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April 25, 2001

Bill Feldman
Assistant Director
Filings Division
Kentucky Public Service Commission
211 Sower Blvd
PO Box 615
Frankfort KY 40602-0615

05111400

Re: American Cyber Corporation d/b/a Discount Plus f/k/a Key Communications
and
Coleman Enterprises, Inc. d/b/a Local Long Distance

Dear Mr Feldman:

Please be advised that we are the attorneys for American Cyber Corporation d/b/a Discount Plus f/k/a Key Communications ("DP") and Coleman Enterprises Inc. d/b/a Local Long Distance ("LLD"). Pursuant to Kentucky Revised Statutes, Chapter 278.140, we provide the following information.

In the fall of 1999, DP's and LLD's wholesaler stopped paying them their portion of the revenues generated by the companies' customers. Although DP and LLD believed that the wholesaler had violated the contracts between them, the wholesaler's actions eventually left DP and LLD without any funds to pay the companies' operating expenses, including the fees owed to various regulatory agencies throughout the country. Eventually, on August 16, 2000 DP and LLD filed for Chapter 11 bankruptcy protection in the United States Bankruptcy Court for the District of Minnesota. The court file number of DP's bankruptcy is 00-33477 and LLD's is 00-3476.

In addition to the bankruptcy, DP and LLD also initiated litigation against their wholesaler. One of the bases for the action against the wholesaler is that it was not providing DP and LLD with information regarding revenue from customers. For example, DP and LLD did not receive revenue information for 1999 until the fall of 2000. The companies have not yet received revenue figures for the year 2000. For this reason, DP and LLD are unable to file the Kentucky

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Public Service Commission Report of Gross Operating Revenues Derived from Intra-Kentucky Business for the Year Ending December 31, 2000.

Through the litigation and bankruptcy, DP and LLD are in the process of stabilizing their financial situation and business operations. The companies intend to obtain information regarding revenue and to address their past-due obligations, including the obligations to the Commission.

Based on the foregoing, DP and LLD request that the Commission forego any enforcement action against them based on their failure to file the Report of Gross Operating Revenues Derived from Intra-Kentucky Business for the Year Ending December 31, 2000. Because they need revenue from their customers to complete their reorganization under the bankruptcy code, DP and LLD would like to continue doing business in Kentucky. Please note that our research indicates that if Kentucky cancels or suspends the certificates in order to protect its pecuniary interest in the contributions owed by DP and LLD, Kentucky would be violating the automatic stay imposed by 11 U.S.C. § 362. Thus, any such action would be void or voidable. Nevertheless, DP and LLD would like to cooperate with the Commission. Accordingly, please contact me to discuss how DP and LLD can retain their certificates in light of the foregoing information.

Thank you for your attention to this matter and your anticipated cooperation.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

Patrick D. Crocker
PDC/jam

