

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: BUDGET PHONE, INC., CLEMONS COMMUNICATIONS, INC., CEDAR VALLEY TELECOM, KILLDUFF TELEPHONE COMPANY, and AMERICAN TELCO L.L.P.	DOCKET NOS. A-03-3655 (TCU-02-10), A-03-3691 (TCU-03-2), A-03-3703 (TCU-03-4), A-03-3709 (SPU-03-6), A-03-3729 (TCU-03-14)
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**NOTICE OF CANCELLATION OF CERTIFICATES
AND CANCELLATION OF TARIFFS**

(Issued July 8, 2004)

In early January 2004, the Utilities Board (Board) mailed annual report forms to each of the local exchange carriers possessing (or approved for) a certificate of public convenience and necessity to provide service in Iowa, pursuant to Iowa Code § 476.29 (2003). The forms were mailed to the carriers at the addresses on file with the Board. The carriers in the five dockets listed above failed to return the forms.

On May 10, 2004, the Board mailed letters to the carriers notifying them of their failure to file the required annual report. The letter constituted written notice of a specific violation of a Board rule pursuant to Iowa Code § 476.51. To date, no responses have been received.

Based on this information, it appears these carriers are not providing landline local telephone service in Iowa and should not be permitted to continue to hold certificates for that purpose. Therefore, the Board will cancel the certificates or

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certificate approvals issued to each of the carriers in the dockets identified above, and cancel the associated tariffs (if a tariff has been filed), 30 days from the date of this order unless the Board is contacted by the carrier and provided with appropriate information indicating why the carrier's certificate and tariffs should not be canceled. The filing should include an annual report showing that the carrier had revenues from certificated services in 2003 or a statement that it did not have such revenues in 2003 but has reasonable plans to offer in the near future services that are likely to produce such revenues. For a carrier that has been approved for a certificate but has never taken the final steps necessary to receive a certificate, the filing should include information regarding its plans for filing a proposed tariff and maps or otherwise completing the process of obtaining a certificate.

If a carrier makes a timely filing as described above, its certificate will not be canceled and its tariff will continue to be in effect until further order of the Board.

A copy of this order will be placed in the record in each of the dockets listed above.

IT IS THEREFORE ORDERED:

The carriers listed above are directed to contact the Board with an annual report and updated corporate information within 30 days of this order. If the Board does not receive a response from a particular carrier within 30 days of the date of this order, the certificate of public convenience and necessity or certificate approval issued to that carrier by the Board will be deemed canceled and its tariff will be

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deemed canceled without any further action by the Board. A copy of this order will be placed in each of the dockets listed above. A courtesy copy of the annual report form is enclosed.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 8th day of July, 2004.