BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

DOCKET NO. UT-010785

Petitioner,

v.

ACCESSLINE COMMUNICATIONS CORPORATION: ACCUTEL COMMUNICATIONS, INC.; ACTEL INTEGRATED COMMUNICATIONS, INC.; ADVANCED TELECOMMUNICATIONS NETWORK, INC.; AMERICAN TEL GROUP, INC; AMERICAN TELECOMMUNICATIONS ENT., INC.; APOLLO TELECOM NETWORK, INC.; ATLANTA NEW YORK WAREHOUSE OUTLETS, INC.; ATLANTIC TELEPHONE COMPANY, INC.; ATLAS EQUITY, INC. d/b/a PERFORMANCE TELECOM; BRENTEL COMMUNICATIONS; BRITTAN COMMUNICATIONS INTERNATIONAL CORPORATION; CARIBBEAN TELEPHONE AND TELEGRAPH; CASH BACK REBATES LD.COM, INC; COINTEL. INC: COLORADO RIVER COMMUNICATIONS CORPORATION; COM TECH INTERNATIONAL CORPORATION; COMPLUS, LLC; CORPORATE SERVICES TELCOM, INC.; COVENANT DEVELOPMENT CORPORATION; CP NW 1, LLC; CSI PAY TELEPHONE INVESTORS, LP; CYBER SENTRY, INC.; DELTA PATCO; DIALTEK, LLC; DIRECT CONNECT COMMUNICATIONS, INC.; DISCOUNT CALL RATING, INC.; DIVERSIFIED SERVICE COMPANY; EAGLE TELECOM, INC.; ECI COMMUNICATIONS, INC.; ECLIPSE

DEFAULT ORDER

COMMUNICATIONS CORPORATION; ELIAS VENTURES, INC.; ESSENTIAL.COM, INC.; FAXNET CORPORATION; FONOROLA CORPORATION; FUTURE TELEPHONE COMMUNICATIONS: GLOBAL TELELINK SERVICES, INC.; GLOBAL TELEPHONE CORPORATION; GOLD TEL CORPORATON; GREAT WEST SERVICES, LTD.: HI-RIM COMMUNICATIONS, INC.; IDEALDIAL CORPORATION; INACOM COMMUNICATIONS, INC.; INET INTERACTIVE NETWORK SYSTEM, INC.; INTEGRATED TELETECHNOLOGIES, INC.; INTELICOM INTERNATIONAL CORPORATON; INTER-TEL NET SOLUTIONS, INC.; INTERNATIONAL TELE-SERVICE, INC.; INTERNET TELEPHONE COMPANY; IPVOICE COMMUNICATIONS, INC.; J D SERVICES. INC.: PHONE CONNECTION: JUNG SOO KWAK TELEPHONE; LAWRENCE SMITH, INC.; LEAST COST ROUTING, INC.; LEGENDS COMMUNICATIONS, INC.; LONG DISTANCE AMERICA, INC.; LONG DISTANCE DIRECT HOLDINGS; MAXTEL USA, INC.; MAXXIS COMMUICATIONS, INC.; CRESCENT MOON ENTERPRISES; METROLINK COMMUNICATONS, INC., METROMEDIA COMMUNICATIONS CORPORATION: MINIMUM RATE PRICING, INC.; NET-TEL CORPORATON; NET.WORLD, INC.; NETEL, INC.; NEW MILLENIUM CONQUEST SERVICE CORP.; NOVA TELECOM, INC.; OVERLOOK COMMUNICATIONS INTERNATIONAL: OZARK TELECOM, INC.; PACIFIC FIBER LINK, LLC; PDGT.COM, INC.; PHONES "R" US; PNV.NET, INC.;

POLAR COMMUNICATIONS CORPORATION; PRIDE AMERICA, INC.; PRO PLUS COMMUNICATIONS CORP.; QUANTUM COMMUNICATIONS; QUEST TELECOMMUNICATIONS, INC.; RAPID LINK USA, INC.; REFLEX COMMUNICATIONS, INC.; ROBERT PAYNE CORPORATION; ROCKY MOUNTAIN BROADBAND, INC.; S.V.V. SALES d/b/a ARCADA COMMUNICATIONS; SATLINK3000, INC.; SBR, INC.; SERVISENSE.COM, INC.; SOUTHNET TELECOMM SERVICES, INC.; SOUTHWEST PAY TELEPHONE CORPORATION; STARCOM SERVICE CORPORATION; STARLINK COMMUNICATIONS, LLC; STARTEC, INC.; STELLAR TELECOMMUNICATIONS SERVICES, INC.; STORMTEL, INC.; SUE DAVIS PAYPHONES; TACOMA TELEPHONE EXCHANGE, INC.: TELEDIAL AMERICA, INC.; TELEMANAGEMENT SERVICES, INC.; TELERA COMMUNICATIONS, INC.; TELICOR, INC.; TELINK, INC.; TELNET COMMUNICATONS, INC.; TELSCAPE, USA, INC.; TELSTAR INCORPORATED; TELTRUST TELECOMMUNICATIONS, INC.; THE WILLIAMS GROUP, INC.; TRADEX INTERNATIONAL, INC.; TTI TELECOMMUNICATIONS: U.S. NETWORK SERVICES, INC.; U.S. SOUTH COMMUNICATIONS, INC.; UNICOMM; UNITED NATIVE AMERICAN TELECOMMUNICATIONS: USA TELE CORPORATION; VALUE TEL, INC.; VISTA GROUP INTERNATIONAL, INC.; WATS INTERNATIONAL CORPORATION: WATS/800, INC. d/b/a INFORMATION & TELEPHONE SERVICES; WESTERN COMMUNICATIONS

