

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

FROM: JOHN HAMMOND

DATE: APRIL 3, 2003

**RE: REVOKING TELECENTS COMMUNICATIONS, INC.'S AUTHORITY TO
PROVIDE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES.
CASE NO. GNR-T-03-13.**

This Decision Memorandum is submitted to address the failure of TeleCents Communications, Inc. to post a bond as a condition for issuance of its Certificate of Public Convenience and Necessity ("CPCN"). In addition, the Company has represented to Staff that it no longer desires to obtain its CPCN.

TeleCents Communications, Inc. (Previous Case No. GNR-T-01-14)

On July 31, 2001, TeleCents Communications, Inc. filed an Application for a Certificate of Public Convenience and Necessity to provide resold and facilities-based local exchange services throughout Idaho in Qwest's and Verizon's service territories. TeleCents also intended to provide all forms of interexchange telecommunications services. On May 13, 2002, the Commission issued a Notice of Application and Notice of Modified Procedure. Order No. 29021. Based on the law and the record, the Commission granted the Application. *See* Order No. 29066. However, the Commission found that TeleCents had to post a \$5,000 bond prior to it being granted its CPCN.

TeleCents has never provided evidence that it had posted the required bond. In addition, the Company advised Staff on April 1, 2003 that it is no longer interested in maintaining a CLEC certificate in the State of Idaho. *See* Attachment.

STAFF RECOMMENDATION

A CPCN is subject to and contingent upon statutory conditions, regulations and restrictions. *See* Order No. 26665. The nature of the grant is such that it is always subject to

review. The grant of a CPCN entails a reciprocal acceptance of responsibility and duties by the regulated utility. Failure to perform those duties makes it fair, just and reasonable for the Commission to revoke its privilege to provide service. Breach of condition whether express or implied upon which the grant depends is grounds for termination or rescission.

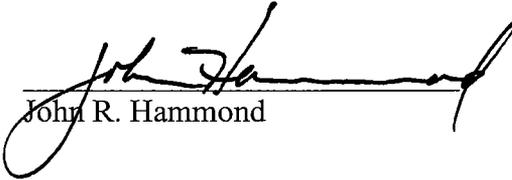
Because TeleCents Communications Inc. has failed to meet the conditions proscribed by the Commission to receive a CPCN and no longer desires to maintain its CPCN, Staff recommends that the Commission revoke any authority given to the Company in Order No. 29066, Case No. GNR-T-01-14, to provide local exchange telecommunications services in Idaho. In addition, Staff recommends that the Commission should remove TeleCents' illustrative tariffs from its active files. Staff recognizes though that the Company's Title 62 pricelist for intrastate interexchange services may remain on file because the Company still maintains its Certificate of Authority to transact business as a foreign corporation in this state.

Staff also recommends that the Commission advise the Company that it is still responsible for paying a regulatory fee to the Commission even though it no longer has a CPCN. *See Idaho Code §§ 62-611 and 61-1001 et seq.*

COMMISSION DECISION

Does the Commission wish to revoke TeleCents' authority to provide local exchange telecommunications services?

If so, does the Commission wish to remove TeleCents' illustrative tariffs for local exchange services from its files?


John R. Hammond

M:GNRT3013_jh

John Hammond

From: John Allen [jallen@telecents.com]
Sent: Tuesday, April 01, 2003 7:41 AM
To: John Hammond
Subject: RE: e-mail address; jhammon@puc.state.id.us

Per our phone conversations I am writing to inform that we are not interested in maintaining a CLEC certificate in the state of Idaho. Thanks for your help.

Sincerely

John Allen
Compliance Officer
Accounts Payable
TeleCents Communications
Ph. 248-366-3330 x109
Fx. 248-366-9912

-----Original Message-----

From: John Hammond [mailto:jhammon@puc.state.id.us]
Sent: Monday, March 31, 2003 6:34 PM
To: jallen@telecents.com
Subject: e-mail address; jhammon@puc.state.id.us

Sorry, about not getting back to you sooner. I was out of pocket for a week. If you want, please send your letter via e-mail to the above address.

Thank you for your patience.

Sincerely,

John R. Hammond
Deputy Attorney General
State of Idaho, PUC
(208)-334-0357