



Public Service Commission

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DATE: MAY 31, 2001

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

FROM: DIVISION OF COMPETITIVE SERVICES (ISLER) *PIE*
DIVISION OF LEGAL SERVICES (ELLIOTT) *JAE BK*

RE: DOCKET NO. 010424-TC - CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF PAY TELEPHONE CERTIFICATE NO. 2358 ISSUED TO TELALEASEING ENTERPRISES, INC. FOR VIOLATION OF RULE 25-4.0161, F.A.C., REGULATORY ASSESSMENT FEES; TELECOMMUNICATIONS COMPANIES.

AGENDA: 06/12/01 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\010424.RCM

CASE BACKGROUND

- **09/12/89** - This company obtained Florida Public Service Commission Pay Telephone Certificate No. 2358.
- **12/02/98** - Docket No. 981798-TC was established for nonpayment of the 1997 Regulatory Assessment Fee (RAF). On June 7, 1999, Order No. PSC-99-1134-AS-TC was issued, which accepted Telaleasing's settlement offer resolving this docket, along with Docket Nos. 990109-TC (Peoples Telephone Company, Inc.) and 990200-TC (Communications Central, Inc.) addressing the pay telephone service rules and nonpayment of the 1997 RAFs. Davel Communications Group, Inc. is the parent company of all three companies. Davel proposed to pay \$75,000 to resolve the service standards' violations. According to the documents in these dockets, the company paid the RAFs on April 19, 1999,

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after the dockets were established but prior to staff filing its recommendation to accept the settlement offer on May 6, 1999. The company paid the past due amount in full, the settlement, and the dockets were closed.

- **07/20/00** - Docket No. 000897-TC was established for nonpayment of the RAF for the period July 1 through December 31, 1999. Staff's recommendation to impose a fine of \$1,000 was filed on September 14, 2000. On September 20, 2000, the Commission received a check for \$1,000 and a proposal to pay future RAFs on a timely basis. The company also paid the RAF for the last half of 1999 and the first half of 2000. This docket was deferred from the September 26, 2000 Agenda Conference. On November 7, 2000, Order No. PSC-00-2110-AS-TC was issued, which accepted the company's settlement offer and closed the docket.
- **12/12/00** - The Division of Administration mailed the RAF notice for the period July 1 through December 31, 2000. The due date was January 30, 2001.
- **02/21/01** - The Division of Administration mailed a delinquent notice.
- **04/11/01** - The company mailed its payment for the period July 1 through December 31, 2000. The company reported revenues in the amount of \$492,711.39. For the first half of 2000, the company reported revenues in the amount of \$4,734,799.68, or total annual revenues in the amount of \$5,227,511.07.
- **04/13/01** - Staff wrote the company and advised that a docket had been opened and to contact the Commission if it was interested in resolving the docket.
- **04/26/01** - Ms. Kelli Muhammad, Consultant, called on behalf of the company, and advised that the company would pay the past due amount and propose a settlement.
- **04/27/01** - Staff wrote Ms. Muhammad with the company's options.
- **05/11/01** - The Commission received a settlement proposal.

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.3375, Florida

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Statutes. Accordingly, staff believes the following recommendations are appropriate.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Telaleasing Enterprises, Inc. to resolve the apparent violation 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 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, Certificate No. 2358 should be canceled administratively. (Isler)

STAFF ANALYSIS: After this docket was opened, but prior to staff filing a recommendation, the company paid the past due amount in full, including statutory penalty and interest charges. Ms. Kelli Muhammad, consultant with Telecom Compliance Services, offered to pay a \$2,000 contribution and proposed to pay future RAFs on a timely basis. In addition, the consultant's settlement proposal included a waiver of objection to the administrative cancellation of the company's certificate in the event the settlement proposal is accepted and the company ultimately fails to comply with the terms of its offer.

This is the third docket established for the same rule violation. In her May 10, 2001 letter, Ms. Muhammad stated, in pertinent part:

Telaleasing Enterprises, Inc. recognizes that the previous steps taken to prevent the late payment of the RAF have not been successful. They have now implemented a process within their database system that will notify them a month in advance when the reports are due.

The recommended settlement amount is consistent with amounts the Commission has accepted for recent, similar violations.

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 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, Certificate No. 2358 should be canceled administratively.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if the Commission approves staff's recommendation in Issue 1, this docket should be closed upon receipt of the \$2,000 contribution or cancellation of the certificate. (Elliott)

STAFF ANALYSIS: If the Commission approves staff's recommendation in Issue 1, this docket should be closed upon receipt of the \$2,000 contribution or cancellation of the certificate.