

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION  
COMMISSION

In the Matter of the Supplemental	)	
Application and Petition of	)	DOCKET UT-000667
	)	
TeleCents Communications, Inc.,	)	FIRST SUPPLEMENTAL ORDER
	)	AMENDING REGISTRATION
For an Amendment to its Registration as	)	AND GRANTING COMPETITIVE
a Telecommunications Company and	)	CLASSIFICATION
Classification as a Competitive	)	
Telecommunications Company.	)	
.....	)	

**BACKGROUND**

1 By supplemental petition filed July 25, 2001, in Docket UT-000667, TeleCents Communications, Inc., (TeleCents) seeks to amend its registration authority as a telecommunications company and classification as a competitive telecommunications company pursuant to RCW 80.36.350 and 80.36.320.

**DISCUSSION**

2 TeleCents proposes to amend its competitive classification and registration authority with the Commission as a telecommunications company to offer local exchange services, high speed data services, alternate operator services, and ancillary services. Services specified in Exhibit A but not included in its initial price list may not be offered until applicant amends its price list to include the description of service with rates and charges. In support of its petition, TeleCents asserts that its services compete with other interexchange and local exchange carriers telecommunication services. TeleCents states that customers have readily available equivalent alternatives and that there are no captive customers of the Company's services.

3 TeleCents is a Michigan corporation, headquartered in Walled Lake, Michigan, and is owned by Jeffrey P. Lauzon. Rates, terms, and conditions set forth in the revisions to its price list are structured similarly to rates filed by other interexchange and local exchange carriers for calls placed in the relevant market.

4 TeleCents has provided information showing that it meets the requirements of RCW 80.36.350. Applicant does not propose to collect deposits from customers.

5 In conjunction with classification, the Company is seeking waiver of:

- |               |  |
|---------------|--|
| RCW 80.04.300 | Budgets to be filed by companies--     |
|               | Supplementary budgets                  |
| RCW 80.04.310 | Commission's control over expenditures |
| RCW 80.04.320 | Budget rules                           |

RCW 80.04.330	Effect of unauthorized expenditure-- Emergencies
RCW 80.04.360	Earnings in excess of reasonable rate-- Consideration in fixing rates
RCW 80.04.460	Investigation of accidents
RCW 80.04.520	Lease of utility facilities
RCW 80.36.100	Tariff schedules to be filed and open to public
RCW 80.36.110	Tariff changes--Statutory notice--Exception
Chapter 80.08 RCW	Securities (except RCW 80.08.140)
Chapter 80.12 RCW	Transfers of Property
Chapter 80.16 RCW	Affiliated Interests
Chapter 480-80 WAC	Tariffs
Chapter 480-140 WAC	Budgets
Chapter 480-143 WAC	Transfers of Property
Chapter 480-146 WAC	Securities and Affiliated Interests
WAC 480-120-026	Tariffs
WAC 480-120-031	Accounting
WAC 480-120-032	Accounting-Political information and political education activities
WAC 480-120-036	Finance--Securities, affiliated interests, transfer of property
WAC 480-120-046	Services offered
WAC 480-120-131	Reports of accidents

6 Rules invoked include WAC 480-121-061, WAC 480-121-062, WAC 480-121-063, and WAC 480-121-064. Statutes invoked include RCW 80.36.320 and 80.36.350. The ultimate issues are whether the proposed amendments to TeleCents' registration and competitive classification should be approved.

7 This matter was brought before the Commission at its regularly scheduled open meeting on August 22, 2001. The Commissioners, having been fully advised in the matter, and having determined the following order to be consistent with the public interest, directed the Secretary to enter the following order and related provisions.

**FINDINGS OF FACT**

8 (1) TeleCents filed a supplemental application on July 25, 2001, to amend its registration authority as a telecommunications company and classification as a competitive telecommunications company pursuant to the provisions of RCW 80.36.350 and 80.36.320, to provide local exchange services, high speed data services, alternate operator services, and ancillary services.

9 (2) As to form, the supplemental application and petition meet the requirements of RCW 80.36.350 and 80.36.320, and comply with the Commission's rules and regulations.

- 10 (3) The amendment of the registration of TeleCents to include local exchange services, high speed data services, alternate operator services, and ancillary services as a telecommunications company is not inconsistent with the public interest.
- 11 (4) In this proceeding, the Commission in no way endorses the financial viability of applicant nor the investment quality of any securities it may issue.
- 12 (5) Alternative providers of service to that of TeleCents include, but are not limited to, Qwest Corporation, Verizon Northwest, Inc., MCI WorldCom Communications, Inc., and Sprint Communications Company L.P. All services are fully available from alternative providers in the relevant market.
- 13 (6) The relevant market is the state of Washington.
- 14 (7) TeleCents has no captive customer base.
- 15 (8) TeleCents should be permitted to provide services under its proposed price list.
- 16 (9) TeleCents requested waivers of certain laws and rules relating to telecommunications services. The laws and rules for which waivers should be granted are listed in Appendix A, incorporated by this reference and made a part of this Order.

