

[Service Date January 21, 2009]

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKET UT-082006
TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	COMPLAINT FOR REVOCATION
	)	OF REGISTRATION FOR
v.	)	FAILURE TO PAY ANNUAL
	)	REPORT PENALTIES; and
GRANDE COMMUNICATIONS	)	
NETWORKS, INC., NORSTAR	)	
NETWORK SERVICES, INC.,	)	NOTICE OF HEARING
TELECENTS COMMUNICATIONS, INC.,	)	(Set for February 13, 2009, at
	)	9:30 a.m.)
Respondents.	)	
	)	
.....	)	

1     *Synopsis: The Commission seeks to revoke the registrations of telecommunications companies that have failed to pay penalties assessed for late-filed annual reports.*

2     The Washington Utilities and Transportation Commission (Commission) on its own motion, and through its Staff, alleges as follows:

**I.     BACKGROUND INFORMATION**

3     Telecommunications companies operating in Washington state are required to file with the Commission annual reports setting forth company operations during the preceding year. In addition, these telecommunications companies must pay annual regulatory fees to the Commission. Annual reports and regulatory fees are due on or before May 1. In most years, the Commission has extended the filing deadline approximately one month.

4     The Commission assesses a penalty against each telecommunications company that fails to file an annual report by the applicable deadline. The respondent companies named in this complaint were assessed annual report penalties dating back to 2005. Although each of the respondent companies did ultimately file an annual report and pay regulatory fees if any were due, none of them paid the penalty for a late filed report.

- 5 Grande Communications Networks, Inc. (Grande) was assessed a penalty of \$100 for failure to timely file its 2004 annual report.<sup>1</sup> Grande did not pay, challenge, or request mitigation of the penalty. On June 23, 2006, the Commission sent Grande a delinquency notice, requesting payment and warning that if payment was not received by July 30, 2006, the matter would be referred to the Office of the Attorney General for collection. The Commission received neither payment nor any other response. On January 1, 2007, the Attorney General's Office sent Grande a letter stating that if the company did not respond by January 17, 2007, it risked incurring additional penalties and enforcement. Grande did not respond.
- 6 Norstar Network Services, Inc. (Norstar) was assessed a penalty of \$100 for failure to timely file its 2005 annual report.<sup>2</sup> Norstar did not pay, challenge, or request mitigation of the penalty. On October 13, 2006, the Commission sent Norstar a delinquency notice, requesting payment and warning that if payment was not received by October 27, 2006, the matter would be referred to the Office of the Attorney General for collection. The Commission received neither payment nor any other response.
- 7 In the subsequent year, Norstar again failed to timely file its annual report, and the company was assessed a penalty of \$200 for failure to timely file its 2006 annual report. Norstar did not pay, challenge, or request mitigation of the penalty. On August 13, 2007, the Commission sent Norstar a delinquency notice, requesting payment by August 29, 2007, and warning that if payment was not received the matter would be referred to the Office of the Attorney General for collection. The Commission received neither payment nor any other response. On April 17, 2008, the Attorney General's Office sent Norstar a letter stating that if the company did not respond by May 1, 2008, it risked incurring additional penalties and enforcement. Norstar did not respond.
- 8 TeleCents Communications, Inc. (TeleCents) was assessed a penalty of \$100 for failure to timely file its 2005 annual report.<sup>3</sup> TeleCents did not pay, challenge, or request mitigation of the penalty. On October 13, 2006, the Commission sent TeleCents a delinquency notice, requesting payment and warning that if payment was not received

---

<sup>1</sup> Penalty issued December 6, 2005, in Docket UT-051701.

<sup>2</sup> Penalty issued July 5, 2006, in Docket UT-060977.

<sup>3</sup> Penalty issued July 5, 2006, in Docket UT-060977.

by October 27, 2006, the matter would be referred to the Office of the Attorney General for collection. The Commission received neither payment nor any other response.<sup>4</sup>

## II. PARTIES

9 The Washington Utilities and Transportation Commission is an agency of the State of Washington, authorized by state law to regulate the rates, services, facilities, and practices of public service companies, including telecommunications companies, under the provisions of Title 80 RCW.

