



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: MAY 31, 2001

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

FROM: DIVISION OF LEGAL SERVICES (FUDGE) *AF*
 DIVISION OF CONSUMER AFFAIRS (LOWERY) *LL*
 DIVISION OF COMPETITIVE SERVICES (M. WATTS) *WA*

RE: DOCKET NO. 010212-TX - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST SUPRA TELECOMMUNICATIONS AND INFORMATION SYSTEMS, INC. FOR APPARENT VIOLATION OF RULE 25-22.032(5)(a), F.A.C., CUSTOMER COMPLAINTS.

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

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\010212.RCM

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 FEDERAL RECORDS AND REPORTING

CASE BACKGROUND

- June 21, 1997 - Supra Telecommunications and Information Systems, Inc. (Supra) obtained Florida Public Service Commission alternative local exchange company (ALEC) Certificate No. 4861.
- October 30, 2000 through January 3, 2001 - Supra failed to provide a response to six consumer complaints.
- February 12, 2001 - Staff opened this docket to initiate show cause proceedings against Supra for apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints.
- May 9, 2001 - Supra met with Commission staff to discuss the issues in this docket.

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FPSC-RECORDS/REPORTING

DOCKET NO. 010212-TX
DATE: May 31, 2001

- May 22, 2001 - Staff received a settlement offer from Supra (Attachment A, page 6). Supra reported \$4,128,972.00 in intrastate revenue for 2000.

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.183, 364.285 and 364.337, Florida Statutes. Accordingly, staff believes the following recommendations are appropriate.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Supra Telecommunications and Information Systems, Inc. to resolve the apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints?

RECOMMENDATION: Yes. The Commission should accept the company's settlement proposal. Any contribution should be received by the Commission within thirty business days from the issuance 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 of Florida General Revenue Fund. If the company fails to pay in accordance with the terms of the Commission Order, certificate number 4861 should be canceled administratively. The company has waived any objections to the administrative cancellation of certificate number 4861 in the event its offer is approved by the Commission and it fails to comply with the terms of its settlement offer. (J. Fudge/M. Watts)

STAFF ANALYSIS: The Division of Consumer Affairs (CAF) notified the Division of Competitive Services that it was experiencing difficulty in obtaining responses to consumer complaints from telecommunications companies. Supra was identified as one of the telecommunications companies that had failed to respond to some consumer complaints. A docket was opened on February 12, 2001, to initiate show cause proceedings against Supra for its apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints.

Supra met with staff on May 9, 2001, to review the consumer complaint cases associated with the show cause proceeding. Supra explained that it had been undergoing some personnel changes that impacted its complaint response process. It agreed to investigate the consumer complaints related to this docket and provide staff with documentation if it found that it had timely responded to the consumer complaints. Supra found no documentation to indicate that it had responded. Therefore, to settle this docket, Supra proposed the following:

- A monetary settlement of \$1,500 per complaint, for a total of \$9,000; and
- To restructure its Florida Public Service Commission complaint resolution and inquiry response process.

DOCKET NO. 010212-TX

DATE: May 31, 2001

The Division of Consumer Affairs has confirmed that Supra has adequately responded to each of the six complaints in question. The settlement amount of \$1,500 per complaint in this recommendation is consistent with the Commission's approval of the settlement offered in Order No. PSC-00-2089-AS-TI, issued November 2, 2000, in Docket No. 000399-TI, Initiation of Show Cause Proceedings Against AT&T Communications of the Southern States, Inc. d/b/a Connect N' Save and d/b/a Lucky Dog Phone Co. and d/b/a ACC Business for Apparent Violation of Rule 25-4.043, F.A.C., Response to Commission Staff Inquiries.

Staff believes the terms of the settlement agreement as summarized in this recommendation are fair and reasonable. Any contribution should be received by the Commission within thirty business days from the issuance 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 of Florida General Revenue Fund. If the company fails to pay in accordance with the terms of the Commission Order, certificate number 4861 should be canceled administratively. The company has waived any objections to the administrative cancellation of certificate number 4861 in the event its offer is approved by the Commission and it fails to comply with the terms of its settlement offer.

DOCKET NO. 010212-TX

DATE: May 31, 2001

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. With the approval of Issue 1, this docket should remain open pending the remittance of the \$9,000 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of the Commission Order, certificate number 4861 should be canceled administratively, and this docket should be closed. **(J. Fudge)**

STAFF ANALYSIS: With the approval of Issue 1, this docket should remain open pending the remittance of the \$9,000 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of the Commission Order, certificate number 4861 should be canceled administratively, and this docket should be closed.



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May 22, 2001

Ms. Blanca S. Bayo
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Docket No. 012012-TX - Initiation of Show cause proceedings against Supra Telecommunications and Information Systems, Inc. for apparent violation of Rule 25-4.043, F.A.C., response to Commission Staff inquiries.

Dear Ms. Bayo:

This letter is a follow up to my meeting with Mr. Ray Kennedy, Ms. Pamela Johnson, Mr. Paul Lowery and other PSC personnel. After speaking with Mr. Kennedy, Supra wishes to offer a settlement of \$1,500 per complaint, for a total payment of \$9,000. This is consistent with the decision made in Docket No. 000399-TI (AT&T Show Cause for failure to respond timely to Commission Staff inquiries). Supra Telecom also waives any rights to object to the administrative cancellation of our certificate in the event our offer is accepted, and we fail to comply with the terms for which we have offered.

Supra has restructured its PSC complaint resolution process and inquiries. These inquiries are now directed to the Tallahassee Regulatory Office. I have been hired to head up the Tallahassee office, and I am confident that PSC inquiries will be handled expeditiously. I am in constant contact with Consumer Affairs and the Bureau of Service Quality and have provided my telephone number if any information is needed regarding Supra Telecom.

If accepted, Supra will make the settlement payment of \$9,000 within thirty days after the issuance of the final order in this docket.

Sincerely,

A handwritten signature in cursive script that reads "Ann H. Shelfer".

Ann H. Shelfer
V.P. - Public Policy Advocate

c: Pamela Johnson, Consumer Affairs