

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings against Orion Telecommunications Corp d/b/a Orion Telecommunications Corp of New York for apparent violation of Rule 25-24.910, F.A.C., Certificate of Public Convenience and Necessity Required.

DOCKET NO. 011140-TI
ORDER NO. PSC-02-0927-PAA-TI
ISSUED: July 10, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
MICHAEL A. PALECKI
RUDOLPH "RUDY" BRADLEY

NOTICE OF PROPOSED AGENCY ACTION
ORDER ACCEPTING SETTLEMENT PROPOSAL

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Case Background

On April 24, 2000, Orion Telecommunications Corp. d/b/a Orion Telecommunications Corp. of New York (Orion) submitted to us an application for a Certificate of Public Convenience and Necessity (certificate). Docket No. 000477-TI was opened to address the issue. On August 9, 2000, Orion requested that its application be withdrawn without prejudice, and the docket was subsequently

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closed. During the period from July 9, 2001, through August 21, 2001, our staff investigated a complaint from a Florida consumer regarding prepaid calling services offered by Orion through the "Florida Supreme" prepaid phone card and determined that Orion was providing prepaid calling services within Florida. On August 22, 2001, our staff opened Docket No. 011140-TI to initiate a show cause proceeding against Orion for providing prepaid calling services without a certificate.

On November 06, 2001, we issued Order No. PSC-01-2181-SC-TI in Docket No. 011140-TI, requiring Orion to show cause why it should not be fined \$25,000 for its apparent violation of Rule 25-24.910, Florida Administrative Code. From November 07, 2001, through December 07, 2001, our staff and counsel for Orion negotiated a settlement to resolve the show cause proceeding. On December 17, 2001, Orion submitted its proposed settlement offer, and followed on December 19, 2001, with an application for a certificate to provide interexchange telecommunications company (IXC) services. On May 9, 2002, Orion submitted a copy of its certificate of reinstatement from the Florida Secretary of State.

We are vested with jurisdiction in this matter pursuant to Sections 364.285, 364.33, 364.335, and 364.337, Florida Statutes.

Analysis and Determination

In its settlement offer, Orion proposed to do the following:

- File to obtain a Certificate of Public Convenience and Necessity in the week of December 17, 2001.
- Represent that the "Florida Supreme" brand cards will be fully compliant with the rules and regulations of the Commission upon the Commission's approval of Orion's application for a Certificate.
- Make a voluntary payment to the General Revenue Fund in the amount of \$20,000.

Orion's application for a certificate has been approved by a separate Order in Docket No. 011661-TI. Orion has represented that the "Florida Supreme" brand prepaid phone cards will be in

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compliance with our rules upon our approval of Orion's application for a certificate. Orion also submitted a check in the amount of \$20,000 with its settlement proposal.

Orion has completed two of the actions it proposed to resolve the apparent violation of Rule 25-24.910, Florida Administrative Code. Orion represents that cards sold after we approve its application for certification will be fully compliant with our rules and regulations. Having granted Orion a certificate, Orion's "Florida Supreme" branded prepaid phone cards should now be in compliance.

Upon consideration, we hereby accept the terms of the settlement offer as summarized in this Order. We have reviewed Orion Telecommunications Corp. d/b/a Orion Telecommunications Corp. of New York's offer and believe it to be satisfactory. We believe that the settlement offer submitted by Orion is consistent with other settlement offers we have accepted for similar violations, and is fair and reasonable.

Based on the foregoing, it is

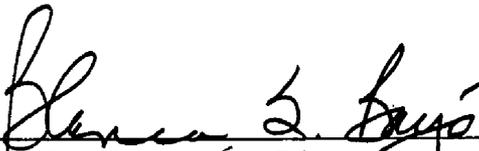
ORDERED by the Florida Public Service Commission that Orion Telecommunications Corp. d/b/a Orion Telecommunications Corp. of New York's Settlement Offer, as set forth in the body of this Order, is hereby accepted. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, and all obligations imposed herein are satisfied, this Docket shall be closed administratively.

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By ORDER of the Florida Public Service Commission this 10th
Day of July, 2002.



BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

(S E A L)

WDK

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding,

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in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 31, 2002.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.