10 Grande Communications Networks, Inc., Norstar Network Services, Inc., and TeleCents Communications, Inc. (collectively the “Companies”) are public service companies as defined in RCW 80.04.010. The Companies provide telecommunications services in the state of Washington for compensation and are registered with the Commission as competitively classified telecommunications carriers under RCW 80.36 and WAC 480-121.

## III. JURISDICTION

11 The Commission has jurisdiction over this matter pursuant to RCW 80.01.040, RCW 80.04.110, RCW 80.04.160, RCW 80.04.380, RCW 80.04.470, RCW 80.36, WAC 480-120, and WAC 480-121

## IV. APPLICABLE LAW AND REGULATION

12 The term “public service company” includes every telecommunications company.  
*RCW 80.04.010.*

13 A “telecommunications company” includes every corporation, company, and association owning, operating or managing any facilities used to provide

---

<sup>4</sup> TeleCents is also a named respondent in a complaint issued on December 2, 2008, in Docket UT-082005. In that complaint, the Commission seeks to revoke the registrations of telecommunications companies who have failed to file their 2007 annual reports or pay their 2008 regulatory fees. If the Commission revokes TeleCents’ registration in Docket UT-082005, it will dismiss the complaint against the company in this proceeding.

telecommunications for hire, sale, or resale to the general public within Washington state.<sup>5</sup> *Id.*

14 Under state law, every public service company must file an annual report with the Commission on or before the date specified by the Commission. *RCW 80.04.080.*

15 The Commission may file a complaint on its own motion setting forth any act or omission by any public service company that violates any law or any order or rule of the Commission. *RCW 80.04.110.*

16 It is the Commission's duty to enforce the public service laws of Title 80 RCW. *RCW 80.04.470.*

17 In keeping with this mandate, the Commission is empowered to make rules necessary to carry out its duties. *See RCW 80.01.040(4).*

18 Commission rule provides that after furnishing notice and an opportunity for a hearing, the Commission may revoke the registration of a telecommunications company for good cause. *WAC 480-121-060.*

## V. COMPLAINT

19 The Commission, through its Staff, re-alleges the allegations contained in paragraphs 3 through 18 above.

20 Grande has failed to pay the \$100 penalty assessed in Docket UT-051702 for failure to timely file an annual report.

21 Norstar has failed to pay the \$100 penalty assessed in Docket UT-060977 for failure to timely file an annual report and the \$200 penalty assessed in Docket UT-071295 for failure to timely file an annual report.

22 TeleCents Communications, Inc. has failed to pay the \$100 penalty assessed in Docket UT-060977 for failure to timely file an annual report.

---

<sup>5</sup> Before beginning operations in this state, however, a telecommunications company must apply for registration with the Commission. The Commission may grant or, following a hearing, deny the application. *RCW 80.36.350.*

## VI. REQUEST FOR RELIEF

23 Staff asks the Commission to find that the Companies have failed to pay the penalties assessed in the following dockets:

- UT-051702, Grande;
- UT-060977, Norstar and TeleCents;
- UT-071295, Norstar.

24 Staff requests that the Commission, pursuant to its authority in WAC 480-121-060, revoke the registrations of the Companies.

## VII. PROBABLE CAUSE

25 Based on a review of the Declaration of Sheri Hoyt and the attached report regarding her investigation of Commission records pertaining to outstanding annual report penalties assessed to telecommunications companies, and consistent with RCW 80.01.060 and WAC 480-07-307, the Commission finds probable cause exists to issue this Complaint.

## VIII. NOTICE OF HEARING

26 **THE COMMISSION GIVES NOTICE That it will hold a hearing in this matter on February 13, 2009, beginning at 9:30 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**.

27 The Commission will hear this matter under the Administrative Procedure Act (APA) at RCW 34.05, 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.

28 **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.**

29 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.

30 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: Grande Communications Networks, Inc.  
401 Carlson Circle  
San Marcos, TX 78666

Respondent: Norstar Network Service, Inc.  
10025 Scenic View Road  
Vienna, VA 22182

Respondent: TeleCents Communications, Inc.  
8615 Richardson Road, Ste. 200  
Walled Lake, MI 48396

- 31 Adam E. Torem 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.
- 32 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 January 21, 2009.

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 contacted if there are questions:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone No.: (\_\_\_\_)\_\_\_\_\_