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BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
IC 13

Universal Telecommunications, Inc.,
Plaintiff,
v.
Qwest Corporation,
Defendant.

**UNIVERSAL
TELECOMMUNICATIONS, INC.'S
COMPLIANCE FILING IN RESPONSE
TO ORDER NO. 07-366**

Pursuant to Paragraph 4 of the Commission's Order No. 07-366, in docket IC 13, Universal Telecommunications, Inc., ("Universal") submits this compliance filing providing specific information as to its plans to comply with Commission orders, and to protect its customers and end-users from service disruptions caused by Qwest Corporation's ("Qwest") threatened disconnection of circuits.

As set forth in more detail below, Universal has already taken direct action to ensure that

1 its customers do not experience any service disruptions as a result of Universal's compliance
2 with the terms of the Commission's decision in ARB 671. Specifically, Universal has entered
3 into an agreement in principle with another provider¹ of the same services offered by Universal
4 to acquire Universal's managed modem service business, operations and customer base.
5 Therefore, upon consumation of that transaction and the transfer of customers, all of Universal's
6 current customers will continue receiving the same quality service currently being provided by
7 Universal.
8

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10 **I. UNIVERSAL'S COMPLIANCE ACTIONS TO DATE**

11 To ensure that its customers continue to receive the same quality service without
12 interruption, Universal has undertaken intensive efforts within the last sixty days to enter into a
13 transaction with a third party to acquire the business, assets and customers associated with
14 Universal's managed modem service. As a result, Universal has reached an agreement in
15 principle with another provider ("the purchasing party") to acquire Universal's managed modem
16 service. Upon execution of the written agreement, Universal and the purchasing party will begin
17 the process of transferring all current managed modem customers to the purchasing party. Thus,
18 Universal's customers and end-users will be able to continue receiving service from the
19 purchasing party, without any anticipated disruption.
20
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22 The purchasing party is an established provider of managed modem services and has a

23 ¹ Although the transactional documents prevent Universal from identifying the potential purchaser, Universal
24 assures the Commission that the potential purchaser is not subject to Commission jurisdiction, nor is the potential
25 purchaser's service subject to Commission jurisdiction, nor does the potential purchaser interconnect as a CLEC
26 with Qwest. Universal will not transfer its certificate of operating authority as part of the transaction, or any other
asset subject to Commission jurisdiction. Consequently, the transaction does not require Commission review or
approval.

1 long history of providing such services to customers across the country. It will continue to serve
2 all of Universal's current customers, without any discernible change in service terms or quality.
3 The purchasing party will provide services using its own network and equipment and through the
4 purchase of certain telecommunications services from third party providers in Oregon.

5
6 Universal contemplates executing a written agreement with the purchasing party no later
7 than September 15, 2007. As soon as the writtten agreement has been executed, Universal and
8 the purchasing party will begin the process of transferring Universal's customers off of
9 Universal's network, and onto the purchasing party's network. Universal and the purchasing
10 party will make good faith efforts to complete the transfer process for all customers as quickly as
11 possible, and Universal anticipates having all customers transferred no later than November 30,
12 2007. Universal has little control over the final transfer date because the purchasing party must
13 prepare to receive the customers from Universal and to ensure that sufficient capacity exists to
14 accommodate the customers.
15

16 There should be no discernible difference to the customers upon the sale of the business.
17 Indeed, if not for the notice that Universal intends to provide to its customers, they should not
18 have any reason to believe that their service provider has changed. A copy of the notice
19 Universal intends to provide is attached hereto as Attachment A.
20

21 Although this notice conforms with the requirements of O.A.R. 860-032-0020(5), that
22 rule (and the Commission's abandonment of service rules generally) do not apply here because
23 the service at issue is an *interstate* service under applicable FCC precedent.² Nevertheless,
24

25 ² See *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act*
26 *of 1996; Intercarrier Compensation for ISP-Bound Traffic*, Order on Remand and Report and Order, 16
FCC Rcd 9151 (2001).

