# BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND	) DOCKET UT-082005
TRANSPORTATION COMMISSION,	)
Complainant,  v.  AK COMMUNICATIONS, INC., EPIXTAR COMMUNICATIONS CORP., FREEDOMSTARR COMMUNICATIONS, INC., JAMBO, INC., LEAST COST ROUTING, INC. d/b/a LONG DISTANCE CHARGES, MARATHON COMMUNICATIONS CORPORATION d/b/a MARATHON USA, NATIONS BROADBAND, INC., PACIFIC CENTREX SERVICES, INC., PHONETEC, LP, PTS ACCESS NETWORKS, INC., STARVOX COMMUNICATIONS, INC., TELECENTS COMMUNICATIONS, INC., TELMEX USA, L.L.C., and VYCERA COMMUNICATIONS, INC.,  Respondents.	COMPLAINT FOR REVOCATION COMPLAINT FOR REVOCATION OF REGISTRATION FOR FAILURE TO PAY REGULATORY FEES AND FAILURE TO FILE ANNUAL REPORT; and  NOTICE OF HEARING (Set for January 14, 2009, at 10:30 a.m.)  ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) ) )
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- Synopsis: The Commission seeks revocation of the registrations of telecommunications companies that have failed to pay regulatory fees as required by RCW 80.24.010 and failed to file an annual report as required by RCW 80.04.080.
- Proceedings: Telecommunications companies operating in Washington state are required to file annual reports setting forth company operations during the preceding year. In addition, these telecommunications companies must pay annual regulatory fees to the Washington Utilities and Transportation Commission (Commission). Annual reports and regulatory fees are due on or before May 1.

The staff of the Commission (Staff)<sup>1</sup> sends annual report forms in the spring to all telecommunications companies registered with the Commission. Accordingly, Staff mailed a forms packet to the address on record with the Commission for each registered company, including the companies named in this complaint (Companies). A search of Commission records indicates that the Companies did not comply with requirements for paying the annual regulatory fee and reporting requirements. Consequently, Staff asks the Commission to issue this complaint seeking revocation of each Company's registration for failure to pay regulatory fees and/or file an annual report.

#### I. COMPLAINT

- The Commission on its own motion, and through its Staff, alleges as follows:
- Every public service company operating in Washington state is required to file an annual report that sets forth the company's operations during the preceding year. *RCW* 80.04.080.
- In addition, every public service company subject to regulation by the Commission must pay a regulatory fee each year on or before the date specified by the Commission. *RCW* 80.24.010.
- 7 The term "public service company" includes every telecommunications company. *RCW* 80.04.010.
- 8 Commission rules require all telecommunications companies to file annual reports and pay regulatory fees by May 1. WAC 480-120-382 (competitively classified companies); WAC 480-120-385 (companies not classified as competitive).
- The Commission may revoke the registration of a telecommunications company for failure to file an annual report or pay regulatory fees. *WAC 480-121-060*.
- Staff conducted its yearly compliance review of annual report and regulatory fee filings for telecommunications companies registered with the Commission. This review

<sup>&</sup>lt;sup>1</sup> In formal proceedings, such as this, the Commission's regulatory staff functions as an independent party with the same rights, privileges, and responsibilities as other parties to the proceeding. There is an "ex parte wall" separating the Commissioners, the presiding Administrative Law Judge, and the Commissioners' policy and accounting advisors from all parties, including regulatory staff. *RCW 34.05.455*.

generated a list of companies that had failed to pay regulatory fees for 2008 and/or failed to submit annual reports for 2007. Since then, a number of companies have come into compliance. Those companies that still have not paid 2008 regulatory fees or filed 2007 annual reports are named as respondents in this complaint.

