

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of)
TELE-PHONE-COMMUNICATION, INC.,)
for a license to provide local exchange services) Case No. U-11230
in the Detroit LATA exchanges currently served by)
Ameritech Michigan and GTE North Incorporated.)

_____)
)
In the matter of the application of)
IMAGE PAGING OF MICHIGAN, INC., d/b/a)
IM-TEL, for a license to provide basic local) Case No. U-11348
exchange service in the Detroit, Southfield,)
and Royal Oak district exchanges.)

_____)
)
In the matter of the application of)
MID-AMERICAN TELEPHONE COMPANY)
for a license to provide basic local exchange) Case No. U-11755
service in the Detroit LATA exchanges served by)
Ameritech Michigan.)

_____)
)
In the matter of the application of)
UNITED STATES TELECOMMUNICATIONS, INC.,)
d/b/a TEL COM PLUS, for a license to provide basic) Case No. U-11809
local exchange telecommunications services as a)
reseller in the Michigan exchanges of Ameritech)
Michigan and GTE North Incorporated.)

_____)
)
In the matter of the application of)
CALL UP, INC., for a license to provide basic)
local exchange service in the upper peninsula) Case No. U-11810
exchanges served by Ameritech Michigan and)
CenturyTel of the Upper Peninsula.)

_____)
)
In the matter of the application of)
JATO OPERATING TWO CORP. for a)
license to provide resold and facilities-based) Case No. U-12029
local exchange telecommunications service in the)
state of Michigan in the exchange areas served by)
Ameritech Michigan and GTE North Incorporated.)

In the matter of the application of)
OMNIPLEX COMMUNICATIONS GROUP, LLC,)
for the issuance of a license to provide basic local)
exchange service in all of the exchanges currently)
served by Ameritech Michigan and GTE North)
Incorporated.)
_____)

Case No. U-12040

In the matter of the application of)
NET-TEL CORPORATION for a license to)
provide basic local exchange service throughout)
Michigan in the zones and exchanges served by)
Ameritech Michigan and GTE North Incorporated.)
_____)

Case No. U-12048

In the matter of the application of)
NTEGRITY TELECONTENT SERVICES, INC.,)
for a license to provide local exchange services)
in the LATA exchanges currently served by)
Ameritech Michigan.)
_____)

Case No. U-12055

In the matter of the application of)
THE FREE NETWORK, L.L.C., for a license to)
provide resold local exchange telecommunications)
services throughout the state of Michigan in the)
exchange areas of Ameritech Michigan and GTE)
North Incorporated.)
_____)

Case No. U-12056

In the matter of the application of)
O1 COMMUNICATIONS OF MICHIGAN, LLC,)
for a license to provide resold and facilities-based)
local exchange and interexchange telecommunica-)
tions services throughout the state of Michigan in)
the exchange areas of Ameritech Michigan and)
GTE North Incorporated.)
_____)

Case No. U-12171

In the matter of the application of)
USBG, INC., for a license to provide local)
exchange services in the LATA exchanges)
currently served by Ameritech Michigan.)
_____)

Case No. U-12355

In the matter of the application of
TALLGRASS COMMUNICATIONS, INC., for
a license to provide basic local exchange service
throughout the state of Michigan in the exchange
areas of Ameritech Michigan and Verizon North
Incorporated, f/k/a GTE North Incorporated.

Case No. U-12425

In the matter of the application of
MAVERIX.NET, INC., for a license to
provide local exchange service on both
a resold and facilities basis.

Case No. U-12455

In the matter of the application of
SERVISENSE.COM, INC., for a license
to provide basic local exchange service.

Case No. U-12522

In the matter of the application of
TELICOR INC. for a license to provide basic
local exchange service throughout the state of
Michigan in the zone and exchange areas served
by Verizon North Inc., Verizon North Systems,
and Ameritech Michigan.

Case No. U-12663

In the matter of the application of
PATHNET OPERATING, INC., for a license to
provide basic local exchange service to customers
in the exchange areas served by Ameritech
Michigan, Verizon North Inc., and Contel of the
South, Inc., d/b/a Verizon North Systems, in the
Detroit, Grand Rapids, Lansing, and Saginaw
LATAs.