NETWORK; WINSTAR WIRELESS, INC.; WORLD TELECOM GROUP, INC.; WORLDTOUCH COMMUNICATIONS, INC.; XTRACOM, INC.,

Respondents.

I. SYNOPSIS

Commission Staff initiated action against 123 registered telecommunications companies for failure to pay regulatory fees and file annual reports. In this Order, 110 companies are held in default for failing to appear at the prehearing conference.

II. PROCEDURAL BACKGROUND

- On June 6, 2002, the Washington Utilities and Transportation Commission ("Commission") served a Complaint and Notice of Prehearing Conference ("Complaint") to 123 registered telecommunications 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 Washington state.
- Attachment A to the Complaint states each respondent companies' name and address. Attachment B to the Complaint consists of a table listing each of the years between 1997 and 2000 that each company failed to file an annual report. Attachment C to the Complaint consists of a table listing each of the years between 1997 and 2000 that each company failed to file regulatory fees.
- The Complaint was served to each company's registered agent by certified mail and to the company by first class mail. Where no registered agent was designated, the Complaint was served to each company by certified mail.
- 5 Commission Staff ("Staff") was the only party appearing at the prehearing conference.

III. RELEVANT STATUTES AND COMMISSION RULES

RCW 34.05.440(2) states: "If a party fails to attend or participate in a hearing or other stage of an adjudicative proceeding ... the presiding officer may serve upon all parties a default or other dispositive order, which shall include a statement of the grounds for the order."

- RCW 34.05.440(3) states: "Within seven days after service of a default order under subsection (2) of this section ... the party against whom it was ordered may file may file a written motion requesting that the order be vacated, and stating the grounds relied upon."
- 8 WAC 480-09-700(3)(a) states that if a party fails to appear at the time and place set for a hearing, then the Commission may find the party in default.
- 9 RCW 80.04.080 requires public service companies to furnish annual reports to the Commission in such form as the Commission may require.
- 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.
- 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.
- 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

A. Purpose of Proceeding

This proceeding was commenced pursuant to chapter 34.05 RCW and chapter 480-09 WAC for the purposes of: (1) Determining whether the companies listed in the Complaint violated state statutes and Commission rules requiring that registered telecommunications companies file annual reports and pay regulatory fees; (2) Determining whether the Commission should revoke the registrations and impose penalties against the companies listed in the Complaint; and (3) Making any other determination and entering such orders as may be just and reasonable. ¹

B. Order of Default

The following companies filed requests to cease doing business: CoinTel, Inc.; Lawrence Smith, Inc.; Net.world, Inc.; Pacific Fiber Link, LLC; PNV.net, Inc.; Stellar Telecommunications Services, Inc.; U.S. Network Services, Inc.; Unicomm, and Winstar Wireless, Inc. The Commission has allowed the requests to become effective as regular open meeting no action agenda items.

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¹ Complaint, at paragraph 21.

- The following companies have complied with their obligations to file annual reports and pay regulatory fees: DialTek, LLC; Metromedia Communications Corporation; NeTel, Inc.; and U.S. South Communications, Inc.
- The Notice of Prehearing Conference stated in the Complaint includes the notice that any party who fails to attend or participate in the prehearing conference may be held in default in accordance with the terms of RCW 34.05.440.²
- The following 110 companies were served with the Complaint, but failed to appear at the prehearing conference or take other action regarding this proceeding:

Accessline Communications Corporation Accutel Communications, Inc. Actel Integrated Communications, Inc. Advanced Telecommunications Network, Inc. American Tel Group, Inc. American Telecommunications Ent., Inc. Apollo Telecom Network, Inc. Atlanta New York Warehouse Outlets, Inc. Atlantic Telephone Company, Inc. Atlas Equity, Inc. d/b/a Performance Telecom **Brentel Communications** Brittan Communications International Caribbean Telephone and Telegraph Cash Back Rebates LD.COM, Inc Colorado River Communications Corporation Com Tech International Corporation StarTec, Inc. (StarTec Global Comm. Corp) Corporate Services Telcom, Inc. Covenant Development Corporation CP NW 1, LLC CSI Pay Telephone Investors, LP S.V.V. Sales d/b/a Arcada Communications Direct Connect Communications, Inc Discount Call Rating, Inc. Diversified Service Company Eagle Telecom, Inc. ECI Communications, Inc. Eclipse Communications Corporation United Native American Telecommunications Essential.Com, Inc. FaxNet Corporation WorldTouch Communications, Inc. fONOROLA Corporation Future Telephone Communications Global Telelink Services, Inc. Global Telephone Corporation

