

REQUEST TO ESTABLISH DOCKET
(PLEASE TYPE)

Date 11/23/78

Docket No. 981690-TI

1. Division Name/Staff Name Communications/McCoy
2. OPR Communications/McCoy
3. OCR Long Distance
4. Suggested Docket Title Cancellation by the Florida Public Service Commission of Interexchange Telecommunications Certificate No. 4754 issued to Long Distance Network, Inc. for Violation of Rules 25-4.043, F.A.C., Response to Commission Staff Inquiries, and 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

5. Suggested Docket Billing List (attach separate sheet if necessary)

- A. Provide NAMES ONLY for regulated companies or ACRONYMS ONLY regulated industries, as shown in Rule 25-22.104, F.A.C.
- B. Provide COMPLETE name and address for all others. (Match representatives to clients.)

1. Parties and their representatives (if any)

<u>Long Distance Network, Inc.</u>	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. Interested Persons and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

6. Check one:

- Documentation is attached.
 Documentation will be provided with recommendation.

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
SUSAN F. CLARK
J. TERRY DEASON
JOE GARCIA
DIANE K. KIESLING



DIVISION OF COMMUNICATIONS
WALTER D'HAESELEER
DIRECTOR
(904) 413-6600

Public Service Commission

October 13, 1998

Mr. Dennis Gundy, General Manager
Long Distance Network, Inc.
1600 Promenade Center, Suite 1510
Richardson, TX 75080

CERTIFIED

Dear Mr. Gundy:

It has come to the Commission's attention that Long Distance Network, Inc. has filed Chapter 11 in the United States Bankruptcy Court for the District of Delaware. What are your intentions regarding your active Interechange Certificate of Public Convenience and Necessity in Florida? You may voluntarily request cancellation of your certificate, and in doing so, you must follow the guidelines set forth in Rule 25-24.474, Florida Administrative Code regarding voluntary cancellation of a certificate.

- (1) Remit your Regulatory Assessment Fees, Penalties and Interest due for 1997 and 1998 in the amount of \$117.50;
- (2) Provide a written statement of why the certificate is proposed to be canceled;
- (3) Provide a statement on the treatment of customer deposits and final bills;
- (4) Provide a copy of an individual customer notice regarding discontinuance of service

Please respond to this inquiry on or before October 28, 1998. If you have any further questions, feel free to contact me at 850/413-6532 or by fax at 850/413-6533.

Sincerely,

A handwritten signature in cursive script that reads "Toni J. McCoy".

Toni J. McCoy
Regulatory Analyst
Bureau of Service and Evaluation

From: Toni McCoy
To: Jackie Knight
Subject: fwd: RAF Information

-----NOTE-----10/13/98 4:08pm
These companies have file Chapter 11 and I will be writing them to discuss cancellation of their certificate. I would like to add information about the RAFs due to date including this year.

Thank you.

AddCom Communications, Inc. d/b/a AddTel
Communications, Inc.
Company Code TI038
Certificate No. 2943

Long Distance Network, Inc.
Company Code TI555
Certificate No.4756

Fwd-by: Jackie Knight 10/13/98 4:44pm Fwd to: Toni McCoy

TI038 owes for:

- 1998 RAF \$50 minimum
- 1997 RAF \$50 minimum
Penalty 12.50
Interest 5.00(calculated thru Oct.31)
- 1995 Penalty \$2.50
Interest .50
- 1994 Penalty \$2.50
Interest .50
- 1992 Penalty \$5.00
Interest 1.00

TI555 owes for :
1998 RAF \$50.00

- 1997 RAF \$50.00
Penalty 12.50
Interest 5.00(calculated thru Oct.31)

0.00

50.00 +
50.00 +
12.50 +
5.00 +

Please note that in 1996, TI038 paid more than the \$50 minimum for RAF. They may owe more than \$50 for 1997 and 1998.

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

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In re:)
)
 ✓ SA TELECOMMUNICATIONS, INC.,)
 ADDTEL COMMUNICATIONS, INC.,)
 LONG DISTANCE NETWORK, INC.,)
 ✓ NORTH AMERICAN)
 TELECOMMUNICATIONS CORPORATION,)
 ✓ UNIQUEST COMMUNICATIONS, INC.)
 ✓ U.S. COMMUNICATIONS, INC.,)
 and SOUTHWEST LONG DISTANCE)
 NETWORK, INC.,)
 Debtors.)

