

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Decertification of)
Preferred Carrier Services, Inc.) DOCKET NO. 07-2296-01
) ORDER TO SHOW CAUSE
)

ISSUED: January 3, 2008

By The Commission:

On December 7, 2007, the Division of Public Utilities (“Division”) filed a memorandum recommending the Public Service Commission of Utah (“Commission”) cancel the Certificate of Public Convenience and Necessity (“Certificate”) held by Preferred Carrier Services, Inc. (“Company”) for failure to pay its Public Utilities Regulation Fee (“PURF”) for calendar year 2006.

The Division requests the Commission issue to the Company an Order to Show Cause why the Company should not be fined or its Certificate suspended or revoked for its failure to pay the PURF. In support of its recommendation, the Division states the following:

On March 8, 2000, Preferred Carrier Services was issued a Certificate of Public Convenience and Necessity by the Commission in Docket No. 99-2296-01. This authorized the Company to “provide specified public telecommunications services within a defined geographic service territory in the state.”

The Company has not paid its public utility regulation fee for the year 2006. The Division has sent a number of letters, emails and telephoned Mr. Alex Valencia, the listed contact for the Company, concerning their delinquency. The Division mailed the Public Utilities Regulation Fee assessment to the Company on June 4, 2007. Payment was due on or before July 1, 2007. No payment was received by the due date, so a reminder letter from the Attorney General was sent to the Company on July 13, 2007. The Public

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Utilities Regulation Fee due on or before July 1, 2007, based on revenues earned during the year ended December 31, 2006, has not been paid.

All letters and notices were mailed to the last known address that the Company provided to the Commission. These letters have been unanswered or returned unable to be forwarded.

Utah Code Ann. Section 54-5-1.5(1)(a) provides “[a] special fee to defray the cost of regulation is imposed upon all public utilities subject to the jurisdiction of the Public Service Commission.” Section 54-5.1.5(3)(b) continues “[t]he fee is due and payable on or before July 1 of each year.” Finally, Section 54-5-3(2)(b) states the Public Service Commission “may immediately enter an order suspending the operating rights of the utility” if a utility defaults on payment of the PURF. Pursuant to Utah Code Ann. Section 54-7-25, the Commission may also impose a fine of up to \$2,000 per day.

Whereas there appears good cause to support the allegations of the Division, the Commission enters the following

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

Preferred Carrier Services, Inc. (“Company”) and its officers, shall, within thirty calendar days of this Order, show cause, if any, why the Company has failed to pay its Public Utilities Regulation Fee, and further show cause why the Company should not be fined, its Certificate of Public Convenience and Necessity cancelled, or other remedies imposed on the Company and its named officers.

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DATED at Salt Lake City, Utah, this 3rd day of January, 2008.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary
G#55782