## State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD

TALLAHASSEE, FLORIDA 32399-0850

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

DATE:

JULY 26, 2001

TO:

DIRECTOR, DIVISION OF THE COMMISSION CLERK 8

ADMINISTRATIVE SERVICES (BAYÓ)

FROM:

DIVISION OF REGULATORY OVERSIGHT (PRUITT)

DIVISION OF ECONOMIC REGULATION (LESTER) אָן

DIVISION OF LEGAL SERVICES (ELLIOTT)

RE:

DOCKET NO. 010761-TI - APPLICATION FOR CERTIFICATE TO PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY NEW

EDGE NETWORK, INC. D/B/A NEW EDGE NETWORKS.

AGENDA:

08/07/01 - REGULAR AGENDA - PROPOSED AGENCY ACTION --

INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\RGO\WP\010761.RCM

#### CASE BACKGROUND

On December 29, 1999, the Commission granted New Edge Network, Inc. d/b/a New Edge Networks (New Edge) Certificate of Authority No. 7280 to provide interexchange telecommunications service in Florida.

The Division of Administration mailed the company a 1999 Regulatory Assessment Fee (RAF) notice. When payment had not been received by the due date, the Division mailed a delinquent notice to the company. No response was received.

On January 8, 2001, in Docket No. 001385-TI, the Commission issued Order No. PSC-01-0044-PAA-TI for apparent violation of Section 364.336, Florida Statutes, and Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies. New Edge was ordered to pay the past due RAF, statutory

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FPSC-COMMISSION CLERK

DOCKET NO. 010761-TI DATE: JULY 26, 2001

penalties, interest charges, and a \$500 fine. Failure to comply with the Order would result in the cancellation of the certificate. On February 12, 2001, Certificate of Authority No. 7280 was canceled.

On May 8, 2001, New Edge paid the 1999 RAF with penalty and interest. The company paid the \$500 fine and the 2001 RAF for Certificate 7280 on July 18, 2001.

On May 18, 2001, New Edge filed a new application to provide interexchange telecommunications service in Florida.

The Commission is vested with jurisdiction in this matter pursuant to Sections 364.285, 364.335 and 364.337, Florida Statutes.

DOCKET NO. 010761-TI DATE: JULY 26, 2001

#### **DISCUSSION OF ISSUES**

**ISSUE 1:** Should the Commission grant New Edge Network, Inc. d/b/a New Edge Networks a certificate to provide interexchange telecommunications service within the State of Florida as provided by Section 364.337(3), Florida Statutes?

<u>RECOMMENDATION</u>: Yes. New Edge Network, Inc. d/b/a New Edge Networks should be granted **Florida Public Service Commission**Certificate No. 7905. (Pruitt)

**STAFF ANALYSIS**: Section 364.337(3), Florida Statutes, reads:

The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

New Edge filed an application with this Commission on May 18, 2001, to offer interexchange telecommunications service in Florida. A review of the application indicates that the company appears to meet the requirements of Section 364.337(3), Florida Statutes. The company also issued a statement as part of its application that reads in part:

I would like to assure the Commission that New Edge Networks' regulatory department is now staffed with qualified managers and directors who understand the importance of timely and accurately filing all required reports, and paying all required fees and assessments to the Commission. Therefore, based on the competence and knowledge of New Edge's regulatory staff, such an oversight will not occur again.

Even though the Commission canceled New Edge's certificate on February 12, 2001, due to its failure to pay the 1999 RAF and failure to respond to Order PSC-01-0044-PAA-TI, staff accepts the company's representation that these oversights will not occur again. Therefore, staff recommends that the Commission grant New

DOCKET NO. 010761-TI DATE: JULY 26, 2001

Edge Network, Inc. d/b/a New Edge Networks a certificate to provide interexchange telecommunications service.

Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee of \$50 if the certificate is active during any portion of the calendar year. A Regulatory Assessment Fee Return notice will be mailed each December to New Edge for payment in January.

### **ISSUE 2:** Should this docket be closed?

**RECOMMENDATION:** Yes. If no person whose substantial interests are affected by the Commission's decision in Issue 1 files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a Consummating Order. (Elliott)

STAFF ANALYSIS: If no timely protest to the proposed agency action in Issue 1 is filed within 21 days of the date of issuance of the order, this docket should be closed upon the issuance of the Consummating Order.