

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

CP 836

In the Matter of)
)
TELMEX USA LLC)
)
Application for a Certificate of Authority)
to Provide Telecommunications Service in)
Oregon and Classification as a Competitive)
Provider.)

ORDER

DISPOSITION: CANCELLATION ORDER RESCINDED

On August 7, 2000, the Commission granted a certificate of authority to Telmex USA LLC (Telmex) to provide telecommunications service in Oregon as a competitive provider. *See* Order No. 00-435.

Oregon telecommunications providers are required to provide requested information to the Commission. After investigation, the Commission found that Telmex failed to respond to request for information sent to Telmex as required by ORS 759.425 and OAR 860-032-0008(2). The certificate of authority for Telmex was cancelled at the January 19, 2010, public meeting. *See* Order No. 10-034. The responsibility to respond to Commission requests for information or comply with any Commission rule is clearly stated at the time a certificate is granted to a competitive provider. Failure to comply with this obligation may result in the company's certificate of authority being cancelled. If a certificate of authority is cancelled, a company has the statutory right to request reconsideration. Telmex filed a request for reconsideration of Order No. 10-034 and a comprehensive plan of action describing Telmex's procedures being put in place to prevent future cancellations.

HISTORY

Telmex has had two previous cancellations of its certificate of authority. At the April 19, 2005, public meeting, the Commission determined that Telmex's certificate of authority should be cancelled. Telmex's certificate of authority was cancelled in Order No.05-249. On May 31, 2005, Telmex filed a request to reconsider Order No. 05-249, claiming that it had complied with the Commission's rules and regulations. The Commission's records indicate that the company did file the necessary information, but after the certificate was already cancelled.

The following year Telmex failed to file the Oregon Universal Service Fund Form 2 for the first quarter of 2006 as required per ORS 759.425. At the September 5, 2006, public meeting, the Commission determined that Telmex's certificate of authority should be cancelled. Telmex's certificate of authority was cancelled in Order No. 06-509. On October 17, 2006, Telmex filed a request to suspend Order No. 06-509, claiming that it had complied with the Commission's rules and regulations. The Commission's records indicate that Telmex did file the necessary information, but after the certificate was already cancelled. Order 06-601 was entered on October 25, 2006, reinstating Telmex's certificate of authority.

Most recently, the Commission found that Telmex failed to comply with Oregon Universal Service Fund requirements per ORS 759.425 and OAR 860-032-0620 for the 3rd Quarter 2009. At the January 19, 2010, public meeting, the Commission determined that Telmex's certificate of authority should be cancelled. Telmex's certificate of authority was cancelled in Order No. 10-034. On March 31, 2010, Telmex filed a request to suspend Order No. 10-034, claiming that it had complied with the Commission's rules and regulations. The Commission's records indicate that Telmex did file the necessary information, but after the certificate was already cancelled.

In each case, Telmex provided the information, but it was filed late thus prompting the cancellations. In each case Telmex continued to provide telecommunications service to its customers in Oregon. It is not the Commission's intent to cause undue disruption to customers of cancelled competitive providers. Telmex and the OUSF Administrator reached an agreement regarding the process of filing OUSF reports. Under the circumstances, the cancellation of Telmex's certificate should be rescinded. However, the company should be aware that repeated failure to comply with Commission rules is a serious matter and could result in the company being denied a certificate of authority to provide telecommunication services in Oregon.

The Commission notes that this is the third time that Telmex has sought and been granted reconsideration following the cancellation of its authority. The granting of a certificate places responsibility on the company to fully comply with Commission rules. The company must undertake a plan to prevent the certificate being cancelled a fourth time. If Telmex again fails to fulfill its regulatory obligations and the certificate is cancelled, the Commission may conclude that it is not in the public interest to process a future application for re-certification as a competitive provider. The company may be required to appear before the Commission to respond to Commission inquiries and explain why a certificate should be issued or reconsideration should be granted to a company that repeatedly fails to comply with Commission rules. Should the company request reconsideration of this order or apply for new authority, it must fully comply with all Commission rules. Any future application or request for reconsideration must include as applicable:

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 prevent compliance.

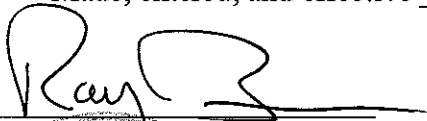
2. An explanation of why the previously submitted corrective plan failed to prevent compliance.
3. A statement of why it is in the public interest for the Commission to reconsider or grant new authority given that the company has repeatedly failed to comply with Commission rules.
4. Proof of payment 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.
6. Proof of filing of any outstanding annual reports pursuant to OAR 860-032-0060.

Additionally, the company may be required to appear before the Commission.

ORDER

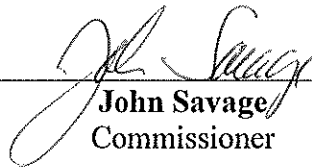
IT IS ORDERED that Order No. 10-034 cancelling the certificate of authority of Telmex USA LLC is rescinded.


Made, entered, and effective NOV 18 2010.



Ray Baum
Chairman




John Savage
Commissioner


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