

Control Number: 48972



Item Number: 4

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DOCKET NO. 48972

**PETITION TO REVOKE §
PHONOSCOPE ENTERPRISES §
GROUP, LLC'S SERVICE §
PROVIDER CERTIFICATE OF §
OPERATING AUTHORITY UNDER §
PURA §§ 54.008 AND 54.105 AND 16 §
TAC § 26.111 §**

**PUBLIC UTILITY COMMISSION
OF TEXAS**

2019 JAN 18 PM 1:04

FILING CLERK

MOTION TO ISSUE A DEFAULT ORDER TO REVOKE PHONOSCOPE ENTERPRISES GROUP, LLC'S SERVICE PROVIDER CERTIFICATE OF OPERATING AUTHORITY AND FILING OF AFFIDAVIT

NOW COMES, the Staff (Commission Staff) of the Public Utility Commission of Texas (Commission) and files this Motion to Issue a Default Order to Revoke Phonoscope Enterprises Group, LLC's (Phonoscope) Service Provider Certificate of Operating Authority (SPCOA) Certificate No. 60361 and Filing of Affidavit.

I. HISTORY

Commission Staff filed its Petition to Revoke Phonoscope's SPCOA and Notice of Opportunity for a Hearing on December 11, 2018. Phonoscope failed to request a hearing within 30 days of service of this Petition and Notice of Opportunity for a Hearing. Therefore, Commission Staff respectfully moves that a default order be issued, without additional notice to Phonoscope, granting all relief sought in Commission Staff's Petition and Notice of Opportunity for a Hearing. In support of this Motion to Issue a Default Order to Revoke Phonoscope's SPCOA and Filing of Affidavit, Commission Staff respectfully shows the following:

II. LEGAL AUTHORITY

Pursuant to the contested case provisions of the Texas Government Code Annotated § 2001.051 (APA),¹ a party is entitled to an opportunity for a hearing after reasonable notice of not

¹ Administrative Procedure Act, Tex. Gov't Code Ann. §§ 2001.001- .902.

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less than 10 days, and to respond to and present evidence and argument on each issue involved in the case. If a hearing is not requested within 30 days after service of notice of an opportunity for hearing, a default occurs and the factual allegations contained in the notice can be deemed admitted.² Upon default, the presiding officer may issue a default order, disposing of the proceeding without a hearing, on an informal basis.³

16 TAC §§ 22.54 and 22.55 require Commission Staff to provide reasonable notice to persons affected by a proceeding in accordance with the APA. In license revocation proceedings, APA § 2001.054 requires that notice be given "by personal service or by registered or certified mail to the license holder of facts or conduct alleged to warrant the intended action." In order to proceed on a default basis, 16 TAC § 22.183 requires Commission Staff to provide notice by certified mail, return receipt requested, to a certificate holder's last known address in the Commission's records or to the person's registered agent for process on file with the Secretary of State.

In accordance with these provisions, Commission Staff, Tasha Lopez, has provided an affidavit in Attachment 1, attesting that she provided a copy of the petition by certified mail, return receipt requested, to Phonoscope's last known address in the Commission's records, on December 11, 2018:

Ms. Nicole Horton
Phonoscope Enterprises Group, LLC
6105 Westline Drive
Houston, TX 77036

Additionally, Ms. Lopez has attested to sending a copy of the petition by certified mail, return receipt requested, to Phonoscope's registered agent in the Texas Secretary of State's records, on December 11, 2018:

Mr. Lee Cook
Phonoscope Enterprises Group, LLC
6105 Westline Drive
Houston, Texas 77036

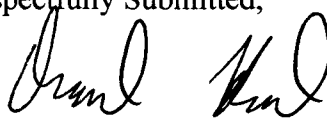
² 16 TAC § 22.183.

³ APA § 2001.056(4) and 16 TAC § 22.183.

III. PRAYER

WHEREFORE, PREMISES CONSIDERED, the Commission Staff respectfully moves for the presiding officer to issue a default final order, with no further notice to Phonoscope, revoking Phonoscope's SPCOA Certificate No. 60361.

