

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

The Staff of the Missouri Public Service Commission,)	
)	
Complainant,)	
)	
v.)	Case No. XC-2006-_____
)	
Globcom, Incorporated,)	
)	
Respondent.)	

COMPLAINT

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”) and initiates its complaint pursuant to Section 386.390, RSMo (2000) and 4 CSR 240-2.070, against Globcom, Incorporated (the “Company”) for violation of the Commission’s statutes and rules relating to annual assessment payments and annual report submissions. In support of its complaint, Staff respectfully states as follows:

GENERAL ALLEGATIONS

1. The Commission granted Globcom, Incorporated a certificate of service authority to provide interexchange telecommunications services in Case No. XA-2003-0483 on June 12, 2003.
2. Respondent Globcom, Incorporated is a “telecommunications company” and “public utility” as defined in Section 386.020 RSMo (2000) and is subject to the jurisdiction of the Missouri Public Service Commission pursuant to Section 386.250.
3. The Company has provided the following contact information to the Commission:

2100 Sanders Road, Suite 150
Northbrook, IL 60062

Globcom, Incorporated is an Illinois corporation and the Missouri Secretary of State website indicates that the company's authority to do business in the state of Missouri was revoked as of March 30, 2004. The company's registered agent resigned on May 16, 2005.

4. Section 386.390.1, RSMo (2000) authorizes the Commission to entertain a complaint "setting forth any act or thing done or omitted to be done by a public utility in violation of any law, or of any rule, order or decision" of the Commission.

5. Commission Rule 4 CSR 240-2.070(1) provides that the Commission's Staff, through the General Counsel, may file a complaint.

6. The Missouri courts have imposed a duty upon the Public Service Commission to first determine matters within its jurisdiction before proceeding to those courts. As a result, "[t]he courts have ruled that the Division cannot act only on the information of its staff to authorize the filing of a penalty action in circuit court; it can authorize a penalty action only after a contested hearing." *State ex rel. Sure-Way Transp., Inc. v. Division of Transp., Dept. of Economic Development, State of Mo.*, 836 S.W.2d 23, 27 (Mo. App. W.D. 1992) (relying on *State v. Carroll*, 620 S.W.2d 22 (Mo. App. 1981)). See also *State ex rel. Cirese v. Ridge*, 138 S.W.2d 1012 (Mo. banc 1940). If the Commission determines after a contested hearing that the Company failed, omitted, or neglected to file its annual report and/or pay its annual assessment, the Commission may then authorize its General Counsel to bring a penalty action in the circuit court as provided in Section 386.600, RSMo (2000).

COUNT ONE

7. Section 386.370, RSMo (2000) authorizes the Commission to determine the amount of an annual assessment for expenses of the Commission to be collected from public

utilities operating in this state. This statute provides that the public utility shall pay the amount assessed by July 15 or may at its election pay the assessment in four equal installments not later than July 15, October 15, January 15 and April 15.

8. Pursuant to Section 386.370, RSMo (2000) the Commission promulgated its *Assessment Order for Fiscal Year 2005* in Case No. AO-2004-0610, “In the Matter of the Assessment Against the Public Utilities in the State of Missouri for the Expenses of the Commission for the Fiscal Year Commencing July 1, 2004.”

9. As called for by the *Assessment Order* in Case No. AO-2004-0610, the Budget and Fiscal Services Department calculated the amount of the 2005 Fiscal Year annual assessment for the Company and the Commission’s Executive Director rendered the statement of its assessment on behalf of the Commission by letter on June 25, 2004. This letter was not returned by the U.S. Post Office. See Exhibit A. A second letter requesting payment was sent on November 9, 2004. See Exhibit B.

10. Also in the *Assessment Order*, the Commission directed “[t]hat each public utility shall pay its assessment as set forth herein.”

11. If the Company elected to pay on a quarterly basis, quarterly installments were due on July 15, 2004; October 15, 2004; January 15, 2005 and April 15, 2005. As of this date no quarterly installments have been made; thus, the Company is delinquent on its entire 2005 annual assessment.