- AK Communications, Inc. (AK) is a public service company as defined in RCW 80.04.010. AK provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that AK failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- Epixtar Communications Corp. (Epixtar) is a public service company as defined in RCW 80.04.010. Epixtar provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that Epixtar failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- FreedomStarr Communications, Inc. (FreedomStarr) is a public service company as defined in RCW 80.04.010. FreedomStarr provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that FreedomStarr failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- Jambo, Inc. (Jambo) is a public service company as defined in RCW 80.04.010. Jambo provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that Jambo failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- Least Cost Routing, Inc. d/b/a Long Distance Charges (Least Cost) is a public service company as defined in RCW 80.04.010. Least Cost provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC480-121. From the Commission's files and records, it appears that Least Cost failed to pay the required regulatory fees and file its annual report due on May 1, 2008.

Marathon Communications Corporation d/b/a Marathon USA (Marathon) is a public service company as defined in RCW 80.04.010. Marathon provides telecommunications services in the state of Washington for compensation and is registered under RCW80.36 and WAC 480-121. From the Commission's files and records, it appears that Marathon failed to pay the required regulatory fees and file its annual report due on May 1, 2008.

- Nations Broadband, Inc. (Nations) is a public service company as defined in RCW 80.04.010. Nations provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that Nations failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- Pacific Centrex Services, Inc. (Pacific) is a public service company as defined in RCW 80.04.010. Pacific provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that Pacific failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- Phonetec, LP (Phonetec) is a public service company as defined in RCW 80.04.010. Phonetec provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that Phonetec failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- PTS Access Networks, Inc. (PTS) is a public service company as defined in RCW 80.04.010. PTS provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that PTS failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- StarVox Communications, inc. (StarVox) is a public service company as defined in RCW 80.04.010. StarVox provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that StarVox failed to pay the required regulatory fees and file its annual report due on May 1, 2008.

TeleCents Communications, Inc. (TeleCents) is a public service company as defined in RCW 80.04.010. TeleCents provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that TeleCents failed to pay the required regulatory fees and file its annual report due on May 1, 2008.

- Telmex USA, L.L.C. (Telmex) is a public service company as defined in RCW 80.04.010. Telmex provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that Telmex failed to pay the required regulatory fees and file its annual report due on May 1, 2008.
- Vycera Communications, Inc. (Vycera) is a public service company as defined in RCW 80.04.010. Vycera provides telecommunications services in the state of Washington for compensation and is registered under RCW 80.36 and WAC 480-121. From the Commission's files and records, it appears that Vycera failed to pay the required regulatory fees and file its annual report due on May 1, 2008.

### II. REQUEST FOR RELIEF

- Staff asks the Commission to find that the Companies failed to comply with RCW 80.24.010, RCW 80.04.080, and with WAC 480-120-382 by failing to pay 2008 regulatory fees or file 2007 annual reports.
- Staff requests that the Commission, pursuant to its authority in WAC 480-121-060, revoke the registrations of respondent telecommunications companies.

#### III. PROBABLE CAUSE

Based on a review of the Declaration of Sheri Hoyt regarding her investigation of Commission records pertaining to the submission of annual reports and regulatory fees by telecommunications companies, and consistent with RCW 80.01.060 and WAC 480-07-307, the Commission finds probable cause exists to issue this Complaint.

#### IV. NOTICE OF HEARING

THE COMMISSION GIVES NOTICE That it will hold a hearing in this matter on January 14, 2009, beginning at 10:30 a.m., in Room 206, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. If you are unable to attend the hearing in person, you may attend via the Commission's teleconference bridge line at 360-664-3846.

- The Commission will hear this matter under the Administrative Procedure Act (APA) at RCW34.05, including but not limited to RCW 34.05.413, RCW 34.05.431, RCW 34.05.434, RCW 34.05.440, RCW 34.05.449, and RCW 34.05.452. The Commission also will follow its procedural rules in WAC 480-07 in this proceeding, including but not limited to WAC 480-07-145, WAC 480-07-150, WAC 480-07-305, WAC 480-07-440, WAC 480-07-450, WAC 480-07-470, WAC 480-07-490, and WAC 480-07-495. The Commission has jurisdiction over this matter pursuant to RCW 80.01.040, RCW 80.04.80, RCW 80.04.110, RCW 80.04.160, RCW 80.04.470, and RCW 80.24.010, and pursuant to RCW 80.36 and WAC 480-121.
- THE COMMISSION GIVES FURTHER NOTICE that any party who fails to attend or participate in the hearing set by this notice, or any other stage of this proceeding, may be held in default in accordance with RCW 34.05.440 and WAC 480-07-450.
- If any party or witness needs an interpreter or other assistance, please fill out the form attached to this notice and return it to the Commission.
- The names and mailing addresses of all known parties and their known representatives are as follows:

Complainant: Washington Utilities and

**Transportation Commission** 

1300 S. Evergreen Park Drive S.W.

PO Box 47250

Olympia, WA 98504-7250

Representative: Jennifer Cameron-Rulkowski

**Assistant Attorney General** 

1400 S. Evergreen Park Drive S.W.

P.O. Box 40128

Olympia, WA 98504-0128

(360) 664-1186

Respondent: AK Communications, Inc.

P.O. Box 2703

Reading, PA 19609

Respondent: Epixtar Communications Corp.

11900 Biscayne Boulevard, Ste. 700

Miami, FL 33181

Respondent: FreedomStarr Communications, Inc.

8383 Wilshire Blvd #333 Beverly Hills, CA 90211

Respondent: Jambo, Inc.

26901 Agoura Road, Ste. 180 Agoura Hills, CA 91301-5107

Respondent: Least Cost Routing, Inc. d/b/a Long Distance Charges

728 Keil Street

Henderson, NV 89015

Respondent: Marathon Communications Corporation

d/b/a Marathon USA

8014 Cumming Hwy, Ste. 403357

Canton, GA 30107

Respondent: Nations Broadband, Inc.

13455 Noel Road #1000

Dallas, TX 75240

Respondent: Pacific Centrex Services, Inc.

6855 Tujunda Avenue

North Hollywood, CA 91605

Respondent: PHONETEC, LP

P.O. Box 9190

Midland, TX 79708

Respondent: PTS Access Networks, Inc.

568 First Avenue South # 650

Seattle, WA 98104

Respondent: StarVox Communications, Inc.

2728 Orchard Parkway San Jose, CA 95134

Respondent: TeleCents Communications, Inc.

8615 Richardson Road, Ste. 200

Walled Lake, MI 48396

Respondent: Telmex USA, L.L.C.

3350 SW 148th Avenue, Ste. 400

Miramar, FL 33027

Respondent: Vycera Communications, Inc.

1339 Caminito Laura

Encinitas, CA 92024-7003

Patricia A. Clark is appointed as the Administrative Law Judge from the Utilities and Transportation Commission's Administrative Law Division, 1300 S. Evergreen Park Drive S.W., Olympia, Washington 98504-7250, and will preside at the hearing.

Notice of any other procedural phase will be given in writing or on the record as the Commission may deem appropriate during the course of this proceeding.

DATED at Olympia, Washington, and effective December 2, 2008.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

ANN E. RENDAHL Administrative Law Judge

Inquiries may be addressed to:

Executive Director and Secretary
Washington Utilities and
Transportation Commission
Richard Hemstad Building
1300 S. Evergreen Park Drive S.W.
P. O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

## **NOTICE**

PLEASE NOTE: The hearing facilities are accessible to interested people with disabilities; that smoking is prohibited; and, if limited English-speaking or hearing-impaired parties or witnesses are involved in a hearing and need an interpreter, a qualified interpreter will be appointed at no cost to the party or witness.

The information needed to provide an appropriate interpreter or other assistance should be stated below and returned to Washington Utilities and Transportation Commission, Attention: David W. Danner, 1300 S. Evergreen Park Drive SW, P.O. Box 47250, Olympia, WA 98504-7250. (PLEASE SUPPLY ALL REQUESTED INFORMATION)

Docket:		
Case Name:		
Hearing Date:	Hearing Location:	
Primary Language:		
Hearing Impaired: (Yes)	(No)	
Do you need a certified sign language interpreter?		
Visual	Tactile	
Other type of assistance needed:		
English-speaking person who can be conta	cted if there are questions:	
Name:		
Address:		
Phone No.: ()		