Case No. U-12673

In the matter of the application of
**ZEPHION NETWORKS COMMUNICATIONS,
INC.**, f/k/a Domino Networks Communications, Inc.,
for a license to provide facilities based and resold
switched and dedicated local exchange telecommuni-
cations services in all exchanges and zones within
the state of Michigan.

Case No. U-12785

In the matter of the application of)
EZ PHONE, INC., for a license to provide)
local exchange services in the LATA exchanges) Case No. U-12788
currently served by Ameritech Michigan and)
Verizon North Inc.)
_____)

In the matter of the application of)
JOY LINES, INC., for a license to provide basic) Case No. U-13057
local exchange service.)
_____)

In the matter of the application of)
CIERA NETWORK SYSTEMS, INC., for a license) Case No. U-13130
to provide basic local exchange service throughout)
the state of Michigan in the zone and exchange areas)
served by Verizon North Inc., Verizon North Systems,)
and Ameritech Michigan.)
_____)

In the matter of the application of)
MAX-TEL COMMUNICATIONS, INC., for a)
license to provide basic local exchange service) Case No. U-13443
throughout the state of Michigan in the zone and)
exchange areas served by Verizon North Inc.,)
Verizon North Systems, and Ameritech Michigan.)
_____)

In the matter of the application of)
TALK UNLIMITED NOW, INC., for a license to)
provide basic local exchange service throughout) Case No. U-13535
the state of Michigan in the zone and exchange areas)
served by Verizon North Inc., Verizon North Systems,)
and Ameritech Michigan.)
_____)

In the matter of the application of)
SUN COMMUNICATIONS, LLC, for a license to)
provide basic local exchange service throughout) Case No. U-13651
state of Michigan in the zone and exchange areas)
presently served by Ameritech Michigan, Verizon)
North Inc., and Verizon North Systems.)
_____)

In the matter of the application of)
ALTICOMM, INC., for a license to provide temporary)
and permanent basic local exchange service through-)
out the state of Michigan in the zone and exchange)
areas served by Verizon North Inc. and Contel of the)
South, Inc., d/b/a Verizon North Systems, and SBC)
Ameritech Michigan.)
_____)

Case No. U-13692

In the matter of the application of)
BARNES ENGINEERING, LLC, d/b/a)
BELLECOM, LLC, for a license to operate as a)
facilities-based and resold provider of local)
exchange telecommunications services in all)
exchanges currently served by SBC Michigan.)
_____)

Case No. U-13829

In the matter of the application of)
NORVERGENCE, INC., for a license to provide)
basic local exchange service in areas currently served)
by Verizon North Inc. and Contel of the South, Inc.,)
d/b/a Verizon North Systems, and SBC Michigan.)
_____)

Case No. U-13996

In the matter, on the Commission's own motion,)
to commence formal basic local exchange service)
license revocation proceedings against Alticomm, Inc.,)
Barnes Engineering, LLC, d/b/a BelleCom, LLC,)
Call UP, Inc., Ciera Network Systems, Inc.,)
EZPhone, Inc., Image Paging of Michigan, Inc.,)
d/b/a Im-Tel, JATO Operating Two Corp.,)
Joy Lines, Inc., Maverix.net, Inc., Max-Tel)
Communications, Inc., Mid-American)
Telephone Company, NET-Tel Corporation,)
NorVergence, Inc., Ntegrity Telecontent Services, Inc.,)
O1 Communications of Michigan, LLC, Omniplex)
Communications Group, LLC, Pathnet Operating, Inc.,)
ServiSense.com, Inc., Sun Communications, LLC,)
Talk Unlimited Now, Inc., Tall Grass)
Communications Inc., Tele-Phone-Communication,)
Inc., Telicor Inc., The Free Network, L.L.C., United)
States Telecommunications, Inc., d/b/a Tel Com Plus,)
USBG Inc., and Zephion Networks Communications,)
Inc.)
_____)

Case No. U-15237

At the September 11, 2007 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman
Hon. Monica Martinez, Commissioner
Hon. Steven A. Transeth, Commissioner

