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BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

CP 1235

In the Matter of)	
)	
DPI TELECONNECT, LLC)	ORDER
)	
Application for a Certificate of Authority to)	
Provide Telecommunications Service in Oregon)	
and Classification as a Competitive Provider.)	

DISPOSITION: DPI TELECONNECT, LLC TO SHOW CAUSE

Procedural History

DPI Teleconnect, LLC was first granted a certificate of authority to provide telecommunications service in Oregon as a competitive provider on July 15, 1999. *See* Order No. 99-419, docket CP 638. On May 1, 2001, that certificate of authority was canceled by Order No. 01-353 for failure to respond to the Public Utility Commission of Oregon’s (Commission’s) requests to file required reports and fees with the Commission for the year 2000. Subsequently, the company filed the required forms and payments and reapplied for authority. The Commission again granted authority to the company on October 25, 2001. *See* Order No. 01-899, docket CP 972. Order No. 01-899 states:

After the certificate was canceled, the applicant filed the required annual reports and came into compliance with Oregon universal service requirements. The Commission notes that applicant filed the annual reports only after repeated requests from Commission staff and after the original certificate was canceled. If applicant again fails to file an annual report, or fails to comply with conditions of this certificate, this certificate will be subject to cancellation. If this certificate is canceled because the applicant does not follow rules or conditions applicable to the certificate, and the applicant files yet another application, then the Commission will seriously consider whether it is in the public interest to grant a certificate of authority to an entity that repeatedly ignores Commission rules.

The company again failed to respond to Commission requests to file required forms and payments, this time during the year 2003. On February 6, 2004, Order No. 04-074 canceled the authority granted in docket CP 972. In addition to requirements to pay assessments and fees, the Commission also stated, “...the certificate holder must provide information to the Commission why it believes it is in the public interest to again

grant a certificate of authority to an entity that has repeatedly ignored Commission rules.” In that order, the Commission required the company to file the reports and pay all fees, including a late fee. Eventually, the company filed the delinquent reports and standard fees with the Commission, but only after repeated requests. The late fee was not paid until July 1, 2004, after Staff again contacted the company.

On May 27, 2004, DPI Teleconnect, LCC (Applicant) filed another application for a certificate of authority to provide telecommunications in Oregon as a competitive provider, docketed as CP 1235. The application requests authority to provide intraexchange and interexchange telecommunications service, on a resale basis, statewide in Oregon.

Based on the record in this matter, the Commission makes the following:

FINDINGS AND CONCLUSIONS

Applicable Law

Several statutory provisions and administrative rules apply to this application. ORS 759.425 and OAR 860-032-0008(2) govern the obligation of competitive providers to comply with Oregon Universal Service Fund (OUS) requirements. ORS 759.020, OAR 860-032-0013 and OAR 860-032-0005 govern the requirement that all telecommunications providers must have a certificate of authority to provide telecommunications service for hire in Oregon. The statute and rules also govern Applicant’s request to provide telecommunications as a competitive provider. OAR 860-032-0007 generally describes the conditions of certificates of authority, but specifically, sections (11), (12), and (15) address the requirements of responding to Commission inquiries, submitting required reports, and timely paying all Commission taxes, fees or assessments. OAR 860-032-0095 governs annual fees payable to the Commission by a competitive provider. ORS 759.050(2) and OAR 860-032-0005 address the public interest criteria the Commission may use to determine whether to grant a certificate of authority.

Factual Findings

Applicant has been canceled twice for failure to respond to Commission requests, failure to file annual reports and fees, and failure to file OUS reports and fees. The company is currently operating without a certificate of authority and has been doing so since February 6, 2004. The present application does not comply with the requirements set forth in Order No. 04-074. The application failed to include any information with regard to public interest.

Conclusion

Given the general factual conclusions relevant to this proceeding, the Commission questions whether it is in the public interest to grant the application of DPI Teleconnect, LLC to provide telecommunications service as a competitive telecommunications

provider in Oregon. The company repeatedly has failed to file reports and pay fees in a timely manner and has been operating without a required certificate of authority.

ORDER

Under the above circumstances, we direct DPI Teleconnect, LLC to show cause why the Commission should consider a new request for a certificate of authority to provide telecommunications service in Oregon as a competitive provider. Further, DPI Teleconnect, LLC must provide the Commission with the following information:

- (a) Why Applicant failed to file timely required report and pay OUS fees.
- (b) Why Applicant continued operation in Oregon even though it did not hold a valid certificate of authority from the Public Utility Commission of Oregon.
- (c) Why Applicant delayed from February to May 2004 before addressing its need for a certificate of authority.
- (d) What steps Applicant is taking to ensure that it will timely file all reports and pay all charges and fees required of a certificate holder in Oregon.

The Commission must be in receipt of these explanations and action plans by August 2, 2004, in order to consider them prior to issuing a final order regarding the current application. If no such information is received by that date, the Commission will issue an order denying the application.

Made, entered, and effective _____.

Lee Beyer
Chairman

John Savage
Commissioner

Ray Baum
Commissioner

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order to a court pursuant to applicable law.