Respectfully Submitted,



David Hoard
Attorney, Oversight and Enforcement Division
Texas State Bar No. 24106843
(512) 936-7285 T
(512) 936-7268 F
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
david.hoard@puc.texas.gov

CERTIFICATE OF SERVICE

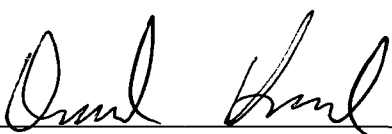
I certify that on January 18, 2019, pursuant to 16 TAC § 22.183(b)(2), a copy of this document was sent certified mail, return receipt requested, to the last known address of Phonoscope, in the Commission's records.

Last Known Address in Commission Records:

Ms. Nicole Horton
Phonoscope Enterprises Group, LLC
6105 Westline Drive
Houston, TX 77036

Registered agent in Secretary of State's Records:

Mr. Lee Cook
Phonoscope Enterprises Group, LLC
6105 Westline Drive
Houston, Texas 77036



David Hoard

**ATTACHMENT 1
AFFIDAVIT OF TASHA
LOPEZ**

PUC DOCKET NO. 48972

PETITION TO REVOKE
PHONOSCOPE ENTERPRISES
GROUP, LLC'S SERVICE PROVIDER
CERTIFICATE OF OPERATING
AUTHORITY UNDER PURA §§ 54.008
AND 54.105 AND 16 TAC § 26.111

§
§
§
§
§
§

PUBLIC UTILITY COMMISSION

OF TEXAS

AFFIDAVIT OF TASHA LOPEZ

STATE OF TEXAS §
TRAVIS COUNTY §

BEFORE ME, the undersigned authority, on this day personally appeared, Tasha Lopez, and being by me duly sworn, upon oath declared that the statements and capacity acted in are true and correct.

“My name is Tasha Lopez. I am the legal assistant in the Oversight & Enforcement Division of the Public Utility Commission of Texas (Commission). I am over the age of twenty-one and I am competent to make this Affidavit. In accordance with 16 TAC § 22.183(b), I mailed, by certified mail, a copy of Petition to Revoke Phonoscope Enterprises Group, LLC’s Service Provider Certificate of Operating Authority (SPCOA) and Notice of Opportunity for a Hearing (Petition and Notice of Opportunity for a Hearing) filed on December 11, 2018, to Ms. Nicole Horton and Mr. Lee Cook, on December 11, 2018, to the last known addresses, and all copies were either delivered or returned. Please see the attached tracking information for each item and copy of the petition.

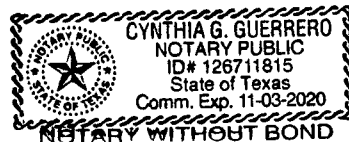
Ms. Nicole Horton
Phonoscope Enterprises Group, LLC
6105 Westline Drive
Houston, TX 77036

Mr. Lee Cook
Phonoscope Enterprises Group, LLC
6105 Westline Drive
Houston, Texas 77036

Tasha Lopez
AFFIANT: Tasha Lopez

SWORN TO AND SUBSCRIBED BEFORE ME this 18th day of January 2019.

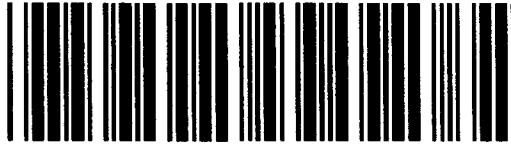
Cynthia G. Guerrero
Notary Public for the State of Texas



CMRR
Nicole Horton
(Delivered)

Ship Request Form

Ship Request #: 193893



Sender

Name: Tasha Lopez
Account #: 47300 PUC
Phone: 512-936-7401
Email:
Company: Public Utility Commission

eRR Track: 9171999991703104845286

Recipient

Attn To: Nicole Horton
Company: Phonoscope Enterprises Group, LLC
Address: 6105 Westline Drive
City: Houston
State: TX
Zip: 77036
Country: US

Shipping Instructions

Items

Units	Description	Code	Origin	Unit Value	Total Value
0 00					

Track Another Package +

Tracking Number: 9171999991703104845286

Remove X

Your item was delivered to an individual at the address at 10:38 am on December 14, 2018 in HOUSTON, TX 77036.