98 JUN 30 AM 10: 27
 Chapter 11
 REORGANIZATION
 Case No. 97-2401 (PJW)
 Through 97-2401 (PJW)
 Jointly Administered

**NOTICE OF HEARING TO CONSIDER THE DEBTORS' JOINT MOTION
 FOR AN ORDER APPROVING SETTLEMENT OF INTER-DEBTOR CLAIMS**

NOTICE IS HEREBY GIVEN that a hearing will be held on July 27, 1998, at 2:00 p.m., prevailing Eastern Time, in courtroom #2 in the United States Bankruptcy Court for the District of Delaware, Sixth Floor, 824 Market Street, Wilmington, Delaware before the Honorable Peter J. Walsh, Bankruptcy Judge, to consider the joint motion (the "Motion") of the above-captioned debtors (collectively, the "Debtors") for an order approving the settlement of inter-Debtor claims (the "Proposed Settlement"), which settlement will provide the basis for a plan of reorganization. The hearing may be adjourned from time to time without further notice other than an announcement in open court of the adjourned date or dates at the originally scheduled hearing or any adjourned dates. All capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

NOTICE IS FURTHER GIVEN that the Proposed Settlement and the process through which it was developed are described in detail in the Motion and the Term Sheet attached thereto. The background and terms of the Proposed Settlement, as well as the plan of reorganization as to which it will provide the foundation, may be summarized as follows:

BACKGROUND

After an auction, on March 9, 1998 the Bankruptcy Court entered an order approving the sale of substantially all of the Debtors' assets to EqualNet Corporation and EqualNet Holding Corp., which transaction is expected to close in early July 1998. The Debtors currently estimate that, after satisfaction of secured debt and administrative expenses, there will be approximately \$1,500,000 available for distribution to creditors of all of the Debtors. Conflicts regarding the allocation of these Distribution Proceeds between the estates of the various Debtors led the Debtors, the Committee and principal creditors of certain of the Debtors, SA Telecommunications, Inc. ("SATel"), U.S. Communications, Inc. ("USC") and AddTel Communications, Inc. ("AddTel"), to participate in a Court-approved period of investigation, analysis and negotiation with the goal of developing a consensual resolution of inter-Debtor claims and the allocation issue (the "Settlement Process"). At the conclusion of this Process, in an effort to reconcile the Settlement Process participants' conflicting analyses and to avoid the costs of litigation, the Debtors formulated the Proposed Settlement which resolves the inter-Debtor issues and the allocation of the Distribution Proceeds. The Proposed Settlement has the support of the creditor representatives of SATel and AddTel who participated in the Settlement Process, as well as that of the Committee. The creditor representative of USC does not support the Proposed Settlement and has advised the Debtors that it intends to object to the Proposed Settlement.

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TERMS OF THE PROPOSED SETTLEMENT

The principal terms of the Proposed Settlement are:

- The USC estate will be substantively consolidated with those of Long Distance Network, Inc., North American Telecommunications Corporation and Uniquest Communications, Inc., with each creditor of any of these Debtors receiving the same pro rata distribution, such creditors are hereinafter referred to as USC creditors;
- The Distribution Proceeds will be allocated 16% to the consolidated USC estates, 42% to the AddTel estate and 42% to the SATel estate;
- The professionals retained in the Debtors' cases will forego an amount of \$150,000, up to 7.5% of all fees incurred, subject to certain terms and conditions;
- In addition to the 16% of the Distribution Proceeds allocated to the consolidated USC estate, the consolidated USC estate will receive an additional \$50,000 from the reduction in professional fees and \$50,000 out of the first net recoveries from litigation of preference actions. The Debtors estimate the foregoing will result in a 14.7% recovery to USC creditors, a 11.8% recovery to AddTel creditors and a 1.8% recovery to SATel creditors before administrative expenses allocable to those estates;
- Preference litigation recoveries in excess of \$50,000 will be shared between the estates in the same percentage as the Distribution Proceeds;
- Other litigation proceeds will be shared at 10% to the consolidated USC estate, 5% to the AddTel estate, and 85% to the SATel estate; preference and other litigation will initially be funded from \$100,000 of the professional fee reductions and the litigation recoveries described herein will be net of litigation costs.

NOTICE IS FURTHER GIVEN that further information regarding the Motion or copies of the Motion and attachments thereto may be obtained by contacting counsel to the Debtors at the address set forth below.

NOTICE IS FURTHER GIVEN that objections, if any, to the relief requested in the Motion must be in writing and filed with the Bankruptcy Court and served so as to be actually received by (i) co-counsel to the Debtors, at the addresses set forth below; (ii) counsel to the Committee, Mark I. Banc, Esq., Kelley, Drye & Warren, LLP, 101 Park Avenue, New York, NY 10178 (Fax: (212) 808-7897); and (iii) the Office of the United States Trustee, The Curtis Center, 601 Walnut Street, Suite 950W, Philadelphia, PA 19106, Attn: Daniel K. Astin, Esq., on or before July 20, 1998 at 4:00 p.m., prevailing Eastern Time.

Dated: June 26, 1998

WHITE & CASE LLP
Andrew DeNatale
Karen Burns
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(212) 819-8200

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and Debtors in Possession

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