

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

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RECORDS AND REPORTING

DATE: JUNE 17, 1999

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF TELECOMMUNICATIONS (ISLER) *DK*
DIVISION OF LEGAL SERVICES (K. PEÑA) *WJ*
KMP CB

RE: DOCKET NO. 981979-TX - CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF ALEC CERTIFICATE NO. 5285 ISSUED TO INTER-TEL NETSOLUTIONS, INC., FOR VIOLATION OF RULE 25-4.0161, F.A.C., REGULATORY ASSESSMENT FEES; TELECOMMUNICATIONS COMPANIES.

AGENDA: 06/29/99 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\981979.RCM

CASE BACKGROUND

- 12/17/97 - This company obtained Florida Public Service Commission ALEC Certificate No. 5285.
- 01/26/98 - The United States Postal Service returned the receipt for the 1997 regulatory assessment fee (RAF) notice, which showed the RAF notice was signed for and delivered on this date.
- 12/02/98 - The Division of Administration notified staff by memorandum that this company had not paid its 1997 RAFs, plus statutory penalty and interest charges for the year 1997.

DOCUMENT NUMBER-DATE

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FISC-RECORDS/REPORTING

- **04/09/99** - The 1997 RAF was paid. However, the company did not pay the penalty and interest charges.
- **04/16/99** - The 1998 RAF was paid. However, the company did not pay the penalty and interest charges.
- **04/19/99** - Order No. PSC-99-0740-FOF-TX was issued, which imposed a \$500 fine for the RAFs violation or canceled the certificate. The company had until May 10, 1999 to file a protest and until May 17, 1999 to pay the \$500 fine and past due amount.
- **05/05/99** - Mr. Brad Wallace, Compliance Manager, called staff and advised that the past due RAFs had been paid, that the past due statutory penalty and interest charges would be paid, and that the company would make a settlement offer.
- **05/06/99** - The company paid the past due statutory penalty and interest charges for 1997 and 1998 and proposed a \$100 settlement and promised to pay future regulatory assessment fees on a timely basis.

Staff believes the following recommendations are appropriate.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Inter-Tel NetSolutions, Inc. to resolve the apparent violations of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies?

RECOMMENDATION: Yes. The Commission should accept the company's settlement proposal. Any contribution should be received by the Commission within ten business days from the effective date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If the company fails to pay in accordance with the terms of the Commission Order, the company's certificate should be canceled administratively with an effective date of December 31, 1998. (Isler)

DOCKET NO. 981979-1X
DATE: JUNE 17, 1999

STAFF ANALYSIS: On April 19, 1999, Order No. PSC-99-0740-FOF-TX was issued, which imposed a \$500 fine and required payment of the fine and past due amount by May 17, 1999, or required cancellation of ALEC Certificate No. 5259. The company's Compliance Manager, Mr. Brad Wallace, called staff and advised that the company wanted to keep its certificate, had already paid the past due RAFs, would pay the past due statutory penalty and interest charges, and would make a settlement offer. On May 6, 1999, the company paid the past due charges in full and proposed a \$100 settlement.

Accordingly, staff believes the terms of the settlement agreement as summarized in this recommendation should be accepted. Any contribution should be received by the Commission within ten business days from the effective date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If the company fails to pay in accordance with the terms of the Commission Order, the company's certificate should be canceled administratively with an effective date of December 31, 1998.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if the Commission approves staff's recommendation in Issue 1, this docket should be closed. (K. Peña)

STAFF ANALYSIS: If the Commission approves staff's recommendation in Issue 1, this docket should be closed.