Delivered

December 14, 2018 at 10:38 am
Delivered, Left with Individual
HOUSTON, TX 77036

Get Updates 

Feedback

Text & Email Updates 

Return Receipt Electronic 

Tracking History 

December 14, 2018, 10:38 am
Delivered, Left with Individual
HOUSTON, TX 77036

Your item was delivered to an individual at the address at 10:38 am on December 14, 2018 in HOUSTON, TX 77036.

December 13, 2018, 4:07 am
Departed USPS Regional Destination Facility
NORTH HOUSTON TX DISTRIBUTION CENTER

December 12, 2018, 3:18 pm
Arrived at USPS Regional Destination Facility
NORTH HOUSTON TX DISTRIBUTION CENTER

December 12, 2018, 3:53 am
Departed USPS Regional Facility
AUSTIN TX DISTRIBUTION CENTER

December 11, 2018, 10:20 pm
Arrived at USPS Regional Origin Facility
AUSTIN TX DISTRIBUTION CENTER

December 11, 2018, 9:05 pm
Accepted at USPS Origin Facility
AUSTIN, TX 78701

December 11, 2018
Pre-Shipment Info Sent to USPS, USPS Awaiting Item

Feedback

Product Information



See Less ^

Can't find what you're looking for?

Go to our FAQs section to find answers to your tracking questions.

FAQs (<https://www.usps.com/faqs/uspstracking-faqs.htm>)

The easiest tracking number is the one you don't have to know.

With Informed Delivery[®], you never have to type in another tracking number. Sign up to:

- See images* of incoming mail.
- Automatically track the packages you're expecting.
- Set up email and text alerts so you don't need to enter tracking numbers.
- Enter USPS Delivery Instructions[™] for your mail carrier.

Feedback

Sign Up

[https://reg.usps.com/entreg/RegistrationAction_input?](https://reg.usps.com/entreg/RegistrationAction_input?app=UspsTools&appURL=https%3A%2F%2Ftools.usps.com%2Fgr)

*NOTE: Black and white (grayscale) images show the outside, front of letter-sized envelopes and mailpieces that are processed through USPS automated equipment.

CMRR
Lee Cook
(Delivered)

Ship Request Form

Ship Request #: 193894



Sender

Name: Tasha Lopez
Account #: 47300 PUC
Phone: 512-936-7401
Email:
Company: Public Utility Commission

eRR Track: 9171999991703104845279

Recipient

Attn To: Lee Cook
Company: Phonoscope Enterprises Group, LLC
Address: 6105 Westline Drive
City: Houston
State: TX
Zip: 77036
Country: US

Shipping Instructions

Items

Units	Description	Code	Origin	Unit Value	Total Value
0.00					



FAQs > (<https://www.usps.com/faqs/uspstracking-faqs.htm>)

Track Another Package +

Tracking Number: 9171999991703104845279

Remove X

Expected Delivery by

THURSDAY

13 DECEMBER 2018 ⓘ by **8:00pm** ⓘ

Delivered

December 13, 2018 at 10:38 am
Delivered, Left with Individual
HOUSTON, TX 77036

Get Updates ▾

Feedback

Text & Email Updates ▾

Return Receipt Electronic ▾

Tracking History ▲

December 13, 2018, 10:38 am
Delivered, Left with Individual
HOUSTON, TX 77036

Your item was delivered to an individual at the address at 10:38 am on December 13, 2018 in HOUSTON, TX 77036.

