary of State of the Commonwealth of Kentucky to do business in Kentucky as of September 16, 1999. The records maintained by the Office of Secretary of State show that the principal place of business is 8260 Greensboro Drive, McLean, Virginia 22102 and show that the registered agent is CSC-Lawyers Incorporating Service Company, 421 West Main Street, Frankfort, Kentucky 40601.

KRS 278.535(1)(a) prescribes statutory procedures for the proper changing of any Kentucky customer's primary telecommunications carrier.

COUNT I

1. On or about July 25, 2000, Debra Carter reported to Commission Staff by telephone that her long-distance carrier had been changed to WebNet without her authority or permission. Ms. Carter's telephone number is [REDACTED].

2. After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Ms. Carter by which she properly authorized the carrier change.

COUNT II

1. On or about April 23, 2001, Magdalen Collie reported to Commission Staff by telephone that her long-distance carrier had been changed to WebNet without her authority or permission. Ms. Collie's telephone number is [REDACTED].

2. After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Ms. Collie by which she properly authorized the carrier change.

COUNT III

1. On or about August 7, 2000, Karen Hunt reported to Commission Staff by telephone that her long-distance carrier had been changed to WebNet without her authority or permission. Ms. Hunt's telephone number is [REDACTED].

2. After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Ms. Hunt by which she properly authorized the carrier change.

COUNT IV

1. On or about September 13, 2000, Zellene Salyers reported to Commission Staff by telephone that her long-distance carrier had been changed to WebNet without her authority or permission. Ms. Salyers's telephone number is [REDACTED].

2. After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Ms. Salyers by which she properly authorized the carrier change.

COUNT V

1. On or about July 5, 2000, Kenneth Schnitker reported to Commission Staff by telephone that his long-distance carrier had been changed to WebNet without his authority or permission. Mr. Schnitker's telephone number is [REDACTED].

2. After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Mr. Schnitker by which he properly authorized the carrier change.

COUNT VI

1. On or about July 31, 2000, Kathy Strouth, Johnny Strouth's wife, reported to Commission Staff by telephone that Mr. Strouth's long-distance carrier had been changed to WebNet without his authority or permission. Mr. Strouth's telephone number is [REDACTED].

2. After investigation, Commission Staff has been unable to obtain or secure any written authorization or electronically recorded authorization of Mr. Strouth by which he properly authorized the carrier change.

Based upon the foregoing, IT IS HEREBY ORDERED that:

1. Within 45 days of the date of receipt of this Order, WebNet shall submit to the Commission a response to the allegations stated above. The answer shall be accompanied by the following:

a. A copy of all canceled checks (front and back) issued to the subscribers.

b. A notarized statement from the local exchange carrier ("LEC") listing each customer's name, address, phone number, amount of WebNet charges accrued to date, and the total amount of the adjustment to each bill after removal of WebNet charges, or a notarized statement from the LEC stating the customer's name, address, phone number, and the total dollar amount paid by the LEC to WebNet.

c. All documentation supporting any claim by WebNet that the carrier change was authorized by the customer including, but not limited to, letters of authority or electronically recorded third-party verification. If WebNet is unable to supply such documentation, it shall supply a notarized statement by the individual or individuals responsible for obtaining such documentation, explaining why such documentation is unavailable.

d. WebNet shall also supply an alphabetized list of all people in Kentucky contacted for the purposes of soliciting long-distance service and the sources from which it obtained the names of those persons.

e. A list of all telemarketers representing WebNet whose sales of long-distance service have been challenged by Kentucky residents as stated in this Order.

f. All evidence, documents, and a list of witnesses that WebNet plans to call and/or introduce at hearing, together with a brief description of the issues regarding which each witness will testify.

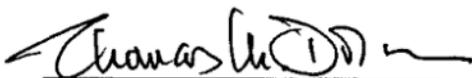
2. WebNet shall appear on August 13, 2001 at 1:30 p.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky for the purpose of showing cause why it should not be subject to penalties pursuant to KRS 278.990(1) and KRS 278.535(6) for the alleged violations of law described herein.

3. Any request for an informal conference with the Commission Staff to consider matters which would expedite the handling or disposition of this proceeding shall be filed with the Commission no later than 30 days from the date of receipt of this Order.

Done at Frankfort, Kentucky, this 22nd day of May, 2001.

By the Commission

ATTEST:


Executive Director