12. On April 27, 2005; May 20, 2005; and May 31, 2005, Staff attempted to contact the representative of the company that had previously performed a regulatory function for the company, Telecom Compliance Services, to indicate that the assessment was overdue. Ultimately, a Telecom Compliance Services representative indicated that that entity had ceased

its arrangement with Globcom, Incorporated and no longer had any contact with the company. Subsequently, on June 22, 2005 and again on July 27, 2005, Staff attempted to contact the company directly to advise the company that its assessment was overdue and that this complaint may be filed. The operator at the company routed calls to voicemail, where Staff left messages advising the company of the delinquency that were not returned.

13. The Company, as of the date of this pleading, has not paid its Fiscal Year 2005 assessment and therefore has not complied with the Commission's *Assessment Order*. See Affidavit of Helen Davis, attached to this Complaint as Exhibit C.

14. Any public utility that fails, omits, or neglects to obey an order of the Commission "is subject to a penalty of not less than one hundred dollars nor more than two thousand dollars" for each offense, if there is no penalty otherwise provided. Section 386.570.1, RSMo (2000). The statute further states that "in the case of a continuing violation each day's continuance thereof shall be and be deemed to be a separate and distinct offense." Section 386.570.2, RSMo (2000). No penalty for failing to pay annual assessments is otherwise provided in Chapter 386 or elsewhere in the Commission's statutes.

15. As part of the Commission *Order* in this case, the Staff requests that the Commission formally find that it may publicly release information regarding the amount of the overdue assessment. As the assessment is derived from statements of revenue provided by regulated utilities and thus subject to the provisions of Section 386.480, RSMo (2000), wherein it states in part "No information furnished to the Commission by a ... public utility ... shall be open to public inspection or made public except on order of the Commission" Staff is concerned that in the absence of a Commission order directing its release, the revelation of the assessment amounts in circuit court or elsewhere may be improper.

COUNT TWO

16. Section 392.210.1 states that telecommunications companies must “file an annual report with the Commission at a time and covering the yearly period fixed by the commission.”

17. Commission Rule 4 CSR 240-3.540(1) requires all telecommunications companies to file their annual reports on or before April 15 of each year.

18. On January 15, 2005, the Chairman of the Commission, in compliance with Section 392.210.1, RSMo (2000) sent all regulated utilities, including Globcom, Incorporated, a letter notifying them of the requirement to file, on or before April 15, 2005, an annual report covering the calendar year 2004, together with the appropriate form for the Company to complete and return to the Commission, and instructions on how the Company may complete its filing electronically. The letter that was sent to the Company was not returned.

19. The Company never returned a completed form, nor did it file its annual report electronically; and as of the date of this pleading, has not filed its 2004 Annual Report. See Affidavit of Janis Fischer, attached to this Complaint as Exhibit D.

20. Section 393.140(6), RSMo (2000) provides that “Any such person or corporation...which shall neglect to make any such report...within the time prescribed by the Commission shall be liable to a penalty of one hundred dollars for each day after the prescribed time for which it shall neglect to file...to be sued for in the name of the state of Missouri.”

21. The Commission’s Rule at 4 CSR 240-2.070(5)(E), requires “a statement as to whether the complainant has directly contacted the person, corporation or public utility about which complaint is being made.” In addition to the letter and accompanying form the Executive Director sent in January 2005, the Commission’s General Counsel sent Globcom, Incorporated a letter on May 2, 2005, reminding them that the Company failed to file an annual report by the

April 15th deadline and warning them that such failure to file will subject the Company to legal action under state law that allows a penalty of one hundred dollars for each day that it is late in filing. See Exhibit E.

22. Further, on April 27, 2005; May 20, 2005; and May 31, 2005, Staff attempted to contact the representative of the company that had previously performed a regulatory function for the company, Telecom Compliance Services to indicate that the annual report was overdue. Ultimately, a Telecom Compliance Services representative indicated that that entity had ceased its arrangement with Globcom, Incorporated and no longer had any contact with the company. Subsequently, on June 22, 2005 and again on July 27, 2005, Staff attempted to contact the company directly to advise the company that its annual report was overdue and that this complaint may be filed. The operator at the company routed calls to voicemail, where Staff left messages advising the company of the delinquency that were not returned.

