

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO**

DOCKET NO. 03C-415T

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IN THE MATTER OF AN INVESTIGATION OF REGISTERED TOLL RESELLERS OF  
TELECOMMUNICATIONS SERVICES CONCERNING ALLEGED VIOLATIONS OF  
COLORADO REVISED STATUTES AND COMMISSION RULES OF PRACTICE AND  
PROCEDURE RELATING TO THE FILING OF ANNUAL REPORTS BY PUBLIC  
UTILITIES.

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**ORDER TO SHOW CAUSE AND NOTICE OF HEARING**

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Mailed Date: September 29, 2003  
Adopted Date: September 24, 2003

**I. BY THE COMMISSION**

**A. Statement**

1. Those entities listed in attached Attachment A resell intrastate telecommunications toll services to Colorado consumers.

2. The entities listed in Attachment A purchase the telecommunications services wholesale from the various interexchange carriers listed on the Attachment B which connects the Attachment A entities with the public switched network.

3. Providers of intrastate toll telecommunications services on a resale basis are required, pursuant to § 40-15-302.5, C.R.S., to register with the Colorado Public Utilities Commission. Pursuant to 4 *Code of Colorado Regulations* (CCR) 723-1-25(a)(1), a registered toll reseller is required to file an annual report with the Colorado Public Utilities Commission on or before April 30 of each year for the preceding calendar year.

4. Accordingly, an annual report for the calendar year ending December 31, 2002 was to have been provided to the Commission by April 30, 2003 by each of the companies listed in Attachment A. None of the companies listed have submitted the required report to the Commission.

5. On August 13, 2003, at the request of the Commission, Director Bruce N. Smith sent a letter to each of the listed companies. The letter informed each company that the Commission was considering initiating a show cause proceeding against it for failing to file a 2002 annual report and gave the company 30 days to comply with reporting requirements. Director Smith's letter followed Staff of the Public Utilities Commission's (Staff) letter dated June 8, 2003 reminding the companies in Attachment A of the obligation to file the required information with the Commission and the Colorado Department of Revenue.

6. Staff has reviewed its records and determined that as of September 24, 2003, a 2002 annual report form has not been received from any of the entities listed in Attachment A.

**B. Discussion**

7. Section 40-3-110, C.R.S., provides, in relevant part, that:

Every public utility shall furnish to the commission at such time and in such form as the commission may require a report in which the utility shall specifically answer all questions propounded by the commission upon or concerning which the commission may desire information.

8. Commission Rule 4 CCR 723-1-25(a)(1) provides, in relevant part, that:

Each entity operating in Colorado over which the Commission has jurisdiction except transportation utilities ... shall file with the Commission, on or before April 30 of each year, an annual report for the preceding calendar year. The annual report shall be submitted on a prescribed form(s) and/or supplement(s) supplied by the Commission; shall be properly filled out; and shall be verified and signed by a proprietor, an officer, a partner, an owner, or an employee, as appropriate, who is authorized to act on behalf of the entity submitting the report.

If the entity is granted an extension of time to file its annual report, it is still required to provide to the Commission, on or before April 30, its total gross operating revenue from intrastate utility business transacted in Colorado for the preceding calendar year. The entity also shall file additional reports as required by the Commission. If the entity publishes an annual report or an annual statistical report to stockholders, other security holders or members, or receives an annual certified public accountant's report of its business, the utility also shall file one copy of such reports with the Commission within 30 days after publication or receipt of such report.

9. The Commission finds that each registered toll reseller listed in Attachment A may have failed to comply with the annual reporting requirements stated above. Accordingly, sufficient cause exists to hold a hearing to determine the facts of the matter, to hear material arguments, to receive evidence and testimony, and to determine what order or requirement, if any, shall be imposed by the Commission.

10. If the Commission determines that it is appropriate to do so, the Commission may issue a decision including but not limited to: (a) an order to cease and desist; (b) an order that amends or revokes, wholly or in part, the company's registration as a toll reseller; (c) an order that requires interexchange service providers to disconnect the company; (d) an order that contains a combination of the foregoing remedial actions; and/or an order that requires any other corrective or remedial action which the Commission deems appropriate.

## **II. ORDER**

### **A. The Commission Orders That:**

1. Consistent with the above discussion each registered toll reseller listed in Attachment A shall appear before the Commission to show cause why the Commission should not take action and enter an order including but not limited to, an order to cease and desist, an order that amends or revokes the company's registration; an order that restricts the company's ability to connect with local exchange service providers; an order that contains a combination of

the foregoing remedial actions; and/or an order that requires any other corrective or remedial action which the Commission deems appropriate.

2. Those entities listed in Attachment B, the underlying interexchange providers, are joined as necessary parties. An Attachment B party may petition for dismissal from this docket if it is not an underlying provider for any entity listed on Attachment A.

3. Docket No. 03C-415T is set for hearing before the Administrative Law Judge:

DATE: November 25, 2003

TIME: 1:00 p.m.

PLACE: Colorado Public Utilities Commission  
Logan Tower, Office Level 2  
1580 Logan Street  
Denver, Colorado

4. If the 2002 annual report is received in the name, address, and form required by the Commission prior to the hearing date, the Commission may dismiss you from the proceeding.

5. The Staff of the Public Utilities Commission shall file, at least 30 days before hearing: (1) two copies of a list containing the name, address, and title of each of its witnesses; and (2) two copies of each of the exhibits which it plans to present at the hearing. Copies of the witness list and exhibits shall be served upon all parties to the proceeding.

6. All entities listed in Attachment A shall file, at least 20 days before hearing: (1) two copies of a list containing the name, address, and title of each of its witnesses; and (2) two copies of each of the exhibits, which it plans to present at the hearing. Copies of the witness list and exhibits shall be served upon all parties to the proceeding.

7. No witness shall be permitted to testify nor shall any document be received in evidence, except in rebuttal, unless filed and served as provided in this Order.

8. If Staff of the Public Utilities Commission or any Attachment A entity fail to meet the above requirements, the Commission may dismiss the proceeding or any defense, upon motion filed by any other party, unless good cause for non-filing is shown. No motion for continuance shall be granted if filed within 20 days before the first day of the hearing, except for good cause shown.

9. No exception to the procedure in the Order shall be made except upon timely motion showing good cause.

10. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING  
September 24, 2003.**

(S E A L)



ATTEST: A TRUE COPY

Bruce N. Smith  
Director

THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF COLORADO

GREGORY E. SOPKIN

POLLY PAGE

JIM DYER

Commissioners