

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	DOCKET NO. UT-010278
)	
Complainant,)	
)	
v.)	
)	
REGISTERED TELECOMMUNICATIONS))	BRIEF WRITTEN STATEMENT;
COMPANIES)	INITIAL ORDER REVOKING
Respondents.)	REGISTRATIONS OF 52
)	TELECOMMUNICATIONS
)	COMPANIES PURSUANT TO
)	WAC 480-121-060
.....)	

I. SYNOPSIS

1 Commission Staff initiated action against 54 registered telecommunications companies for failure to pay regulatory fees and file annual reports. The Commission conducted a brief adjudicative proceeding pursuant to RCW 34.05.482 and WAC 480-09-500(1) on July 6, 2001. Of the 54 companies, one company subsequently complied with its legal duties and is dismissed from this proceeding. Another company's request that its registration be cancelled has been processed by the Commission. Registrations for the other 52 companies are revoked by this Order.

II. PROCEDURAL BACKGROUND

2 On May 29, 2001, the Washington Utilities and Transportation Commission ("Commission") served a Notice of Brief Adjudication to 54 registered telecommunications companies ("Companies") and their registered agents to address the failure of each company to pay regulatory fees and file annual reports as required by state statutes and Commission rules. Each of the Companies have been registered as telecommunications companies pursuant to chapter 80.36 RCW and were thereby authorized to provide telecommunications services for compensation within the state of Washington. Service to the Companies and their registered agents was made by certified mail. The Notice of Brief Adjudication established a schedule for parties to submit written statements and responses, and for parties to make oral comments at a hearing.

3 Commission Staff timely submitted declarations and documentary evidence in
support of revocation of the Companies. The declarations described the
investigations that were conducted to verify whether each company had complied
with its obligation to pay regulatory fees and file annual reports. No company
submitted written comments or a response.

4 The Commission convened a hearing for oral comments on July 6, 2001.
Commission Staff, represented by Jonathan Thompson, Assistant Attorney General,
appeared and made comments. No company appeared at the hearing. The presiding
officer took matters under advisement, and did not take action at the hearing.

III. RELEVANT STATUTES AND COMMISSION RULES

5 RCW 80.04.080 requires public service companies to furnish annual reports to the
Commission in such form as the Commission may require.

6 WAC 480-120-033 states that the Annual Report of Local and Competitive
Telecommunications Companies shall be filed with the Commission no later than
May 1 of the succeeding year.

7 RCW 80.24.010 provides that, on or before the date specified by the Commission for
filing annual reports, each company is to pay to the Commission the appropriate
regulatory fee.

8 WAC 480-121-060 allows the Commission to revoke a registration, after hearing, for
good cause. Good cause includes failure to file an annual report or pay regulatory
fees.

IV. MEMORANDUM

9 At the hearing, Commission business practices investigator Robert Johnston
explained the steps taken by Commission Staff to locate parties to this proceeding
and to search Commission records for compliance by the Companies.

10 In addition to reviewing contact information on file at the Commission, Commission
Staff conducted an online search by company name and key person name in order to
ascertain a current address for each company. Additionally, Staff reviewed secretary
of state records for a sample of the companies. In most instances, the sampled
companies were reported to be inactive.

11 Although Staff believed that many of the Companies were delinquent for multiple
years, Staff limited its investigation and review of Commission records to a single test
year -- year 2000.

