



TENNESSEE REGULATORY AUTHORITY
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

MEMORANDUM

TO: Mary W. Freeman, Chairman
Eddie Roberson, Director
Kenneth C. Hill, Director

FROM: Lisa Cooper, Chief, Consumer Services Division *LC*
J. Richard Collier, General Counsel *JRC*

DATE: July 14, 2010

SUBJECT: Staff Investigation of Express Connection, LLC for Alleged Violation of
Tenn. Comp. R. & Regs. 1220-4-2-.13(3)
Docket No. 10-00134

Attached for consideration by this panel is a Settlement Agreement between the Consumer Services Division ("Staff") and Express Connection, LLC ("Express") for violations of Tenn. Comp. R. & Regs. 1220-4-2-.13(3).

Tenn. Comp. R. & Regs. 1220-4-2-.13(3) requires a telephone utility to file a written response within ten working days after receiving a complaint forwarded by the Authority. Between January 9, 2009 and December 7, 2009, the Staff of the Tennessee Regulatory Authority ("Authority") received fifteen consumer complaints against Express. Copies of the complaints were sent to Express by facsimile transmission. Express did not deny receipt of the consumer complaints. Express averaged 76.2 days in responding to the complaints forwarded by the Authority.

In the event that this Settlement is approved by the Directors, Express will make a payment of \$3,750 to the Authority within thirty days following the date of the Directors' approval. A designated representative for Express will be available telephonically to answer questions from the panel during the Authority Conference at which the panel considers this Settlement Agreement.

Considering all relevant facts, the Staff asserts that the terms of this Settlement are fair and reasonable and should result in no further violation of Tenn. Comp. R. & Regs. 1220-4-2-.13(3) by Express. Staff submits the attached Settlement Agreement for consideration by this panel.

Enclosure: Settlement Agreement
Original in Docket No. 10-00134
c: Roberta Swager, President Express Connection, LLC

THE TENNESSEE REGULATORY AUTHORITY

AT NASHVILLE, TENNESSEE

IN RE:)	
)	
STAFF INVESTIGATION OF)	DOCKET NO.
EXPRESS CONNECTION, LLC FOR)	10-00134
ALLEGED VIOLATION OF)	
TENN. COMP. R. & REGS. 1220-4-2-.13(3))	

SETTLEMENT AGREEMENT

This Settlement Agreement has been entered into between the Consumer Services Division ("CSD") of the Tennessee Regulatory Authority ("TRA") and Express Connection, LLC ("Express" or "Company") and is subject to the approval of the Directors of the TRA. Express is a telecommunications service provider located at 3403 Nolensville Pike, Nashville, Tennessee 37211-2911.

This Settlement Agreement addresses Express' pattern of failing to respond to consumer complaints as required under TENN. COMP. R. & REGS. 1220-4-2-.13(3). Between January 9, 2009 and December 7, 2009, the CSD received fifteen consumer complaints against Express. Copies of the complaints were sent to the Company by facsimile transmission. TENN. COMP. R. & REGS. 1220-4-2-.13(3) requires a telephone utility to file a written response within ten working days after receiving a complaint forwarded by the Authority. Express did not deny receipt of the consumer complaints. The response times by Express to the complaints varied greatly between the individual complaints. Express averaged 76.2 days in responding to the complaints forwarded by the Authority.

Staff from the CSD met with representatives of Express for the purpose of discussing the consumer complaints and the failure of Express to respond to the complaints in a timely manner. The CSD determined that the underlying consumer complaints had been resolved to the CSD's satisfaction. The CSD then negotiated a resolution of the failure of Express to respond appropriately to the complaints.

TENN. CODE ANN. § 65-4-120 authorizes the TRA to assess a civil penalty of \$50 per day for failure to comply with any rule or requirement of the TRA. CSD considered several factors stated in TENN. CODE ANN. § 65-4-116(b) during the negotiations that resulted in this Settlement Agreement, including the size of Express' business, Express' good faith cooperation during the investigation and the gravity of the violations by Express.

In an effort to resolve Express' failure to respond timely, CSD and Express agree to settle this matter based upon the following acknowledgements and terms subject to approval by the Directors of the TRA:

1. Express agrees to pay the sum of three thousand seven hundred fifty dollars (\$3,750) to the TRA in full and complete settlement of the alleged violations of TENN. COMP. R. & REGS. 1220-4-2-.13(3) more fully described herein. Express will make payment in full of this amount within thirty (30) days following the date of approval of the Settlement Agreement by the Directors of the TRA. Upon the full payment of the amount of (\$3,750) in compliance with the terms and conditions of this Settlement Agreement, Express is excused from further proceedings relating to these violations.
2. The terms of this Settlement Agreement apply to any and all claims, known or unknown, that were or might have been brought

against Express for alleged violations of TENN. COMP. R. & REGS. 1220-4-2-.13(3) occurring prior to the date of this Settlement Agreement.

3. The TRA and Express agree and acknowledge that this Settlement Agreement is the result of a compromise and shall not be construed as an admission by Express of any wrongdoing on its part or on the part of its predecessors, successors, assigns, agents, parents, subsidiaries, affiliates, officers, directors, employees or shareholders.
4. Express agrees that its representative will participate telephonically or in person at the Authority Conference at which the Directors consider this Settlement Agreement.
5. In the event of any failure on the part of Express to comply with the terms and conditions of this Settlement Agreement, the Authority reserves the right to re-open this matter and the underlying consumer complaints. Any costs incurred in enforcing the Settlement Agreement shall be paid by Express.
6. If any clause, provision or section of this Settlement Agreement for any reason is held to be illegal or unenforceable, such illegality, invalidity or unenforceability shall not affect any other clause, provision or section of this Settlement Agreement and this Settlement Agreement shall be construed and enforced as if such illegal, invalid or unenforceable clause, section or other provision had not been contained herein.

7. This Settlement Agreement represents the entire agreement between the parties, and there are no representations, agreements, arrangements or understandings, oral or written, between the parties relating to the subject matter of this Settlement Agreement, which are not fully expressed herein or attached hereto.


Lisa Cooper
Chief, Consumer Services Division
Tennessee Regulatory Authority

5/21/10
Date


Signature

ROBERTA SWAGER
Print Name

PRESIDENT
Print Title

6/9/10 Date