Hi-Rim Communications, Inc. Delta Patco Inacom Communications, Inc. INET Interactive Network System, Inc. Integrated Teletechnologies, Inc. Intelicom International Corporation Inter-Tel Net Solutions, Inc. International Tele-Service, Inc Internet Telephone Company. IPVoice Communications, Inc. SouthNet TeleComm Services, Inc. Southwest Pay Telephone Corporation Jung Soo Kwak Telephone Complus, L.L.C. Legends Communications, Inc. Long Distance America, Inc. Long Distance Direct Holdings Maxtel USA, Inc. Maxxis Communications, Inc. Cresent Moon Enterprises Metrolink Communications, Inc. Minimum Rate Pricing, Inc. Net-Tel Corporation New Millennium Conquest Service Corp. TelTrust Telecommunications, Inc. Overlook Communications International Ozark Telecom, Inc. Elias Ventures, Inc. Tacoma Telephone Exchange, Inc. Polar Communications Corporation Western Communications Network Robert Pavne Corporation Pro Plus Communications Corp.

Rocky Mountain Broadband, Inc. IdealDial Corporation SATLINK 3000, Inc. SBR. Inc. ServiSense.com, Inc. Starcom Service Corporation Starlink Communications, LLC Stormtel, Inc. Sue Davis Payphones Phones "R" Us J D Services, Inc. Phone Connection Teledial America, Inc. Least Cost Routing, Inc. Telemanagement Services, Inc. Telera Communications, Inc. Telicor, Inc. Telink Inc. Telnet Communications, Inc. Telscape, USA, Inc. TelStar Incorporated The Williams Group, Inc. Tradex International, Inc. Nova Telecom, Inc. TTI Telecommunications PDGT.COM. Inc. USA Tele Corporation Value Tel, Inc. Vista Group International, Inc. Wats International Corporation Pride America, Inc. World Telecom Group, Inc. Xtracom, Inc. Cyber Sentry, Inc. Great West Services, Ltd. ReFlex Communications, Inc.

Gold Tel Corporation

V. FINDINGS OF FACT

Rapid Link USA, Inc.

Quantum Communications

Quest Telecommunications, Inc.

(1) 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.

WATS/800, Inc., dba Informat ion & Telephone Services

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² Complaint, at paragraphs 25 through 31.

- The following companies have filed requests to cease doing business: CoinTel, Inc.; Lawrence Smith, Inc.; Net.world, Inc.; Pacific Fiber Link, LLC; PNV.net, Inc.; Stellar Telecommunications Services, Inc.; U.S. Network Services, Inc.; Unicomm, and Winstar Wireless, Inc. The Commission has allowed each of these requests to become effective as regular open meeting no action agenda items.
- The following companies have complied with their obligations to file annual reports and pay regulatory fees: DialTek, LLC; NeTel, Inc.; Metromedia Communications Corporation; and U.S. South Communications, Inc.
- 21 (4) Each of the 110 companies listed above in Paragraph 17 failed to appear at the prehearing conference that was convened on July 15, 2002, pursuant to notice that was properly served to each party.

VI. CONCLUSIONS OF LAW

- 22 (1) The Washington Utilities and Transportation Commission has jurisdiction over the subject matter of this proceeding and all parties to this proceeding.
- Each of the companies listed above in Paragraph 17 above should be held in default. Any of those 110 companies that fail to respond to this Order by filing a written motion requesting that the order be vacated pursuant to RCW 34.05.440(3) should have its registration to conduct business in the state of Washington revoked.

VII. ORDER

ORDERS that:

Each of the 110 companies identified in paragraph 17 of this Order are held in default. Any of those 110 companies that fail to respond to this Order by filing a written motion within ten days requesting that the order be vacated pursuant to RCW 34.05.440(3) may have its registration to conduct business in the state of Washington revoked by a further order of the Commission.

Dated at Olympia, Washington, and effective this 31st day of July, 2002.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

LAWRENCE J. BERG Administrative Law Judge

NOTICE TO THE PARTIES

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

Pursuant to RCW 34.05.440(3), within ten (10) days after service of this Default Order, which is entered pursuant to RCW 34.05.440(2), any party against whom it is ordered may file a written motion that the order be vacated, and the moving party also must state the grounds relied upon.

If no written motion is timely filed, the Commission may enter a further order revoking the defaulting party's registration to conduct business in the state of Washington.

A written motion that the order be vacated 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.