PRAYER FOR RELIEF

WHEREFORE, Staff now requests that the Commission (1) open a complaint case pursuant to Section 386.390; and, after hearing, find that Globcom, Incorporated failed, omitted, or neglected to file its 2004 Annual Report and pay its Fiscal Year 2005 annual assessment to the Commission as required by Missouri statute and Commission orders; (2) authorize its General Counsel to bring a penalty action against the Company in the circuit court as provided in Section 386.600, RSMo (2000) based on the statutory penalties set forth in Sections 392.210.1 (for failing to file annual reports) and 386.570 and 386.590 (for failing to pay assessments); and (3) order that information about the amount of the overdue assessment may be publicly released.

Respectfully submitted,

DANA K. JOYCE
General Counsel

/s/ David A. Meyer

David A. Meyer
Senior Counsel
Missouri Bar No. 46620

Attorney for the Staff of the
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102
(573) 751-8706 (Telephone)
(573) 751-9285 (Fax)
david.meyer@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to the following this 2nd day of August 2005.

/s/ David A. Meyer

Lewis Mills, Esq.
Office of the Public Counsel
P. O. Box 7800
Jefferson City, MO 65102

Globcom, Incorporated
2100 Sanders Road, Suite 150
Northbrook, IL 60062

Secretary of State of Missouri
Registered Agent for Globcom, Incorporated
600 West Main Street
Jefferson City, MO 65102



Commissioners

STEVE GAW
Chair

CONNIE MURRAY

ROBERT M. CLAYTON III

JEFF DAVIS

LINWARD "LIN" APPLING

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.mo.gov>

ROBERT J. QUINN, JR.
Executive Director

WESS A. HENDERSON
Director, Utility Operations

ROBERT SCHALLENBERG
Director, Utility Services

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

June 25, 2004

Globcom, Incorporated
Attn: Joe Vitale
2100 Sanders Road, Ste 150
Northbrook, IL 60062

Subject: Missouri Public Service Commission Annual Assessment

Dear Mr. Vitale:

Pursuant to the provisions of Section 386.370 RSMo Supp 2003, Globcom, Incorporated is subject to assessment as a public utility for expenses of the Missouri Public Service Commission. On June 24, 2004, the Commission determined the amount of the assessment in Case No. AO-2004-0610. Please visit our website at www.psc.mo.gov to view information regarding the annual assessment. The amount of assessment for the fiscal year beginning July 1, 2004 is \$

In making payment, please observe the following instructions:

1. Make check payable to: Director of Revenue, State of Missouri
Mail check to: Missouri Public Service Commission
Attn: Budget & Fiscal Services
P.O. Box 360
Jefferson City, MO 65102
2. July 15, 2004 is the due date for this assessment. At your option, you may pay the assessment in quarterly installments. If you choose quarterly installments, they are due on the following dates:

July 15, 2004	October 15, 2004
January 15, 2005	April 15, 2005
3. No further assessment notice will be furnished. If you choose to make quarterly installments, it is your responsibility to make the payments no later than the due date shown above.

Sincerely,

A handwritten signature in black ink that reads "Robert J. Quinn, Jr." with a stylized flourish at the end.

Robert J. Quinn, Jr.
Executive Director

Exhibit A



Commissioners

STEVE GAW
Chair

CONNIE MURRAY

ROBERT M. CLAYTON III

JEFF DAVIS

LINWARD "LIN" APPLING

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.mo.gov>

ROBERT J. QUINN, JR.
Executive Director

WESS A. HENDERSON
Director, Utility Operations

ROBERT SCHALLENBERG
Director, Utility Services

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

November 9, 2004

Joe Vitale
Globcom, Incorporated
2100 Sanders Road, Ste 150
Northbrook IL 60062

RE: Annual Assessment

Dear Mr. Vitale:

The Missouri Public Service Commission is authorized by Section 386.370 RSMo 2003 to determine the amount of an annual assessment for expenses of the Commission to be collected from public utilities operating in this state. The Commission staff calculates the annual assessment using the method required by statute at Section 386.370.2. RSMo 2003.