December 13, 2018, 4:07 am
Departed USPS Regional Destination Facility

NORTH HOUSTON TX DISTRIBUTION CENTER

December 12, 2018, 3:18 pm
Arrived at USPS Regional Destination Facility
NORTH HOUSTON TX DISTRIBUTION CENTER

December 12, 2018, 3:53 am
Departed USPS Regional Facility
AUSTIN TX DISTRIBUTION CENTER

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Arrived at USPS Regional Origin Facility
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December 11, 2018, 9:05 pm
Accepted at USPS Origin Facility
AUSTIN, TX 78701

December 11, 2018
Pre-Shipment Info Sent to USPS, USPS Awaiting Item

Feedback

Product Information



See Less ^

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FAQs (<https://www.usps.com/faqs/uspstracking-faqs.htm>)

The easiest tracking number is the one you don't have to know.

With Informed Delivery®, you never have to type in another tracking number. Sign up to:

- See images* of incoming mail.
- Automatically track the packages you're expecting.
- Set up email and text alerts so you don't need to enter tracking numbers.
- Enter USPS Delivery Instructions™ for your mail carrier.

Feedback

Sign Up

https://reg.usps.com/entreg/RegistrationAction_input?

*NOTE: Black and white (grayscale) images show the outside, front of letter-sized envelopes and mailpieces that are processed through USPS automated equipment. <https://tools.usps.com/>

Proposed Default Order

PUC DOCKET NO. 48972

PETITION TO REVOKE	§	
PHONOSCOPE ENTERPRISES	§	
GROUP, LLC'S SERVICE PROVIDER	§	
CERTIFICATE OF OPERATING	§	PUBLIC UTILITY COMMISSION
AUTHORITY UNDER PURA §§ 54.008	§	OF TEXAS
AND 54.105 AND 16 TAC § 26.111	§	

PROPOSED DEFAULT ORDER

This Order addresses the petition of the Public Utility Commission of Texas (Commission) Staff to revoke Phonoscope Enterprises Group, LLC's (Phonoscope) Service Provider Certificate of Operating Authority (SPCOA) for violations of the Public Utility Regulatory Act¹ and Commission Rules. Commission Staff's Petition is granted and Phonoscope's SPCOA No. 60361 is revoked. The Commission adopts the following findings of fact and conclusions of law:

I. Findings of Fact

1. Phonoscope is a Certificated Telecommunications Provider (CTP) that was granted SPCOA No. 60361 on June 1, 2000 in Docket No. 22321.
2. On June 3, 2014, Phonoscope filed to renew its SPCOA in Docket No. 42291 as required by 16 Texas Administrative Code (TAC) § 26.111(k).
3. As of January 18, 2018, Phonoscope is listed as having forfeited its existence on the Secretary of State's website.
4. Commission records reflect that Phonoscope has not provided a quarterly access line filing report since the first quarter of 2017, which indicates that it may no longer operate any access lines over which it can provide any telecommunications service and, thus, Phonoscope is likely not actively providing telecommunications services.
5. On August 11, 2017 the Commission requested that Phonoscope provide its annual report as required by 16 TAC § 26.111(1)(2).
6. Commission Staff received an email dated August 20, 2017 from Phonoscope, indicating it would file the annual report by the end of the week. However, Phonoscope failed to file the annual report as promised.

¹ Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.017 (PURA).

7. Commission Staff sent a Pre-Notice of Violation (PNOV) to Phonoscope to address its deficiencies on December 6, 2017.
8. Phonoscope filed an annual report on May 10, 2018. However, Commission Staff has not received any subsequent contact from Phonoscope in response to the PNOV.
9. Commission Staff attempted to contact Phonoscope by telephone and email on August 10, 2018 and October 10, 2018. Sam Stubbs, attorney for Phonoscope, contacted Commission Staff on December 19, 2018, but did not address the substance of the PNOV. Commission Staff advised Mr. Stubbs of Phonoscope's right to a hearing.
10. On December 11, 2018, Commission Staff filed the Petition to Revoke Phonoscope Enterprises Group, LLC's Service Provider Certificate of Operating Authority and Notice of Opportunity for a Hearing (Petition to Revoke).
11. The Petition to Revoke included the required disclosure in at least 12-point, bold-face type.
12. The Petition to Revoke was sent by certified mail, return receipt requested, to the addresses Commission Staff was able to find for Phonoscope after reasonable investigation. More specifically the Petition to Revoke was sent by certified mail, return receipt requested, to the addresses and officers that Phonoscope most recently had on file with the Commission.
13. More than 30 days have passed since service of the Petition to Revoke.
14. Phonoscope did not request a hearing on the merits within 30 days of Commission Staff's filing of the Petition to Revoke.

