

OFFICIAL FILE

ORIGINAL

ILLINOIS COMMERCE COMMISSION

If this application via e-file is unable to do so, file one original verified application with the Chief Clerk.)

Docket No. 03-0049
ICC Office Use Only

Please provide the appropriate information in the () areas in the heading below.

ACN Communication Services, Inc. :
Application for a Certificate of Local Authority :
to Operate as a Facilities Based Carrier :
of Telecommunications Services in :
Ameritech and Verizon Exchanges :
within the State of Illinois :

ILLINOIS
COMMERCE COMMISSION
2003 JAN 21 A 10:00
CHIEF CLERK'S OFFICE

APPLICATION FOR CERTIFICATE TO BECOME A
TELECOMMUNICATIONS CARRIER
(Use additional sheets as necessary.)

GENERAL

1. Applicant's Name(including d/b/a, if any) FEIN #: 38-3483729

ACN Communication Services, Inc.

Address: Street 32991 Hamilton Court

City: Farmington Hills State/Zip: Michigan 48333

2. Authority Requested: (Mark all that apply)

- 13-403 Facilities Based Interexchange
- 13-404 Resale of Local and/or Interexchange (1)
- 13-405 Facilities Based Local

3. Request for waivers/variances: In applications for local exchange service authority under Sections 13-404 or 13-405, waivers of Part 710 and of Section 735.180 of Part 735 are generally requested. In applications for interexchange service authority under Sections 13-403 and 13-404, waivers of Part 710 and Part 735 are generally requested. Please indicate which waivers Applicant is requesting and explain why Applicant is requesting each waiver/variance.

- Part 710 Uniform System of Accounts for Telecommunications Carriers
- Part 735 Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Local Exchange Telecommunications Carriers in the State of Illinois
- Section 735.180 Directories
- Other

Applicant seeks a waiver of Part 710 Uniform System of Accounts ("USOA") for Telecommunications Carriers because Applicant currently maintains a single set of its books and records according to the Generally Accepted Accounting Principles ("GAAP"). Accordingly, Applicant requests the waiver to avoid the burdens associated with maintaining two sets of books. USOA was designed for an older form of rate base regulation that has little value in the current telecommunications environment.

(1) Applicant received authority on March 15, 200 in Docket 00-0039 and is currently operating as a reseller of interexchange services in the State of Illinois, and now requests reseller and facilities-based authority for local exchange services.

3. Request for waivers/variances (Cont'd.)

Moreover, for companies other than ILECs, GAAP is the standard accounting method - a method that provides sufficient detail for easy comparison between telecommunications companies. Applicant understands that a waiver of this requirement will not excuse it from compliance with future Commission rules or amendment of Part 710 that are otherwise applicable to the Applicant.

Applicant seeks a waiver of Part 735 with regard to issuing directories. Applicant will contract with the incumbent LEC to ensure directories are made available to its customers.

Applicant seeks a waiver of part 735.180 to the extent that it will contract with the underlying incumbent LEC for the provision of directory listings. Applicant understands that failing this agreement, it is responsible for the provision of directory publications.

Finally, Applicant seeks a waiver of ILL ADMIN CODE title 83 Section 250.10, which requires public utilities to keep books, accounts, records and memoranda within the State of Illinois. Applicant maintains its books and records at its offices in Michigan. Should it be necessary for the Commission to have access to those books and records, Applicant will facilitate such access expeditiously and at its own expense.

4. For all applicants requesting local exchange authority under Section 13-404 or Section 13-405, please complete the following:

- (a) the Standard Questions for Applicants Seeking Local Exchange Service Authority found in Appendix A of this document
- (b) the 9-1-1 Questions for Applicants Seeking Local Exchange Service Authority found in Appendix B of this document;
- (c) the Financial Questions for Applicants Seeking Local Exchange Service Authority found in Appendix C of this document; and
- (d) if applicable, the Prepaid Service Questions for Applicants Seeking Local Exchange Service Authority found in Appendix D of this document.

5. In what area of the state does the Applicant propose to provide service?

The Applicant currently offers resold long distance service throughout the State of Illinois. Applicant intends to offer local exchange services throughout the state in exchanges currently served by Ameritech Illinois and Verizon North, Inc.

