

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION

Illinois Commerce Commission	)	
On Its Own Motion	)	
	)	
-vs-	)	Docket No. 10-0277
	)	
1-800-RECONEX, Inc. d/b/a UStel	)	
Citation to determine whether	)	
1-800-RECONEX, Inc. d/b/a UStel possesses	)	
the requisite managerial resources	)	
to provide intrastate telecommunications	)	
services within the State of Illinois and	)	
whether penalties should be assessed	)	
for failure to comply with reporting	)	
requirements.	)	

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**VERIFIED STATEMENT OF RUSSELL W. MURRAY**

My name is Russell W. Murray. I am employed by the Illinois Commerce Commission as an Engineering Analyst in the Telecommunications Division. Among my duties in the Telecommunications Division is to make certain that filings by telecommunications carriers relating to service quality are submitted in a timely manner, as required by statute and by the Commission's rules, and to oversee other compliance issues.

The purpose of this Verified statement is to demonstrate that Respondent 1-800-RECONEX, Inc. d/b/a UStel has failed to comply with several statutory and regulatory requirements and that its Certificate of Service Authority should therefore be revoked.

**STATUTORY AND REGULATORY REQUIREMENTS**

Pursuant to 83 Ill. Adm. Code 730.115 and 732.60, all telecommunications

carriers are required to provide to the Commission, on a quarterly basis, a report that includes the monthly performance data for quality of basic local exchange service as measured by various standards of service and customer credits. These measures include the following:

- Operator answer time – information
- Repair office answer time
- Business or customer service answer time
- Percent of service installation
- Percent of lines out of service for more than 24 hours
- Trouble reports per 100 access lines
- Percent of repeat trouble reports
- Percent of installation trouble reports
- Missed repair appointments
- Missed installation appointments
- Total dollar amounts of any customer credits paid
- Number of credits issued for repairs
- Number of exemptions claimed
- Number of customers receiving alternative phone service rather than credits.

Quality of service under these measures is to be reported, on the Commission's website, during the month of April for the first quarter, during the month July for the second quarter, during the month October for the third quarter and during the month of January for the fourth quarter of each year.

The Commission currently maintains a universal service fund in accordance with Section 13-301(d) of the Public Utilities Act. In its Second Interim Order in Docket No. 00-0233 & 00-0335 (Cons.), the Commission directed all local exchange carriers and interexchange carriers certified in Illinois to contribute to the fund on the basis of their intrastate retail revenues.

Failure to satisfy these reporting requirements may result in the Commission

assessing, after notice and hearing, fines or penalties. Penalties imposed on a carrier of this size may not exceed \$2,000 for each offense. In the case of a continuing violation, each day's continuance thereof shall be considered a separate and distinct offense. The Commission may also choose to impose other sanctions against a carrier such as the revocation of the carriers Certificate of Service Authority.

## **VIOLATIONS OF STATUTORY AND REGULATORY REQUIREMENTS**

1-800-RECONEX, Inc. d/b/a UStel(1-800-RECONEX) received Certificates of Service Authority on November 19, 1997 in Docket 97-0388 for the provision of local exchange and on February 24, 2002 in Docket 99-0645 for the provision of interexchange telecommunications services. At the time of the hearings, the Company averred that it had the technical, financial, and managerial ability to operate as a telecommunications carrier in compliance with all rules and regulations promulgated by this Commission.

The reporting requirements in Part 730 of the Code set forth a beginning date of 2004 for the compilation and reporting of service quality data. 1-800-RECONEX previously filed reports for the 1<sup>st</sup> quarter of 2005 and continued to make quarterly reports through the 4<sup>th</sup> quarter of 2008. Since that time 1-800-RECONEX has failed to file any other reports under Part 730, despite Staff's numerous and repeated attempts to obtain the data. Staff has contacted the company on many occasions via both e-mail and telephone calls; the company has not responded.

1-800-RECONEX filed its Annual Reports for 2006 and 2007 after the required filing date (March 5, 2007 and March 25, 2008, respectively).

1-800-RECONEX has failed to comply with Code Parts 755 and 757. The last payment made to ITAC pursuant to Code Part 755.505 was on March, 2009. These remittance reports are to be made on a monthly basis. It appears that 1-800-RECONEX has made none of the required reports pursuant to Code Part 755.120 and 757.430.

1-800-RECONEX has failed to respond to all attempts to obtain data and/or contributions to the Universal Telephone Service Assistance Program.

#### **STAFF'S RECOMMENDATION**

Staff recommends that the Commission revoke 1-800-RECONEX's Certificates of Service Authority based on lack of adequate managerial, technical and financial resources and abilities, as manifested in the company's failure to provide reports and remit taxes and surcharges as required by law. Staff also recommends that the Commission impose penalties of \$2,500.00 (twenty-five hundred dollars) in total against the company as allowed in 83 Ill. Adm. Code 730.120 and Section 5-109 of the Public Utilities Act. The Commission is fully authorized to enter a penalty in this amount. Under Section 5-109, the Commission may fine a utility that collects \$100,000 or less per year in gross revenue \$50 per day for failing to file required reports, and 1-800-RECONEX's filing delinquencies substantially exceed 50 days in total. I am not certain that 1-800-RECONEX's gross revenues are \$100,000 or less per year, but have elected to assume this so that there can be no doubt of the propriety of the penalty.

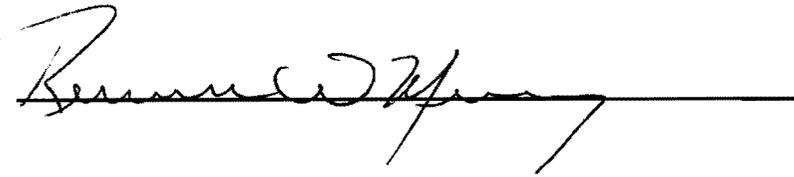
This concludes my Verified Statement.



VERIFICATION

STATE OF ILLINOIS       )  
  )SS  
COUNTY OF SANGAMON )

I, Russell W. Murray, do on oath depose and state that I am competent to testify, and that, if called as a witness herein, I would testify that the facts contained in the foregoing Verified Statement are true and correct, based upon personal knowledge.



SIGNED AND SWORN TO BEFORE ME THIS 10<sup>th</sup> DAY OF May, 2010.

  
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NOTARY PUBLIC

