BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v

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ADVANCED TEL, INC., AIR SPEED, LLC, AIRNEX COMMUNICATIONS, INC., CLERTECH.COM, DIGITLINE EXPRESS, LLC, EMAN NETWORKS, FOX COMMUNICATION, LLC, GLOBAL TELECOM & TECHNOLOGY AMERICAS, INC., GLOBETEL, INC., GTC TELECOM CORP., LSSI DATA CORPORATION, MOMENTUM TELECOM, INC., QUALITY TELEPHONE, INC., V-GLOBAL COMMUNICATIONS, INC. AND WTI, LLC,

Respondent.

DOCKET UT-091666

COMMISSION STAFF'S ANSWER TO MOMENTUM TELECOM, INC.'S PETITION FOR ADMINISTRATIVE REVIEW

Pursuant to WAC 480-07-370(1)(c) and WAC 480-07-825(4), Washington Utilities and Transportation Commission Staff ("Staff") submits this answer to Momentum Telecom, Inc.'s ("Momentum" or "Company") Petition for Administrative Review (Petition).

I. INTRODUCTION

On February 2, 2010, after hearing, the Commission issued an Initial Order cancelling the registrations of a number of telecommunications companies including the petitioner, Momentum, that failed to file 2008 annual reports and/or pay 2009 regulatory

STAFF'S ANSWER TO MOMENTUM'S PETITION FOR REVIEW - 1

fees, as required by law, by the day of hearing. The Commission dismissed five companies that came into compliance prior to hearing. On February 22, 2010, Momentum timely filed a petition for administrative review. In its Petition, Momentum asks that the Commission not cancel its registration, and sets forth recommended findings of fact and conclusions of law. Staff does not oppose Momentum's petition for administrative review, and is not opposed to rescinding cancellation of Momentum's telecommunications carrier registration.

II. ARGUMENT AND CONCLUSION

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Momentum states that it mailed its Annual Report to the Commission on or about December 18, 2009, and therefore believed it to have come into compliance with Commission rules, until it was served the Initial Order in this matter. Momentum explains that failures of internal Company processes caused it to fail to timely file its annual report and be out of compliance with Commission rules. Momentum does not dispute that the Commission sent due and proper notice of the hearing but explains that it failed to appear at hearing because it inadvertently misplaced the Commission's notice. The Company has since filed an annual report, subsequent to the hearing. Momentum owes no regulatory fees for 2009 because it did not have any intrastate revenues. Momentum also explains that it has taken corrective action to ensure future compliance with Commission rules. Momentum asks that the findings of fact and conclusions of law be modified in a final order to reflect that it has come into compliance with the applicable Commission requirements, and that it be dismissed from the complaint.

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Staff does not oppose Momentum's Petition. According to Commission records, as reflected in the Initial Order, Momentum's 2008 Annual Report and regulatory fees were not received by the Commission by February 1, 2010, the date of hearing. Because Staff did not

have the Company's annual report, Staff could not verify at hearing that the Company owed no regulatory fees for 2009, as is now apparent. While Staff can offer no explanation as to why the annual report that Momentum said it mailed to the Commission in December was not received by the Commission, it does not have reason to doubt Momentum's assertion. Had Momentum communicated with the Commission to verify receipt of its mailing prior to the hearing, perhaps more timely corrective action would have been taken. The Company has now filed its annual report and is now in compliance with the applicable statutes and Commission rules. For these reasons, Staff is not opposed to modifying the Initial Order accordingly.

DATED this $\frac{2774}{}$ day of February, 2010.

Respectfully submitted,

ROBERT M. MCKENNA Attorney General

MICHAEL A. FÁSSIO

Assistant Attorney General

Counsel for Washington Utilities and

Transportation Commission Staff