BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

| In | the | Matter | of |) |
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GST NET, INC.

Notice of Failure to Comply With Hawaii Revised Statutes and Commission's Regulations Order to Show Cause Why Respondent's Operating Authority Should Not Be Suspended or Revoked.

DOCKET NO. 02-0317

ORDER NO. 19628

Filed Sept. 30, 2002 At 8:00 o'clock A. M.

Chief Clerk of the Commission

ATTEST: A True Copy CATHERINE SAKATO

Clerk Public Utilities Commission State of Hawaii

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

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GST NET, INC.

Docket No. 02-0317

Notice of Failure to Comply With Hawaii Revised Statutes and Commission's Regulations Order to Show Cause Why Respondent's Operating Authority Should Not Be Suspended or Revoked.

Order No. 19628

NOTICE OF VIOLATION, ORDER TO SHOW CAUSE, AND NOTICE OF HEARING

GST NET, INC. (Respondent), is the holder of a certificate of authority (COA), issued pursuant to Hawaii Administrative Rules (HAR) § 6-80-18. Under its COA, Respondent is authorized to operate as a reseller of intrastate telecommunications services in the State of Hawaii (State).

As the holder of a COA, Respondent is required to file an annual financial report (AFR) by March 31 of each year, pursuant to HAR § 6-80-91, and pay a public utility fee (Fee) in July and December of each year, pursuant to Hawaii Revised Statutes (HRS) § 269-30. Respondent failed to file its 2000 AFR and pay the Fee that was due on July 31, 2001 and December 31, 2001.

HAR § 6-80-19 authorizes the commission, after notice and hearing, to suspend or revoke any COA, in part or in whole, if the holder is found to be in violation of any applicable State laws or commission rules. Accordingly, the commission may

suspend or revoke Respondent's COA for failure to comply with the legal requirements set forth above, unless Respondent is able to show why such suspension or revocation should not occur.

THE COMMISSION ORDERS:

- 1. Respondent shall appear at 465 South King Street, Room B3, Honolulu, Hawaii 96813, at 9:00 a.m., on October 29, 2002 to show cause why Respondent's COA should not be suspended or revoked for failure to comply with the legal requirements set forth in this order.
- 2. Respondent may be represented by counsel. If Respondent does not retain counsel, Respondent may be represented at the hearing as follows: (a) an individual may appear on his or her own behalf; (b) a partner may represent a partnership; and (c) an officer or authorized employee of a corporation, trust, or association may represent the corporation, trust, or association.
- 3. If Respondent fails to appear at the scheduled hearing, Respondent's COA shall be revoked.

DONE at Honolulu, Hawaii this 30th day of September, 2002.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By Mayne H. Kimura, Chairman

By Janet B. Kawelo, Commissioner

By (RECUSED)
Gregg J. Kinkley, Commissioner

APPROVED AS TO FORM:

Catherine P. Awakuni Commission Counsel

02-0317.sl

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Order No. 19628 upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P. O. Box 541 Honolulu, HI 96809

GST NET, INC. 4001 Main Street Vancouver, WA 98663-1896 (CM #7099 3220 0003 3738 8969)

Catherine Sakato

DATED: September 30, 2002