ORDER NO.

ENTERED

JUN 0 1 2011

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

CP 1284

In the Matter of

LSSi DATA CORPORATION

Application for a Certificate of Authority to Provide Telecommunications Service in Oregon and Classification as a Competitive Provider. **ORDER**

DISPOSITION: CANCELLATION ORDER RESCINDED

On June 9, 2005, the Commission granted a certificate of authority to LSSi Data Corporation (LSSi) to provide telecommunications service in Oregon as a competitive provider. *See* Order No. 05-736.

Oregon telecommunications providers are required to provide requested information to the Commission. After investigation, the Commission found that LSSi failed to respond to requests for information sent to LSSi as required by ORS 759.425 and OAR 860-032-0008(2). The certificate of authority for LSSi was canceled at the March 17, 2011, public meeting. *See* Order No. 11-098. 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 canceled. If a certificate of authority is canceled, a company has the statutory right to request reconsideration. LSSi filed a request for reconsideration of Order No. 11-098 and a comprehensive plan of action describing LSSi's procedures being put in place to prevent future cancellations.

HISTORY

LSSi has had two previous cancellations of its certificate of authority. This order rescinds LSSi's third cancellation described above. First, at the April 8, 2008, public meeting, the Commission determined that LSSi's certificate of authority should be canceled. LSSi's certificate of authority was canceled in Order No. 08-223.

On May 22, 2008, LSSi filed a request to reconsider Order No. 08-223, 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 canceled. LSSi's certificate of authority was reinstated pursuant to Order No. 08-330 on June 17, 2008.

The following year LSSi failed to pay the 2008 revenue fee and associated late payment penalties as required per ORS 756.310. At the June 16, 2009, public meeting, the Commission determined that LSSi's certificate of authority should be canceled. LSSi's certificate of authority was canceled in Order No. 09-241 on June 22, 2009. On August 19, 2009, LSSi filed a request to suspend Order No. 09-241, claiming that it had complied with the Commission's rules and regulations. The Commission's records indicate that LSSi did file the necessary information, but after the certificate was already canceled. Order No. 09-456 was entered on November 9, 2009, reinstating LSSi's certificate of authority.

Most recently, the Commission found that LSSi failed to comply with Oregon Universal Service Fund requirements per ORS 759.425 and OAR 860-032-0620 for the 3rd Quarter 2010. At the March 17, 2011, public meeting, the Commission determined that LSSi's certificate of authority should be canceled. LSSi's certificate of authority was canceled in Order No. 11-098. On April 22, 2011, LSSi filed a request to suspend Order No. 11-098, claiming that it had complied with the Commission's rules and regulations. The Commission's records indicate that LSSi did file the necessary information, but after the certificate was already canceled.

DISCUSSION

In each case, LSSi provided the information, but it was filed late thus prompting the cancellations. In each case LSSi continued to provide telecommunications service to its customers in Oregon. It is not the Commission's intent to cause undue disruption to customers of canceled competitive providers. 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 telecommunications service in Oregon.

The Commission notes that this is the third time that LSSi 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 canceled a fourth time. If LSSi again fails to fulfill its regulatory obligations and the certificate is canceled, the Commission may conclude that it is not in the public interest to process a future application for recertification 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. 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 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.
- 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. 11-098 canceling the certificate of authority of LSSi Data Corporation is rescinded.

Made, entered, and effective

JUN 0 1 2011

Made, entered, and effective

JUN 0 1 2011

Susan K. Ackerman

Commissioner

Commissioner

A party may request rehearing or reconsideration of this order under 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 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480 through 183.484.