II. Conclusions of Law

1. 16 TAC § 26.468(c)(1) defines a Certificated Telecommunications Provider (CTP) as "a person who has been issued a certificate of convenience and necessity, certificate of operating authority, or service provider certificate of operating authority by the commission to offer local exchange telephone service or a person who provides voice service."
2. Public Utility Regulatory Act (PURA) § 54.001 and 16 TAC § 26.111 require a Commission authorized certificate of convenience and necessity, or a certificate of operating authority, to provide local exchange telephone service, basic local telecommunications service and switched access service in Texas.

3. An investigation that may result in the suspension or revocation of a CTP's SPCOA may be initiated for one or more of the reasons specified in 16 TAC § 26.111, including, but not limited to failure to meet Commission reporting requirements and a pattern of not responding to Commission inquiries in a timely fashion.
4. The Commission may revoke a CTP's SPCOA if the certificate holder fails to comply with any requirement of PURA § 54.105 or the SPCOA requirements set out in 16 TAC § 26.111.
5. PURA § 54.008(a) states that the Commission may revoke or amend a "service provider certificate of operating authority after notice and hearing if the Commission finds that the certificate holder has never provided or is no longer providing service in all or any part of the certificated area."
6. 16 TAC § 26.111(o)(10) provides an SPCOA is subject to revocation based on a pattern of not responding to commission inquiries.
7. Local Government Code § 283.055(j) and 16 TAC § 26.468(d) require a CTP to a report with the Commission on a quarterly basis that shows the number of access lines the CTP has within each municipality at the end of each month of the quarter. 16 TAC § 26.111(1)(5) requires that a certificate holder file all reports to the extent required by PURA and Commission rules.
8. Under 16 TAC § 22.183, a default occurs when a party who does not have the burden of proof fails to appear for a hearing or request a hearing within 30 days after service of notice of an opportunity for a hearing.
9. Under 16 TAC § 22.183, upon default, the presiding officer may issue a default order – either a proposal for decision or a final order – disposing of the proceeding without a hearing.
10. 16 TAC § 22.183 requires that a default order contains adequate proof that (1) the notice of the opportunity for a hearing included a disclosure in at least twelve-point, bold type face, that the factual allegations listed in the notice could be deemed admitted, and the relief sought in the notice of hearing might be granted by default, if the defaulting party fails to timely request a hearing, and (2) the notice of opportunity for a hearing was sent by certified mail to the party's last known address, the party's registered agent on file with the

Secretary of State, or an address for the party identified after a reasonable investigation if the other options do not apply.

III. Ordering Paragraphs

In accordance with these findings of fact and conclusions of law, the Commission issues the following order:

1. The factual allegations contained within Commission Staff's Petition to Revoke are deemed admitted.
2. The affidavit of Tasha Lopez attached to Commission Staff's Motion is admitted.
3. Commission Staff's Petition is granted.
4. Phonoscope's SPCOA No. 60361 is revoked.
5. The Commission shall not be constrained in any manner from requiring additional action or penalties for violations.
6. All other motions, requests for entry of specific findings of fact and conclusions of law, and any other request for general or specific relief, if not expressly granted herein; are denied.

SIGNED AT AUSTIN, TEXAS the ____ day of _____, 2019.