#### CONCLUSIONS OF LAW

- 17 (1) The Washington Utilities and Transportation Commission has jurisdiction over the subject matter of this registration application and classification petition and TeleCents.
- 18 (2) The services offered are subject to effective competition.
- 19 (3) TeleCents should be authorized to provide local exchange services, high speed data services, alternate operator services, and ancillary services as a telecommunications company pursuant to RCW 80.36.350 and classified as a competitive telecommunications company pursuant to RCW 80.36.320(1).
- 20 (4) TeleCents should be permitted to provide services under price lists promulgated under RCW 80.36.320 (2). These services will not include collecting deposits from customers.
- 21 (5) TeleCents should be granted waivers of the laws and rules listed in Appendix A.

**ORDER**

THE COMMISSION ORDERS:

- 22 (1) Effective on the date of this Order and subject to any conditions imposed, the Commission approves the supplemental application of TeleCents Communications, Inc., requesting an order amending registration authorization as a telecommunications company to provide local exchange services, high speed data services, alternate operator services, and ancillary services to the public in this state.
- 23 (2) The Commission approves the petition of TeleCents Communications, Inc., for classification as a competitive telecommunications company and grants a waiver of the laws and rules listed in the attached Appendix A.
- 24 (3) TeleCents Communications, Inc., shall be permitted to provide services under price list.
- 25 (4) Registration of TeleCents Communications, Inc., as a telecommunications company shall not be construed as an endorsement of financial viability or of the investment quality of any securities it may issue.
- 26 (5) As a telecommunications company providing service to the public in this state, TeleCents Communications, Inc., is subject to the jurisdiction of this Commission under the provisions of Title 80 RCW and all rules and regulations adopted by the Commission.
- 27 (6) TeleCents Communications, Inc., is authorized to offer rates and services pursuant to the price list in the format prescribed by the Commission. Services specified in Exhibit A but not included in its initial price list may not be offered until applicant amends its price list to include the description of service with rates and charges. Any price list filed by TeleCents Communications, Inc., and subsequent changes to these price lists shall become effective only after ten days' notice to the Commission and to customers. In the event of a price list reduction or of a change in terms and conditions that do not have rate impact, personal notice to customers is not required. To comply with the statutory notice requirement, TeleCents Communications, Inc., may publish notice of price reductions or changes in terms and conditions of service that do not have rate impact by a display advertisement in such newspaper(s) as are geographically situated to be circulated over the Company's service area.
- 28 (7) TeleCents Communications, Inc., must comply, as specified, with the requirements of WAC 480-120-141, operator service providers rule.
- 29 (8) TeleCents Communications, Inc., is not authorized to collect deposits from customers.

- 30 (9) The Commission retains jurisdiction over the subject matter and the Company to effectuate the terms of this Order.

DATED at Olympia, Washington, and effective this 22nd day of August, 2001.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Secretary

**APPENDIX A**

RCW 80.04.300	Budgets to be filed by companies--Supplementary budgets
RCW 80.04.310	Commission's control over expenditures
RCW 80.04.320	Budget rules
RCW 80.04.330	Effect of unauthorized expenditure--Emergencies
RCW 80.04.360	Earnings in excess of reasonable rate--Consideration in fixing rates
RCW 80.04.460	Investigation of accidents
RCW 80.04.520	Lease of utility facilities
RCW 80.36.100	Tariff schedules to be filed and open to public
RCW 80.36.110	Tariff changes--Statutory notice--Exception
Chapter 80.08 RCW	Securities (except RCW 80.08.140, State not obligated)
Chapter 80.12 RCW	Transfers of Property
Chapter 80.16 RCW	Affiliated Interests
Chapter 480-80 WAC	Tariffs
Chapter 480-140 WAC	Budgets
Chapter 480-143 WAC	Transfers of Property
Chapter 480-146 WAC	Securities and Affiliated Interests
WAC 480-120-026	Tariffs
WAC 480-120-031	Accounting
WAC 480-120-032	Accounting-Political information and political education activities
WAC 480-120-036	Finance--Securities, affiliated interests, transfer of property
WAC 480-120-043	Notice to Public of Tariff Changes
WAC 480-120-046	Services offered
WAC 480-120-131	Reports of accidents
WAC 480-120-541	Access charges
WAC 480-120-542	Collective consideration of Washington intrastate rate, tariff, or service proposals
WAC 480-120-543	Caller identification service
WAC 480-120-544	Mandatory cost changes for telecommunications companies