6. Please attach a sheet designating contact persons to work with Staff on the following:

- (a) issues related to processing this application
- (b) consumer issues
- (c) customer complaint resolution
- (d) technical and service quality issues
- (e) "tariff" and pricing issues
- (f) 9-1-1 issues
- (g) security/law enforcement

Please identify each contact person's (i) name, (ii) title, (iii) mailing address, (iv) telephone number, (v) facsimile number, and (vi) e-mail address.

See Attachment II

7. Please check type of organization?

Individual Corporation
 Partnership Other (Specify)

Date corporation was formed: April 30, 1999
In what state? Michigan

8. Submit a copy of articles of incorporation and a copy of certificate of authority to transact business in Illinois.

See Attachment I

9. List jurisdictions in which Applicant is offering service(s).

Applicant is authorized to provide resold long distance telecommunications service in all states except Alaska. Applicant has authority to provide local telecommunications services in California, Michigan, New York, Ohio, and Texas. The Company has local applications pending in Maryland and Pennsylvania.

10. Has the Applicant, or any principal in Applicant, been denied a Certificate of Service or had its certification revoked or suspended in any jurisdiction in this or another name?

YES (Please provide details) NO

11. Have there been any complaints or judgements levied against the Applicant in any other jurisdiction?

YES NO

If YES, describe fully.

12. Has Applicant provided service under any other name?

YES NO

If YES, please list.

13. Will the Applicant keep its books and records in Illinois? YES NO

If NO, permission pursuant to 83 Ill. Adm Code Part 250 needs to be requested.

The Applicant seeks permission as anticipated in 83 Ill. Admin. Code, Part 250 to maintain its books and records outside the State of Illinois. Applicant maintains its books and records at its national headquarters in Farmington Hills, Michigan. In case it should be necessary for the Illinois Commerce Commission to have access those books and records, the Applicant will facilitate that access at its own expense.

MANAGERIAL

14. Please attach evidence of the applicant's managerial and technical resources and ability to provide service. This may be in either narrative form, resumes of key personnel, or a combination of these forms.

See Attachment III.

15. List officers of Applicant.

See Attachment IV.

16. Does any officer of Applicant have an ownership or other interest in any other entity which has provided or is currently providing telecommunications services? YES NO

If YES, list entity.

17. How will Applicant bill for its service(s)? (At a minimum, describe how often the Applicant will bill for service and details of the billing statement.)

Applicant will bill Customers directly on a monthly basis. All billing statements will list the Applicant's name, address and customer service toll free telephone number for customer inquiries or concerns.

18. How does Applicant propose to handle service, billing, and repair complaints? (At a minimum, describe Applicant's internal process for complaint resolution, the complaint escalation process, the timeframe and process by which the customer is notified by Applicant that they may seek assistance from the Commission?)

Applicant will be responsible for all customer inquiries and complaints. The telephone number for customer inquiries and complaints will be provided by ACN on the customer bill. ACN's Customer Service department may be accessed through a toll-free number: (888) 226-9013. Customer service is available Monday-Friday, 8:00am - 6:00pm Eastern Time, Saturday, 8:00am - 5:00pm Eastern Time, Sundays, Closed.

19. Will personnel be available at Applicant's business office during regular working hours to respond to inquiries about service or billing? YES NO

20. What telephone number(s) would a customer use to contact your company?

888-226-9013

21. Will Applicant abide by all Federal and State slamming and cramming laws pursuant to Section 13-902 of the Public Utilities Act and Section 258 of the 1996 Telecommunications Act?

YES NO

22. Please describe applicant's procedures to prevent slamming and cramming of customers?

Applicant currently complies with the presubscribed interexchange carrier change rules as defined by the FCC. The company fully intends to comply with slamming and cramming rules as a local exchange provider. The Applicant does not condone slamming and works with its sales staff and processing departments to ensure that slamming issues do not occur.

ACN utilizes written LOAs and/or third party verification by an independent entity to ensure all orders are verified. The company does not accept LOAs that are greater than 3 months old. Furthermore, ACN will handle its own billing and will not bill for services other than those designated by the customer.

