BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

----- In the Matter of -----)

PREFERRED CARRIER SERVICES, INC. aka PHONES FOR ALL

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. 2008-0238

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

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DEPT OF COMMERCE AND
CONSUMER AFFAIRS
STATE OF HAWAII

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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. 2008-0238

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

PREFERRED CARRIER SERVICES, INC., aka PHONES FOR ALL ("Respondent"), is the holder of a certificate of authority ("COA"), issued pursuant to Hawaii Administrative Rules ("HAR") § 6-80-18. The COA authorizes Respondent to operate as a reseller of intrastate telecommunications services in the State of Hawaii ("State").

HAR § 6-80-91 requires Respondent to file an annual financial report ("AFR") by March 31 of each year. Hawaii Revised Statutes § 269-30 requires Respondent to pay a public utility fee ("Fee") in July and December of each year. Respondent failed to file its 2006 AFR and pay the Fee (based on 2006 gross revenues) that was due on July 31, 2007 and December 31, 2007.

HAR § 6-80-19 authorizes the commission, after notice and hearing, to suspend or revoke any COA, in whole or in part,

if the commission finds that the holder violated any applicable State laws, commission orders or 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 cause why such suspension or revocation should not occur.

THE COMMISSION ORDERS:

- 1. Respondent shall appear at 465 South King Street, Room B-3, Honolulu, Hawaii 96813, at 9:00 a.m., on November 19, 2008, 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 suspended or revoked.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

By: Course P. Cours

Carlito P. Caliboso, Chairman

By:

John E. Cole, Commissioner

Bv.

Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

Stacey Kawasaki Djou Commission Counsel

2008-0238.cp

CERTIFICATE OF SERVICE

The foregoing order was served on the date of filing by mail, postage prepaid, and properly addressed to the following parties:

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

PREFERRED CARRIER SERVICES, INC. aka PHONES FOR ALL 14681 Midway Road, Suite 105 Addison, TX 75001-3147

(CM #7003 1680 0002 5382 9833)