BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2012-253-C - ORDER NO. 2012-778

SEPTEMBER 27, 2012

IN RE: Petition of the Office of Regulatory Staff for Commission to Order a Rule to Show Cause as to Why The Certificates of Public Convenience and Necessity for Certain Providers of Telecommunications Services Should Not be Revoked	))))))	ORDER REVOKING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY FOR FAILURE TO FILE PERFORMANCE BONDS

This matter comes before the Public Service Commission of South Carolina ("the Commission") by way of the Petition for a Rule to Show Cause as to why Certificates of Public Convenience and Necessity ("Certificates") of certain telecommunications companies should not be revoked for failure to file a bond or other security mechanism.[1] ORS's Petition was filed with the Commission on June 25, 2012. The Commission is responsible for the regulation of telephone utilities operating for compensation as set forth in S.C. Code Ann. § 58-9-10 et seq. (Supp. 2011).

The telecommunications companies listed in Exhibit A to ORS's Petition are subject to the jurisdiction of this Commission pursuant to S.C. Code Ann. § 58-9-710 et seq. (1976 & Supp. 2011). Further, these telecommunications companies have submitted to the jurisdiction of the Commission by virtue of holding a Certificate of Public Convenience and Necessity as indicated in Exhibit A.

[1] This Order revokes the certificates of public convenience and necessity regarding the provision of residential local exchange services. This Order does not affect the listed carriers' authority to provide interexchange services.

Effective as of June 24, 2011, 26 S.C. Ann. Regs. 103-607 states that a bond or other security mechanism is required of "...telephone utilities who provide retail residential local exchange services and who, individually or together with their affiliates, have not invested at least five million dollars in telecommunications facilities in the State of South Carolina." The regulation further states that, "The commission shall determine the type and the amount of bond or other security mechanism to be filed by the carrier with the commission and the ORS."

ORS developed a list of the telephone utilities that failed to file the requisite bond or security mechanism. ORS attached the list as Exhibit A to ORS's Petition. On August 1, 2012, ORS pre-filed the direct testimony of Mr. James M. McDaniel advising the Commission of those companies that had failed to file the required bond or security mechanism and included as Exhibit JMM-2 a list showing those carriers that remained out of compliance as of the filing of the pre-filed direct testimony.

The Commission set this matter for a hearing on September 12, 2012.

At the hearing, ORS was represented by C. Lessie Hammonds, Esquire. Mr. James M. McDaniel, Program Manager, testified for ORS. Bonnie D. Shealy, Esquire, represented dPi Teleconnect, LLC, Ring Connection, Inc., and Nexus Communications, Inc.

At the hearing, Mr. McDaniel presented testimony that certain companies certificated by the Commission to provide retail residential local exchange services failed to file the required bond or security mechanism. Further, Mr. McDaniel testified that, since the filing of the Petition and the submission of pre-filed testimony in this matter,

certain of the telephone utilities named in the Petition have come into compliance with the Commission's rules and regulations. At the hearing, ORS submitted a Revised Exhibit JMM-2 listing those companies which remained out of compliance as of the date of hearing.

The Commission finds that the Petition should be dismissed as to those companies who have complied with 26 S.C. Ann. Regs. 103-607 and with the Commission's Rules and Regulations. The Commission is also of the opinion, and so finds, that the Certificates of Public Convenience and Necessity (for providing residential local exchange services) held by the companies listed in Revised Exhibit JMM-2 (attached as an Appendix to this Order, labeled "Appendix A" and made a part of the record in this matter as Hearing Exhibit 2) that have not filed a bond or other security mechanism with the Commission and ORS by October 3, 2012, should be revoked and cancelled for their continued willful violation of the Commission's Rules and Regulations and laws concerning filing requirements of telecommunications carriers.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

1. That the Certificates of Public Convenience and Necessity (for providing residential local exchange services) held by those companies listed in the Appendix attached hereto that remain out of compliance as of October 3, 2012, be, and hereby are, revoked and cancelled.

2. That all operating rights authorized under the Certificates (for providing residential local exchange services) held by the companies listed in the attached

Appendix that remain out of compliance as of October 3, 2012, and cancelled by this Order, are null and void.

3. That this Petition be, and hereby is, dismissed with respect to all companies who have complied with 26 S.C. Ann. Regs. 103-607 and with the Commission's Rules and Regulations.

4. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

David A. Wright, Chairman

ATTEST:

Randy Mitchell, Vice Chairman
(SEAL)

OUT OF COMPLIANCE - DOCKET #2012-253-C

REVISED EXHIBIT JMM-2

OrganizationName	Registered Agent	Secretary of State status	Foreign or Domestic	Docket #	Order #[1]	Date Certificate Issued
ComTech21, LLC Michael Brady - EVP One Barnes Park, South Wallingford CT 06492	Incorp Services Inc 317 Ruth Vista Rd Lexington SC 29073	Foreign	Good Standing	2004-54-C	2004-312	6/30/2004
Covista, Inc. Mark Lammert - CPA., P.A./Compliance Solutions Inc 740 Florida Central Pkwy, Ste 2028 Longwood FL 32750	*AGENT RESIGNED*	Foreign	Good Standing	2003-200-C	2003-594	10/3/2003
Flatel, Inc. **DBA Telephone USA** Adriana Solar - CFO 2300 Palm Beach Lakes Blvd. Executive Center Ste 100 West Palm Beach FL 33409	Oscar Garcia 6300 White Horse Rd #118 Greenville SC 29611	Foreign	Forfeiture	1999-515-C	2000-380	4/26/2000
Global NAPS South Carolina, Inc. Larry Cross - Regulatory Officer 1120 Hancock St Quincy MA 02169-4313	CT Corporation System 2 Office Park Ct, Ste 103 Columbia SC 29223	Foreign	Forfeiture	2001-503-C	2002-258[1]	4/10/2002
Navigator Telecommunications, LLC Renee Bethea - Tax Accountant PO Box 13860 North Little Rock AR 72113-0860	National Corporate Research, Ltd. 2 Office Park Ct, Ste 103 Columbia SC 29223	Foreign	Good Standing	1999-176-C	1999-572[1]	8/11/1999
Tennessee Telephone Service, LLC (BANKRUPTCY) **DBA Freedom Communications USA, LLC** Matt Davis - General Manager 220 Creekside Dr Dickson TN 37055	**AGENT RESIGNED**	Foreign	Good Standing	2004-211-C	2004-567[1]	11/15/2004
West Communications, Inc. Edward Johnson - President/CEO 2117-B W Palmetto St, Ste 202 Florence SC 29501	Corporation Service Co. 1703 Laurel St Columbia SC 29201	Foreign/ Domestic	Good Standing	2003-336-C	2004-102	3/12/2004

[1] *Carriers were granted CLEC and IXC authority in one PSC Order. ORS requests revocation of CLEC authority only.*

EXHIBIT
9/12/12
2
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