PUBLIC UTILITY COMMISSION OF TEXAS

DEANN T. WALKER, CHAIRMAN

ARTHUR C. D'ANDREA, COMMISSIONER

SHELLY BOTKIN, COMMISSIONER

Petition to Revoke

DOCKET NO. 48972

RECEIVED

2010 DEC 11 PM 1:42

PUBLIC UTILITY COMMISSION
FILING CLERK

PUBLIC UTILITY COMMISSION

OF TEXAS

PETITION TO REVOKE
PHONOSCOPE ENTERPRISES
GROUP, LLC'S SERVICE
PROVIDER CERTIFICATE OF
OPERATING AUTHORITY UNDER
PURA §§ 54.008 AND 54.105 AND 16
TAC § 26.111

§
§
§
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**PETITION TO REVOKE PHONOSCOPE ENTERPRISES GROUP, LLC'S SERVICE
PROVIDER CERTIFICATE OF OPERATING AUTHORITY AND NOTICE OF
OPPORTUNITY FOR A HEARING**

The Staff (Commission Staff) of the Public Utility Commission of Texas (Commission) files this Petition to Revoke Phonoscope Enterprises Group, LLC's (Phonoscope) Service Provider Certificate of Operating Authority (SPCOA) and Notice of Opportunity for a Hearing (Petition and Notice of Opportunity for a Hearing) and hereby provides notice of the opportunity to request a hearing on the merits of this Petition.

I. INTRODUCTION

The Commission should revoke Phonoscope's SPCOA because Phonoscope has repeatedly failed to respond to Commission inquiries in a timely manner and to meet reporting requirements. In the event Phonoscope fails to request a hearing within 30 days of service of this Petition and Notice of Opportunity for a Hearing, a default order should be issued, without additional notice to Phonoscope, granting all relief sought in this Petition and Notice of Opportunity for a Hearing. In support of this Petition and Notice of Opportunity for a Hearing, Commission Staff respectfully shows the following:

II. JURISDICTION AND LEGAL AUTHORITY

A Certificated Telecommunications Provider (CTP) is "a person who has been issued a certificate of convenience and necessity, certificate of operating authority, or service provider certificate of operating authority by the commission to offer local exchange telephone service or a

person who provides voice service.”¹ Public Utility Regulatory Act² (PURA) § 54.001 and 16 Texas Administrative Code (TAC) § 26.111 require a Commission-authorized certificate of convenience and necessity or a certificate of operating authority to provide local exchange telephone service, basic local telecommunications service, and switched access service in Texas.

The Commission may revoke a CTP’s SPCOA if the certificate holder fails to comply with PURA³ or Commission rules.⁴ PURA authorizes the Commission to revoke or amend an SPCOA “after notice and hearing if the commission finds that the certificate holder has never provided or is no longer providing service in all or any part of the certificated area.”⁵ The Commission may initiate an investigation that may result in the suspension or revocation of a CTP’s SPCOA for one or more of the reasons specified in 16 TAC § 26.111, including, but not limited to, non-use of the SPCOA,⁶ a pattern of not responding to Commission inquiries in a timely fashion,⁷ and failure to meet Commission reporting requirements.⁸

The contested case provisions in the Administrative Procedure Act⁹ (APA) provide each party an opportunity “(1) for hearing after reasonable notice of not less than 10 days; and (2) to respond and to present evidence and argument on each issue involved in the case.”¹⁰ 16 TAC § 22.183 permits disposition by default if a party does not request a hearing within 30 days after service of notice of an opportunity for hearing. Upon default, the presiding officer may issue a default order to dispose of the proceeding without a hearing.¹¹

¹ Tex. Local Gov’t Code § 283.002(3). The statutory definition is restated in 16 TAC § 26.461(c)(2) and adopted by 16 TAC § 26.468(c)(1).

² Public Utility Regulatory Act, Tex. Util. Code §§ 11.001-66.017 (PURA).

³ PURA § 54.105.

⁴ 16 TAC § 26.111(o).

⁵ PURA § 54.008(a).

⁶ 16 TAC § 26.111(o)(1).

⁷ 16 TAC § 26.111(o)(10).

⁸ 16 TAC § 26.111(o)(5).