ORDER REVOKING LICENSES

On April 24, 2007, the Commission issued an order with captions naming 27 providers that held licenses to provide basic local exchange service pursuant to the Michigan Telecommunications Act (MTA), 1991 PA 179, as amended, MCL 484.2101 *et seq.* The order stated that each provider had repeatedly failed to demonstrate compliance with ongoing obligations imposed by the MTA, that each provider made no responses to communications from the Commission Staff (Staff), and that the Staff had issued each an informal notice of possible license revocation, as

required by MCL 24.292 and *Rogers v Cosmetology Board*, 68 Mich App 751; 244 NW2d 20 (1976). In the order, which was served on the providers, the Commission directed each provider to appear at a hearing to consider revocation of its license.

On June 18, 2007, Administrative Law Judge Mark E. Cummins (ALJ) conducted the hearing as directed in the order. The Staff appeared and presented the testimony of Wendy J. Thelen, Departmental Analyst in the Licensing and Competitive Issues Section of the Commission's Telecommunications Division. Ms. Thelen recommended revocation of all 27 licenses due to the providers' failure to demonstrate that they possess "sufficient technical, financial, and managerial resources and abilities to provide basic local exchange service within the geographical area of the license." MCL 484.2302(2)(a). She detailed the Staff's numerous unsuccessful efforts to contact those providers, instances in which the providers' legal status had been cancelled or was in jeopardy due to noncompliance with state corporation law (which showed only 2 out of 27 in good standing), the lack of valid tariffs by some, and indications from various sources regarding providers that had gone bankrupt or ceased operations.

None of the 27 providers appeared at the hearing or filed an intervention or other document indicating an intention to participate. At the close of the hearing, the ALJ issued an oral Proposal for Decision (PFD), recommending that the licenses be revoked. The ALJ served a written notice attaching the transcript excerpt of the PFD on the parties. No one filed exceptions.

The Commission finds that the PFD is reasonable and supported by the record and should be adopted.

The Commission FINDS that:

a. Jurisdiction is pursuant to 1991 PA 179, as amended, MCL 484.2101 *et seq.*; 1969 PA 306, as amended, MCL 24.201 *et seq.*; and the Commission's Rules of Practice and Procedure, as amended, 1999 AC, R 460.17101 *et seq.*

b. The PFD is reasonable and supported by the record and should be adopted.

THEREFORE, IT IS ORDERED that:

A. The Proposal for Decision is adopted.

B. The licenses to provide basic local exchange service granted to each of the following providers are revoked: Alticom, Inc., Barnes Engineering, LLC, d/b/a BelleCom, LLC, Call UP, Inc., Ciera Network Systems, Inc., EZPhone, Inc., Image Paging of Michigan, Inc., d/b/a Im-Tel, JATO Operating Two Corp., Joy Lines, Inc., Maverix.net, Inc., Max-Tel Communications, Inc., Mid-American Telephone Company, NET-Tel Corporation, NorVergence, Inc., Ntegrity Telecontent Services, Inc., O1 Communications of Michigan, LLC, Omniplex Communications Group, LLC, Pathnet Operating, Inc., ServiSense.com, Inc., Sun Communications, LLC, Talk Unlimited Now, Inc., Tall Grass Communications Inc., Tele-Phone-Communication, Inc., Telicor Inc., The Free Network, L.L.C., United States Telecommunications, Inc., d/b/a Tel Com Plus, USBG Inc., and Zephion Networks Communications, Inc.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, pursuant to MCL 484.2203(12).

MICHIGAN PUBLIC SERVICE COMMISSION

/s/ Orjiakor N. Isiogu

Chairman

(S E A L)

/s/ Monica Martinez

Commissioner

/s/ Steven A. Transeth

Commissioner

By its action of September 11, 2007.

/s/ Mary Jo Kunkle

Its Executive Secretary

Any party desiring to appeal this order must do so by the filing of a claim of appeal in the Michigan Court of Appeals within 30 days of the issuance of this order, pursuant to MCL 484.2203(12).

MICHIGAN PUBLIC SERVICE COMMISSION

Chairman

Commissioner

Commissioner

By its action of September 11, 2007.

Its Executive Secretary