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EXPEDITE  
 No Hearing Set  
 Hearing is Set  
Date:  
Time:

SUPERIOR COURT OF WASHINGTON FOR THURSTON COUNTY

State of Washington, Utilities and  
Transportation Commission,

Plaintiff,

v.

Globcom, Inc.,

Defendant.

CASE NO.

DECLARATION OF  
M. CARLENE HUGHES

M. CARLENE HUGHES, under penalty of perjury under the laws of the state of Washington, declares as follows:

1. I am over 18 years of age, a citizen of the United States, a resident of the state of Washington, and competent to be a witness.
2. I am employed by the Washington Utilities and Transportation Commission (Commission) as a Compliance Program Coordinator in the Business Practices Investigations Section. I have been employed at the Commission for approximately 20 years, holding various positions. As a Compliance Program Coordinator, my responsibilities include conducting investigations regarding the business practices of regulated utility or transportation companies. As part of those duties, I investigate

1 registered telecommunications companies that may be operating in violation of  
2 Commission statute, rule, order, tariff, or price list.

3 3. I was assigned to investigate the complaint response practices of Globcom. The  
4 investigation was focused on Globcom's response to Commission Staff during informal  
5 complaint investigations. In particular, I investigated informal complaints filed by  
6 Globcom customers between September 2003 and December 2003, and the responses  
7 to those complaints. I prepared an investigation report entitled *Staff Investigation into*  
8 *the Complaint Response Practices of Globcom, Inc.*, dated March 15, 2004. A true and  
9 accurate copy of the investigation report is attached to this declaration as Attachment 1.

10 4. On March 29, 2004, the Commission issued a Notice of Penalties Incurred and Due for  
11 Violations of Laws, Rules, and Regulations (Penalty Assessment) in Docket No. UT-  
12 040449. Although Globcom was required to respond within 15 days of receiving the  
13 Penalty Assessment, Globcom did not pay the penalty, request mitigation, or request a  
14 hearing.

15 5. In May 2004, I received telephone calls from two attorneys for Globcom: Mr. Hawa  
16 and Mr. Beri. Both Mr. Hawa and Mr. Beri informed me that Globcom intended to pay  
17 the penalty. Mr. Hawa stated that Globcom wanted to file a mitigation plea to explain  
18 the circumstances surrounding the penalty. Although I expressed some concern  
19 regarding the Commission's ability to consider a late-filed mitigation plea, I informed  
20 Mr. Hawa that Globcom could file the plea. I informed Mr. Beri that settlement did not  
21 seem to be an option, but that he could request a Commission ruling on the matter.  
22 Globcom did not file a mitigation plea or request a Commission ruling.

23 6. On June 1, 2004, Carole Washburn, Executive Secretary of the Commission, sent  
24 Globcom a letter regarding the Penalty Assessment. I was the Staff contact person  
25 listed in the letter. Ms. Washburn's letter provided a response deadline of June 18,  
26

1 2004. A true and accurate copy of Ms. Washburn's letter is attached to this declaration  
2 as Attachment 2.

3 7. Globcom failed to respond to Ms. Washburn's letter dated June 1, 2004. On June 22,  
4 2004, I sent an electronic mail message (e-mail) to Mr. Vitali of Globcom and Mr. Beri  
5 requesting whether Globcom intended to pay the penalty issued in Docket No. UT-  
6 040449. A true and accurate copy of the e-mail dated June 22, 2004 is attached to this  
7 declaration as Attachment 3.

8 8. Globcom failed to respond to my e-mail June 22, 2004. Staff requested that  
9 Christopher Swanson, Assistant Attorney General, prepare and send a letter to Globcom  
10 regarding the Penalty Assessment and the Company's failure to respond. Mr. Swanson  
11 sent a letter to Globcom on July 19, 2004. Mr. Swanson's letter served as Globcom's  
12 final opportunity to respond to the Commission's Penalty Assessment. Globcom was  
13 to respond by July 29, 2004, and I was the Staff contact person listed in the letter. A  
14 true and accurate copy of Mr. Swanson's letter is attached to this declaration as  
15 Attachment 4. Globcom did not respond to Mr. Swanson's letter.

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17 DATED this \_\_\_\_ day of February 2005 at Olympia, Washington.  
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M. CARLENE HUGHES  
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