⁹ Administrative Procedure Act, Tex. Gov’t Code §§ 2001.001-.902 (APA).

¹⁰ APA § 2001.051.

¹¹ APA § 2001.056(4) and 16 TAC § 22.183(b).

III. FACTUAL ALLEGATIONS

BACKGROUND

The Commission originally granted Phonoscope SPCOA No. 60361 on June 1, 2000, in Docket No. 22321.¹² On June 3, 2014, Phonoscope filed to renew its SPCOA in Docket No. 42291 as required by 16 TAC § 26.111(k).¹³ Phonoscope is a CPT for purposes of the Texas Local Government Code and Commission rules because the Commission has granted it an SPCOA to offer local exchange telephone service. Phonoscope's "entity status" on the Texas Secretary of State's website is listed as "forfeited existence" as of December 10, 2018.

PHONOSCOPE IS NOT USING ITS SPCOA

Under 16 TAC § 26.111(o)(1) the Commission may revoke an SPCOA for non-use. Commission records currently list Phonoscope's certificate as active. However, Commission Staff's review of the Texas Secretary of State's records indicates that the Texas Secretary of State forfeited Phonoscope's charter, certificate, or registration of the taxable entity on October 19, 2018.¹⁴ In addition, Commission Staff cannot verify that Phonoscope currently provides telecommunications services for which an SPCOA is required because it has not filed a quarterly access line report with the Commission since the first quarter of 2017. Absent any evidence that Phonoscope actively provides telecommunications services for which an SPCOA is required, the Commission should revoke SPCOA No. 60361 for non-use.

PHONOSCOPE FAILED TO RESPOND TO COMMISSION INQUIRIES

Under 16 TAC § 26.111(o)(10) the Commission may revoke an SPCOA if the SPCOA holder repeatedly fails to respond to Commission inquiries. On August 11, 2017, Commission Staff requested that Phonoscope provide its annual report as required by 16 TAC § 26.111(l)(2). Commission Staff received an email from Phonoscope dated August 20, 2017, indicating it would file the annual report by the end of that week. However, Phonoscope failed to file the annual report as promised. As a result, Commission Staff sent a Pre-Notice of Violation (PNOV) on December

¹² *Application of Phonoscope, Ltd. For a Service Provider Certification of Operating Authority*, Docket No. 22321, Order (June 1, 2000).

¹³ *SPCOA and COA Certification Renewal-Pursuant to PUC Subst. R. 26.111(k)*, Project No. 42291, Phonoscope Enterprises Group, LLC Application for Renewal (June 3, 2014).

¹⁴ Texas Secretary of State filing number 800836354, document no. 844754281280.

6, 2017 to Phonoscope's address on file. As of December 10, 2018, Phonoscope has not responded to the allegations in the PNOV.

Phonoscope filed its annual report on May 10, 2018. However, Phonoscope has not responded to Commission Staff's request to discuss the PNOV and other compliance matters. Commission Staff attempted to contact Phonoscope by telephone and email on August 10, 2018 and again on October 10, 2018. In the October 10, 2018 email, Commission Staff gave Phonoscope until October 16, 2018 to reply to Commission Staff's inquiries. As of December 10, 2018, Phonoscope has not responded. The Commission should revoke Phonoscope's SPCOA No. 60361 for failure to respond to Commission inquiries.

PHONOSCOPE HAS FAILED TO MEET COMMISSION REPORTING REQUIREMENTS

16 TAC § 26.111(d)(5) requires a certificate holder to file all reports required by PURA and Commission rules. Texas Local Government Code § 283.055(j) and 16 TAC § 26.468(d) require a CTP to file a quarterly report with the Commission verifying the number of access lines the CTP has within each municipality for each month of that quarter. Commission records indicate that Phonoscope has not submitted its quarterly access line reports as required since the first quarter of fiscal year 2017. The Commission should revoke Phonoscope's SPCOA No. 60361 for noncompliance with reporting requirements.