- 12 Staff represents that each Annual Report of Local and Competitive Telecommunications Companies filed with the Commission is retained in the Commission's Records Center files. Staff searched the Records Center files, and those records did not include a 1999 Annual Report (to be filed in year 2000) submitted by any of the Companies.
- 13 Staff also represents that the Commission's Financial Services office maintains records of payment of regulatory fees by all regulated companies. Staff searched the Commission's Financial Services Office files, and those files did not include payment of year 2000 regulatory fees by any of the Companies.
- 14 Mr. Johnston commented that the Commission was contacted by two companies subsequent to Staff's investigation. Centel of Washington, Inc. ("Centel"), filed delinquent annual reports and regulatory fees. Therefore, Staff recommends that the Commission not revoke Centel's registration. The Commission agrees that Centel, having retroactively complied with its legal duties to file annual reports and pay regulatory fees, should not be subject to revocation.
- 15 The other company, Preferred/Telecom, Inc., filed a request for cancellation of its registration which was processed by the Commission. Therefore, any further action regarding Preferred/Telecom, Inc., is moot.
- 16 Commission Staff recommends that the Commission revoke registrations for the following 52 companies:
- | | |
|--|--|
| Advantage Communications Group, Inc. | Lyrihn Communications, Inc. |
| All American Telephone | Millenium Telecom, Inc. |
| Amer-I-Net Services, Corp. | MTC Telemanagement Corporation |
| American Telecommunications Corporation | National Telecom, Inc. |
| American Teletronics Long Distance, Inc. | New Millenium Communications Corp. |
| Anchor Communications Corporation | NTI Telecom, Inc. |
| Bel-Save, Inc. | One-2-One Communications, Inc. |
| C.T.T. Communications | Payless Communications, Inc. |
| Call Plus, Inc. | PowerNet Communications, Inc. |
| Catholic Telecom, Inc. | Providian Group, LLC |
| Compath Communications, Inc. | PSP Marketing Group, Inc. |
| Coral Communications, Inc. | Quadri Corporation |
| CTG Telecommunications, Inc. | Seattle Long Distance Network, Inc. |
| Design Development Communications | SmarTel Communications, Inc. |
| Federated Telephone Company, Inc. | Sonic Communications, Inc. |
| Fiberline Network Communications, Limited | Standard TelCom Long Distance, Inc. |
| First Federated Communication Services, Inc. | Tele-Pro Communications, Inc. |
| Fone America, Inc. | Telecommunications Resource Management, Inc. |
| Forster Sales N.W. | Telquest Communications |
| Global Rate Processing, Inc. | Total National Telecommunications, Inc. |
| Global Telecom, Inc. | Touchtone Network, Inc. |
| Great Lakes Telecommunications Corp. | U.S. Digital Network, Limited Partnership |

Heartline Communications, Inc.
 Home Owners Long Distance Incorporated
 Hotelco
 Loyal Lines

USTEL, Inc.
 V.I.P. Telephone Network, Inc.
 W.T. Communications Services, Inc.
 Washington Long Distance Network, Inc.

17 Each of the 52 companies identified in paragraph 16 above failed to file a 1999 Annual Report in year 2000 as required by RCW 80.04.080 and WAC 480-120-033, and each company failed to pay regulatory fees in year 2000 as required by RCW 80.24.010.

18 WAC 480-121-060 is clear that either of these violations alone constitutes good cause to revoke a telecommunications company's registration. The Commission went to great lengths to ensure that each of the 52 carriers received notice of this proceeding, and none of the companies submitted written or oral comments, or responded to the Commission in any way. Each of the registrations for the 52 companies identified in paragraph 16 of this Order should be revoked.

V. FINDINGS OF FACT

19 The Washington Utilities and Transportation Commission is an agency of the state of Washington, vested by statute with authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including telecommunications companies.

20 Each of the 52 companies identified in paragraph 16 of this Order have been registered as telecommunications companies pursuant to chapter 80.36 RCW and were thereby authorized to provide specific telecommunications services for compensation within the state of Washington

21 Each of those 52 companies failed to file a 1999 Annual Report in year 2000 as required by RCW 80.04.080 and WAC 480-120-033, and each company failed to pay regulatory fees in year 2000 as required by RCW 80.24.010.

VI. CONCLUSIONS OF LAW

22 The Washington Utilities and Transportation Commission has jurisdiction over the subject matter of this proceeding and all parties to this proceeding.

23 Good cause exists pursuant to WAC 480-121-060 to revoke the registrations of each of the 52 companies identified in paragraph 16 of this Order.

VII. ORDER

THE COMMISSION ORDERS that:

24 Centel of Washington, Inc., is dismissed from this proceeding.

25 The registrations of each of the 52 companies identified in paragraph 16 of this Order are revoked.

Dated at Olympia, Washington, and effective this day of July 2001.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

LAWRENCE J. BERG
Administrative Law Judge

NOTICE TO THE PARTIES

This is an Initial Order. The action proposed in this Initial Order is not effective until entry of a final order by the Utilities and Transportation Commission. If you disagree with this Initial Order and want the Commission to consider your comments, you must take specific action within the time limits outlined below.

WAC 480-09-500(6) provides that any party to this proceeding may request review of this Initial Order, in writing or orally, within twenty-one (21) days after service of this Initial Order. The Commission encourages written requests for review. A written request for review should comply with the provisions of WAC 480-09-500(7). Responses to a request for review of this Initial Order must be filed with the Commission and served upon the other parties within ten (10) days after service of the request for review.

If no request is timely filed, the Commission may adopt, modify, or reject the Initial Order.

A written request for review must be hand-delivered to the Commission's Records Center or mailed to:

Attn: Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia Washington 98504-7250.