23. If granted authority to operate as a local exchange carrier, will the applicant abide by the following 83 Illinois Administrative Code Parts: 705, 710, 720, 725, 730, 732, 735, 755, 756, 757, 770, and 772?

YES* NO (If no, please provide an explanation.)

*Except Part 710 for which Company is seeking a waiver.

24. Is Applicant aware that it must file tariffs prior to providing service in Illinois?

YES NO

FINANCIAL

25. Please attach evidence of Applicant's financial fitness through the submission of its most current income statement and balance sheet, or other appropriate documentation of applicant's financial resources and ability to provide service.

As indicated on Attachment V to this application, ACN is submitting the audited financial statements of American Communications Network, Inc. and Subsidiaries, ACN's parent company, under Seal as Confidential.

TECHNICAL

26. Does Applicant utilize its own equipment and/or facilities? YES NO

If YES, please list the facilities Applicant intends to utilize. Also include evidence that Applicant possesses the necessary technical resources to deploy and maintain said facilities:

If NO, which facility provider(s)'s services does the Applicant intend to use?

Applicant will provide local exchange services by combining unbundled network elements (UNE-P) and reselling services obtained from incumbent local exchange carriers Southwestern Bell/Ameritech and Verizon, pursuant to interconnection agreement(s) that Applicant will file with the Commission in accordance with 47 U.S.C. Section 252 and applicable rules. Interexchange services will continue to be provided on a resale basis.

27. Please describe the nature of service to be provided (e.g., operator services, internet, debit cards, long distance service, data services, local service, prepaid local service).

In addition to the intrastate resold long distance service Applicant currently is providing to Customers in the state of Illinois, Applicant proposes to offer facilities-based and resold basic local services, custom calling and CLASS features, operator assisted services and access to emergency 911 service to presubscribed customers and directory listing services. Service will be available to both business and residential customers 24 hours a day, 7 days a week.

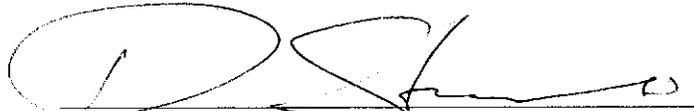
28. Will technical personnel be available at all times to assist customers with service problems?

 Y YES NO

29. If Applicant intends to provide payphone service, will the equipment utilized comply with FCC requirements and Finding (9) of the Commission Order entered in Docket No. 84-0442 on June 11, 1986, including, but not limited to: (a) touch dialing; (b) access to 9-1-1 and A0@ operator dialing without use of a coin; (c) rules governing use of payphones by disabled persons; (d) ability to complete local and long-distance calls; (e) unlimited duration for local calls; and (f) a message explaining the telephone=s general operations, dialing instructions for emergency assistance, payphone owner=s name, method of reporting service problems and method of receiving credit for faulty calls?

 YES Y NO

At this time, the Applicant proposes not to provide its own payphone service. Should the Applicant in the future decide to offer pay telephone service to customer owned coin operated providers, the Applicant will comply with FCC and Commission requirements for pay phones.


(Signature of Applicant)

VERIFICATION

This application shall be verified under oath.

OATH

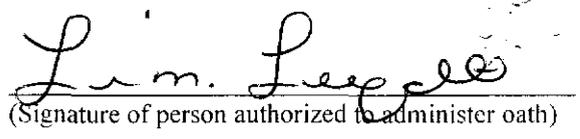
STATE OF MICHIGAN)
) ss
COUNTY OF Wayne)

Daniel Crowley makes oath and says that he is Vice President – Finance of ACN Communication Services, Inc., that he has examined the foregoing application and that to the best of his knowledge, information, and belief, all statements of fact contained in the said application are true, and the said application is a correct statement of the business and affairs of the above-named applicant in respect to each and every matter set forth therein.


Daniel Crowley, Vice President - Finance
ACN Communication Services, Inc.

Subscribed and sworn to before me, a Notary Public/ Lisa Lezotte Parulful
(Title of person authorized to administer oaths)

in the State and County above named, this 13 day of December, 2002.


(Signature of person authorized to administer oath)