IV. NOTICE OF HEARING

16 TAC §§ 22.54 and 22.55 require Commission Staff to provide reasonable notice to persons affected by a proceeding in accordance with the APA. In license revocation proceedings, Texas Government Code § 2001.054 requires that notice be given "by personal service or by registered or certified mail to the license holder of facts or conduct alleged to warrant the intended action." To proceed on a default basis, 16 TAC § 22.183 requires Commission Staff to provide notice by certified mail, return receipt requested, to a certificate holder's last known address in the Commission's records or to the person's registered agent for process on file with the Secretary of State.

In accordance with these provisions, Commission Staff will provide a copy of this petition by certified mail, return receipt requested, to Phonoscope's last known address in the Commission's records.

Nicole Horton
Phonoscope Enterprises Group, LLC
6105 Westline Drive
Houston, TX 77036

Additionally, Commission Staff will provide a copy of this petition by certified mail, return receipt requested, to Phonoscope's registered agent in the Texas Secretary of State's records:

Lee Cook
Phonoscope Enterprises Group, LLC
6105 Westline Dr.
Houston, TX 77036

16 TAC § 22.183 requires Commission Staff to notify Phonoscope that the factual allegations in this petition could be deemed admitted and the relief sought herein granted by default if Phonoscope fails to request a hearing within 30 days after service of the Petition and Notice of Opportunity for Hearing. The purpose of a hearing on the merits is to consider revocation of Phonoscope's SPCOA No. 60361. If Phonoscope fails to request a hearing, the presiding officer may issue a default order on an informal basis without a hearing on the merits as permitted by Texas Government Code § 2001.056(4) and 16 TAC § 22.183.

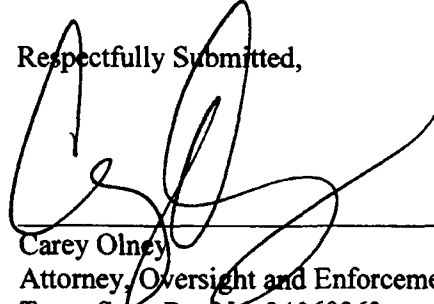
The factual allegations listed in Commission Staff's Petition to Revoke and Notice of Opportunity for a Hearing could be deemed admitted and the relief sought herein could be granted by default if you fail to timely request a hearing.

V. PRAYER

Commission Staff respectfully requests that the Commission grant Commission Staff's request to revoke Phonoscope's SPCOA Certificate No. 60631. In the event Phonoscope fails to

request a hearing on the merits, Commission Staff requests that the Commission issue a default final order, with no further notice to Phonoscope, revoking the certificate.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Carey Olney', is written over a horizontal line. The signature is stylized and somewhat abstract.

Carey Olney
Attorney, Oversight and Enforcement Division
Texas State Bar No. 24060363
(512) 936-7065 T
(512) 936-7268 F
Public Utility Commission of Texas
1701 N. Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326
carey.olney@puc.texas.gov

CERTIFICATE OF SERVICE

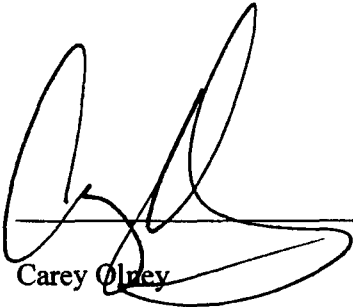
I certify that on December 11, 2018, as required by 16 TAC § 22.183(b)(2), a copy of this document was sent certified mail, return receipt requested, to the last known address of Phonoscope in the Commission's records. The address on file for Phonoscope in the Commission's records match the Texas Secretary of State's records.

Phonoscope's last known address in Commission records:

Nicole Horton
Phonoscope Enterprises Group, LLC
6105 Westline Drive
Houston, TX 77036

As well as to Phonoscope's registered agent in the Texas Secretary of State's records:

Lee Cook
CEO
Phonoscope Enterprises Group, LLC
6105 Westline Dr.
Houston, TX 77036



Carey Olney