

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF THE FAILURE	)	
OF CERTAIN NON-DOMINANT	)	
TELECOMMUNICATIONS PROVIDERS	)	CASE NO. 2001-329
TO PAY ASSESSMENTS PURSUANT	)	
TO KRS 278.140	)	

O R D E R

By this Order, the Commission serves notice upon certain non-dominant telecommunications providers who have filed tariffs to provide service in Kentucky, whose names and last-known addresses appear on an appendix attached hereto, that they shall, within 30 days of the date of this Order, show cause why they should not be subject to penalties pursuant to KRS 278.990 for failure to comply with KRS 278.130 through KRS 278.150. In the absence of such showing, their authorization to provide service in this Commonwealth shall be revoked, their tariffs removed from the Commission's files, and their names stricken from the Commission's list of active utilities without further Order.

KRS 278.140 requires each utility to file, on or before March 31 of each year, a report of its gross earnings or receipts derived from intrastate business for the preceding calendar year. Based upon these reports, the Commission certifies to the Revenue Cabinet and the Finance and Administration Cabinet the intrastate revenue so collected. KRS 278.150. The Revenue Cabinet then, for the purpose of maintaining the

Commission, assesses each utility in proportion to its receipts for intrastate business for the preceding calendar year. KRS 278.130. The assessment is to be paid by July 31. KRS 278.150(2). The minimum to be paid by each utility is fifty dollars (\$50). KRS 278.130(1). KRS 278.990(3) provides for penalties for failure to pay an assessment pursuant to the foregoing statutes.

The utilities listed in the appendix to this Order have not paid assessments. Accordingly, it appears that they are subject to the penalties enumerated in KRS 278.990(3). However, it is not clear that these carriers currently provide, or have ever provided, service in this Commonwealth. Moreover, it appears that continued pursuit of the assessments and penalties provided for by KRS Chapter 278 would consume more of the Commission's limited resources than would be warranted.

Telecommunications is increasingly competitive, and regulatory oversight over such carriers is minimal. Pursuant to KRS 278.512, this Commission no longer issues a certificate for initial operations of non-dominant telecommunications carriers.<sup>1</sup> Each such carrier simply files a tariff with the Commission, supplies necessary information regarding its corporate structure, and provides the name and address of its contact person for regulatory purposes.<sup>2</sup> Few such carriers maintain an office in Kentucky. Nevertheless, as utilities with tariffs in this state, the carriers are responsible for complying with statutory and regulatory requirements that continue to apply, including KRS 278.130, KRS 278.140, and KRS 238.150.

---

<sup>1</sup> See Administrative Case No. 359, Exemptions for Interexchange Carriers, Long-Distance Resellers, Operator Service Providers and Customer-Owned, Coin-Operated Telephones (Order dated June 21, 1996); Administrative Case No. 370, Exemptions for Providers of Local Exchange Service Other Than Incumbent Local Exchange Carriers (Order dated January 8, 1998).

<sup>2</sup> Id.

Based on the foregoing, the Commission concludes that the public interest would best be served by sending this Order, by certified mail to the regulatory contact person submitted pursuant to 807 KAR 5:003 by each of the utilities listed in the appendix, putting each such utility on notice that it shall show cause in writing to this Commission within 30 days from the date of this Order why it should not be subject to the penalties prescribed in KRS 278.990 for failure to comply with the statutes cited herein. The tariff of any utility failing to respond to this Order shall be removed from the Commission's files, its name stricken from the Commission's list of active utilities without further Order, and its authority to operate revoked. A utility choosing not to respond to this Order shall immediately notify any customers it currently serves that the utility no longer provides service in Kentucky and that the customer must obtain service from another carrier.

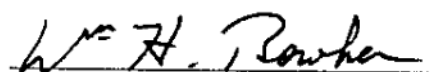
Should any utility whose tariff is stricken under the terms of this Order later wish to file a tariff to provide service in this Commonwealth, the assessments and penalties for its failure to comply with Kentucky law, together with accrued interest at the statutory rate of 6 percent, shall be payable prior to the institution of service.

IT IS SO ORDERED.

Done at Frankfort, Kentucky, this 23<sup>rd</sup> day of October, 2001.

By the Commission

ATTEST:

  
Deputy Executive Director

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC  
SERVICE COMMISSION IN CASE NO. 2001-329 DATED 10/23/01

Maureen Swift  
Director of Regulatory Affairs  
ACC TeleCom, Inc.  
400 West Avenue  
Rochester, New York 14611

Chander Khurana, President  
ACS Tel Com, Inc.  
100 Merrick Road, Suite 116W  
Rockville Center, New York 11570

Donald Angle, President  
Alliance Network, Inc.  
1340 Poydras Street  
New Orleans, Louisiana 70112

John Shaikh  
America Net, Inc.  
3435 Wilshire Boulevard, Suite 1090  
Los Angeles, California 90010

William Williams, President  
American Nortel Communications  
7201 East Camelback, Suite 320  
Scottsdale, Arizona 85251

Dan Ott, Regulatory Manager  
Comtex Corporation  
2201 Sixth Avenue, Suite 101  
Seattle, Washington 98121

Daniel Allen  
Consolidated Bill Provider, LLC.  
7 Shingle Oak Drive  
Voorhees, New Jersey 08043

Harold Shankland, President  
Cybersentry, Inc.  
412 East Madison Street, Suite 1215  
Tampa, Florida 33602

Jerry Gibson, Sr., CEO  
Legends Communications, Inc.  
2500 Windy Ridge Parkway, Suite 365  
Atlanta, Georgia 30339

Will Gray, President  
Local Business Billing, Inc.  
656 Transfer Road  
St. Paul, Minnesota 55114

Allan Barash, President  
Long Distance Services, Inc.  
50 West Big Beaver, Suite 145  
Troy, Michigan 48084

Vernon Mulanix, General Manager  
Priority Communications International,  
Inc.  
Post Office Box 248  
Lapeer, Michigan 48446

Stephen Conkling  
PNV.net, Inc.  
11711 N.W. 39<sup>th</sup> Street  
Coral Springs, Florida 33065

Richard Dewitt, President  
Quest Telecommunications, Inc.  
c/o Teltrust, Inc.  
6322 South 3000 East  
Salt Lake City, Utah 84121

Peter Stazzone, President  
Satlink 3000, Inc.  
800 West Flint Street  
Chandler, Arizona 85225

James Grabowski, President  
Special Accounts Billing Group, Inc.  
1523 Withorn Lane  
Inverness, Illinois 60067

Melinda Wines  
Assistant Secretary  
Telscape USA, Inc.  
2700 Post Oak Road, Suite 1000  
Houston, Texas 77056

Steve Swenson  
Vice President and General Counsel  
Teltrust Communications Services, Inc.  
221 North Charles Lindbergh Drive  
Salt Lake City, Utah 84116-2872

Robert Shields, Jr., President  
Transtar Communications, L.C.  
Post Office Box 211807  
Bedford, Texas 76095

Twister Communications Network, Inc.  
North Sixth Street  
Conroe, Texas 77301