In June 2004, the Commission issued an order determining the amount of assessment owed by each utility. On June 25, 2004 the Commission notified you of the amount of your assessment for the fiscal year beginning July 1, 2004. Payment of that amount was due on July 15, 2004, with an option for four quarterly payments due July 15th, October 15th, January 15th and April 15th. To date, you have an unpaid annual assessment of \$

In accord with the authority granted to the Commission to make annual assessments to public utilities, the Commission hereby demands immediate payment of your annual assessment. Section 386.570 RSMo 2003 provides for penalties of \$100 to \$2,000 per day for failure to comply with any Commission order or demand. In addition, in serious cases of failure to comply with assessment obligations, the Commission may suspend or revoke your certificate to operate in this state.

PLEASE NOTE: If you do not, within thirty (30) days of the date of this letter, forward your check made payable to the Director of Revenue, State of Missouri to the Missouri Public

November 9, 2004

Page 2

Service Commission, Attn: Budget & Fiscal Services, P.O. Box 360, Jefferson City, MO 65102, my office will, without further notice, initiate appropriate legal actions as cited above. If you have questions concerning your balance or payment arrangements, contact Helen Davis, Budget & Fiscal Services Department, at 573-751-4274.

Sincerely,

Dana K. Joyce
General Counsel

DKJ:hd

c: Robert J. Quinn, Jr.
Helen Davis

AFFIDAVIT

STATE OF MISSOURI)
)
COUNTY OF COLE)

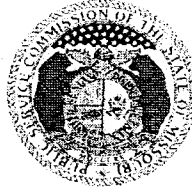
I, Helen Davis, Accountant II, of the Commission's Budget and Fiscal Services Department, first being duly sworn on my oath state that the Public Service Commission's records do not reflect the receipt of the Fiscal Year 2005 Assessment from Globcom, Incorporated.

Helen Davis
Helen Davis

Subscribed and sworn to before me this 2nd day of Aug, 2005.



D. Suzie Mankin
Notary Public



Missouri Public Service Commission

Commissioners

JEFF DAVIS
Chairman

CONNIE MURRAY

STEVE GAW

ROBERT M. CLAYTON III

LINWARD "LIN" APPLING

POST OFFICE BOX 360
JEFFERSON CITY MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.mo.gov>

WESS A. HENDERSON
Director, Utility Operations

ROBERT SCHALLENBERG
Director, Utility Services

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

May 2, 2005

Legal Counsel
Globcom, Incorporated - CLEC & IXC
2100 Sanders Rd.
Suite 150
Northbrook, IL 60062

Dear Sir/Madam Counsel:

Pursuant to Section 392.210, RSMo Section 393.140, RSMo and the rules at 4 CSR 240-3.540 (Telecommunications Companies), public utilities are required to submit an annual report to the Missouri Public Service Commission on or before April 15th.

This letter is a notification and warning that the Missouri Public Service Commission has not received from your company its required 2004 Annual Report as of the date of this letter.

If your company does not immediately file its report, it will be subject to legal action under state law for failure to submit an annual report on time. A utility that does not timely file its annual report is subject to a penalty of one hundred dollars for each day that it is late in filing its annual report.

Questions about the annual report form or its content may be submitted to:

Janis Fischer (573) 751-4257 or by email at Janis.Fischer@psc.mo.gov.

The completed document should be submitted under EFIS (accessible from the Commission's Web page <http://www.psc.state.mo.us/>) or mailed to:

Manager of the Data Center
Missouri Public Service Commission
200 Madison Street, Suite 100
P.O. Box 360
Jefferson City, MO 65102-0360

Sincerely,

Dana K. Joyce
General Counsel

AFFIDAVIT

STATE OF MISSOURI)
)
COUNTY OF COLE)

I, Janis E. Fischer, Utility Regulatory Auditor IV, of the Commission's Auditing Department, first being duly sworn on my oath state that the Public Service Commission's records do not reflect the receipt of the 2004 Annual Report from Globcom, Incorporated.

Janis E. Fischer

Janis E. Fischer

Subscribed and sworn to before me this 2nd day of Aug, 2005.



Suzie Mankin

Notary Public