

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

CP 1428

In the Matter of the Cancellation of the)
Certificate of Authority Held by CYPRESS) ORDER
COMMUNICATIONS OPERATING)
COMPANY LLC.)

DISPOSITION: CERTIFICATE OF AUTHORITY CANCELED

On November 5, 2008, Cypress Communications Operating Company LLC (Cypress) was granted a certificate of authority to provide telecommunications service in Oregon as a competitive provider. *See* Order No. 08-533.

Cypress Communications Operating Company LLC has failed to comply with Oregon Universal Service Fund requirements per ORS 759.425 and OAR 860-032-0620 for the 4th Quarter of 2009.

ORS 756.515(4) provides that the Commission may, after investigation, but without hearing, make such findings and orders as deemed justified by the results of the investigation. In view of the foregoing, the Commission determined at its April 13, 2010, Public Meeting that the certificate holder had failed to comply with Commission rules and terms of the certificate. The certificate of authority to provide telecommunications service should be canceled, per OAR 860-032-0008(2). The company is reminded that because it had a certificate of authority for one or more days during 2010, it is required to file an annual fee statement and pay a minimum of \$100 for that year.

The Commission notes that this is the third time it has canceled a certificate held by the certificate holder. The company was granted authority to provide telecommunications service as a competitive provider in two dockets in July, 2002. *See* Order No. 02-578, docket CP 1068 and Order No. 02-461, docket CP 1069. The first cancellation for both dockets occurred in September, 2004, for failure to file Universal Service Fund quarterly reports. *See* Order No. 04-445, docket CP 1068 and Order No. 04-503, docket CP 1069.

Subsequently, Cypress filed for reconsideration of both cancellation orders within the 60-day reconsideration period. The company submitted the delinquent reports and paid all associated fees. The Commission allowed the reconsideration and the cancellation orders were rescinded. *See* Order No. 04-568, docket CP 1068 and Order No. 04-566, docket CP 1069.

The second cancelation occurred in May, 2008. *See* Order No. 08-267 and Order No. 08-268. The certificates were both canceled for failure to pay required revenue fees. Order Nos. 08-267 and 08-268 acknowledged that it was the second time the certificates had been canceled for noncompliance. The order also noted that any future application for certification must be accompanied by confirmation that all delinquent fees were paid and filings were submitted for both revenue fee and Oregon Universal Service Fund requirements. Cypress did not file for reconsideration of the cancelation order and both dockets, CP 1068 and CP 1069, were closed.

In September 2008, Cypress filed a new application for authority to provide telecommunications service in Oregon as a competitive provider. Included with the application was a letter stating the company's commitment to proper compliance management and steps that had been taken to ensure Cypress would maintain its compliance obligations in Oregon on a going-forward basis. The application was accepted and docketed as CP 1428, which combined into one docket the services that were previously provided under two dockets. *See* Order No. 08-533. It is this certificate that is now being canceled in the present order.

Repeated failure to comply with Commission rules is a serious offense. A company that continually fails to comply raises a question of whether it is in the public interest to grant that company further authority to provide service. Should the company request reconsideration of this order or apply for a new certificate in the future, it must provide additional information and procedures before the Commission will process any request for reconsideration or future application for certification and it must fully comply with Commission rules. Any request for reconsideration or future application must include:

1. An explanation of why the company was unable to comply with the Commission rules.
2. An explanation of why the previously submitted corrective plan failed to ensure compliance.
3. A statement of why it is in the public interest for the Commission to reconsider or grant new authority given that the company has repeatedly failed to comply with Commission rules.
4. Proof of payment of all outstanding revenue fees, including late payment fees, owed for each calendar year of operation pursuant to ORS 756.310(6)(a), in accordance with Commission requirements;
5. Proof of compliance with Oregon Universal Service Fund requirements pursuant to ORS 759.425; and
6. Proof of filing of any annual reports outstanding pursuant to OAR 860-032-0060.

If Cypress fails to include these items with its request for reconsideration or application for new authority, the Commission will deny the reconsideration or deem the application incomplete and return it. The Commission wishes to emphasize that it may deny a request for reconsideration or an application for new authority if it is not in the public interest to allow it.

IT IS ORDERED that the certificate of authority held by Cypress Communications Operating Company LLC is canceled.

Made, entered, and effective MAY 18 2010.



BY THE COMMISSION

Becky L. Beier
Becky Beier
Commission Secretary

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 by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.