1 Universal is providing a copy of the notice to demonstrate to the Commission that it is providing
2 notice to its customers, consistent with its desire to ensure a seamless transition without any
3 interruption in service.

4 Universal has already taken significant steps to ensure that its customers will not
5 experience any loss of service or other disruption as a result of the decision in ARB 671. In fact,
6 upon the transfer of its customers to the purchasing party, Universal will be in compliance with
7 the Commission’s decision in ARB 671. However, if the Commission allows Qwest to
8 disconnect services between the date of this filing and the transfer of the customers to the
9 purchasing party, customers will be adversely impacted. Accordingly, Universal respectfully
10 requests that the Commission continue the stay order in paragraph 5 of Order No. 07-366, to
11 ensure that Qwest takes “no action to disconnect or otherwise impair service to the end-user
12 customers of internet service providers that utilize the services” of Universal. Order No. 07-366,
13 p. 8, ¶ 5. Continuance of the stay order will ensure that Oregon consumers of dial-up services
14 will have access to such services pending the completion of the transfer of customers
15 contemplated by the transaction described herein.
16
17

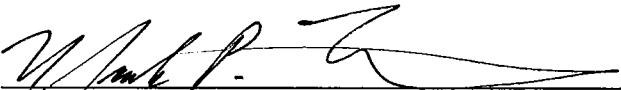
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1 **II. CONCLUSION**

2 Based upon the foregoing, Universal respectfully requests that the Commission
3 continue its original stay order in paragraph 5 of Order No. 07-366, and order Qwest to take no
4 action to disconnect or otherwise impair service to the end-user customers of internet service
5 providers that utilize the services of Universal pending the transfer of customers contemplated in
6 the transaction described herein.
7

8
9 DATED this 4th day of September, 2007.

10
11 DAVIS WRIGHT TREMAINE LLP

12
13 By 
14 Mark P. Trincherro, OSB #88322
15 Kelly L. Harpster, OSB #06347
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22 Of Attorneys for Universal Telecommunications, Inc.

ATTACHMENT A

August 15, 2007

[Full Name]
[Company Name]
[Street Address]
[City], [State] [Zip]

Dear [Full Name]:

We are pleased to announce that Universal Telecom has decided to move their USPOPs Managed Modem Service to **[COMPANY], an industry leader in dial-up and managed modem solutions.**

Although this decision has been a difficult one for us, you will have the opportunity to work with a company dedicated to managed modem solutions that offers the same level of service and support through **[COMPANY'S] 24/7 Support Center.**

Your service terms and pricing **will not change**, and every attempt will be made to transition your services without interruption.

If you have any questions or concerns, please do not hesitate to contact any of us below. We value your ongoing support, and hope you share our excitement in this announcement.

Sincerely,

Dave Hodgert, *Director of Sales & Marketing*
Universal Telecom, Inc.
davidh@uspops.com
541-757-9818 x117

[COMPANY PRESIDENT]
[COMPANY NAME]
[EMAIL]
[PHONE]

Jeff Martin, *Chief Financial Officer*
Universal Telecom, Inc.
martinj@uspops.com
541-757-9818 x121

[COMPANY COO]
[COMPANY NAME]
[EMAIL]
[PHONE]

CERTIFICATE OF SERVICE

I hereby certify that on the 4th day of September, 2007, Universal Telecommunications, Inc.'s Compliance Filing in Response to Order No. 07-366 was sent via UPS overnight mail to the Oregon Public Utility Commission.

A copy of the filing was sent via U.S. Mail and email to the service list below.

Alex M. Duarte Qwest Corporation 421 SW Oak St., Suite 810 Portland, OR 97204 alex.duarte@qwest.com	Ted D. Smith Stoel Rives LLP 201 S. Main, Suite 1100 Salt Lake City, UT 84111 tsmith@stoel.com
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DAVIS WRIGHT TREMAINE LLP

By: Barbara Lasswell
Barbara Lasswell for Mark P. Trincherro