

Virginia C. Tate Senior Attorney Law and Government Affairs Southern Region

pay Telephone

November 30, 2001

Promenade 1 1200 Peachtree Street N.E. Atlanta, GA 30309 404 810 4922 FAX: 404 810 5901

CK 10670363 #350.00 MC

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

D143

DEC 042001

Re:

Docket No. 011557-TI -- Joint Application for Transfer of, Cancellation of, and Application for Certificates of Public Convenience and Necessity

Dear Ms Bayo:

11-17

POMP POTR POTR ECRO POPO

PAI RGO This letter replaces AT&T Communications of the Southern States, Inc.'s ("AT&T") letter of November 12, 2001 requesting the Commission's approval of the d/b/a SmarTalk for AT&T. AT&T and AT&T Communications of the Southern States, LLC ("AT&T-LLC") by their undersigned counsel and pursuant to § 364.345, Florida Statutes, hereby notifies the Florida Public Service Commission ("Commission") of AT&T's planned reorganization and requests the Commission's approval for the transfer of, cancellation of, and application for a new Certificate of Public Convenience and Necessity ("CPCN") in the name of AT&T-LLC. Specifically, AT&T requests the Commission's approval of the following:

1) the transfer of and name change on AT&T's interexchange Certificate No. 69 from AT&T with the d/b/a's of Connect 'N Save, ACC Business and Lucky Dog

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DOCUMENT NUMBER-CATE.

FPSC-COMMISSION CLERK

Phone Co. to AT&T-LLC with the d/b/a's of AT&T, ACC Business, Lucky Dog Phone Co., SmarTalk, Unispeaksm Service, and www.prepaidserviceguide.com.¹

- 2) the transfer of and name change on AT&T's alternative access vendor Certificate No. 4037 with alternative local exchange telecommunications authority from AT&T with a d/b/a of AT&T to AT&T-LLC with a d/b/a of AT&T.
- 3) the cancellation of AT&T's payphone Certificate No. 935 and issuance of a new payphone certificate in the name of AT&T-LLC with a d/b/a of AT&T.²

Under the reorganization, AT&T's business form will change from a corporation to a limited liability company. All operations, assets, liabilities and obligations of AT&T will be merged with and transferred to AT&T-LLC. The reorganization will not disrupt service or adversely affect the customers of AT&T in Florida. There will be no change to the technical, financial or managerial resources that are in place and available to serve customers in Florida. In addition, there will be no change in the names, address or telephone numbers of the contact personnel regarding the provision of telecommunications services or the handling of customer complaints in Florida.

I. The Applicants

AT&T is a corporation organized and existing under the laws of the State of New York and is authorized by this Commission to provide local and intrastate long distance telecommunications services in Florida. Its principle place of business for its Florida operations is 1200 Peachtree Street, Suite 8100, Atlanta, Georgia 30309. AT&T-LLC was formed and incorporated in Delaware on July 12, 2001. A copy of AT&T-LLC's Certificate of Authority to transact business in Florida is attached to this Application as Exhibit 1.

In granting each of AT&T's CPCNs, the Commission concluded that AT&T had the requisite financial, technical and operational experience and assets to provide safe, adequate and proper telecommunications services in Florida. Information concerning the legal, technical, managerial, and financial qualifications of AT&T and AT&T Corp., its parent company, was provided with its initial application for certification. That information, which this Commission considered in determining that AT&T possessed the legal, technical and financial qualifications to offer telecommunications services to the public in Florida, is the same information for AT&T-LLC and is therefore already a

¹ Four additional fictitious names have been filed with the Secretary of State for the interexchange certificate. Those include AT&T, SmarTalk, Unispeaksm Service, and www.prepaidserviceguide.com.

² Because under current FPSC rules certificates to provide pay telephone service cannot be transferred (Rule 25-24.512), AT&T is requesting that its pay phone certificate be cancelled and that the application of AT&T-LLC to provide pay telephone service be approved simultaneously. AT&T-LLC is filing simultaneous with this letter an application for certificate and approval to provide payphone service in Florida. AT&T is current in its payment of the regulatory assessment fee for pay telephone service in Florida.

matter of public record at the Commission. AT&T requests that this information be incorporated by reference herein.

II. The Reorganization

Currently, AT&T Corp. provides telecommunications services throughout the United States via wholly owned corporate subsidiaries and partnerships. AT&T is a first tier subsidiary of AT&T Corp., meaning that AT&T is owned 100% by AT&T Corp. As part of an overall plan to streamline AT&T Corp.'s corporate structure, AT&T and other corporate IXCs (e.g., AT&T Communications of the South Central States, Inc.) will be converted to single member limited liability companies that are wholly owned by AT&T Corp.

AT&T will reorganize its corporate structure by merging its operations into AT&T-LLC, with AT&T-LLC being the surviving entity. As a result of the merger, AT&T will cease to exist, and all assets, liabilities and obligations of AT&T will transfer to the newly created AT&T-LLC by operation of law. AT&T-LLC will be a first tier subsidiary of AT&T Corp., and the former corporation, AT&T, will cease to exist subsequent to the merger. For federal and state income tax purposes, single member limited liability companies are treated as divisions of their parent company. Therefore, subsequent to the merger, AT&T-LLC will be treated, for income tax purposes, as a division of AT&T Corp.

The reorganization will result in cost savings, including tax savings, to AT&T-LLC, resulting from a more limited income tax liability. Through these savings, the reorganization will allow AT&T-LLC to remain competitive in the current telecommunications environment. It will also allow AT&T-LLC to more efficiently provide its services in Florida, to the benefit of all consumers of telecommunications services. AT&T plans to pursue regulatory approval for similar restructurings across the nation, including all nine states in its Southern Region.

III. Public Interest Considerations

The proposed reorganization will result in a change in the corporate structure of AT&T, but will not change the ultimate upstream ownership by AT&T Corp. AT&T-LLC will be led by the same team of well-qualified telecommunications managers, including existing AT&T Corp. personnel currently utilized by AT&T. As a result, the services currently being provided by AT&T pursuant to its existing tariffs, service arrangements and Commission authorizations will continue to be offered by AT&T-LLC. Unless and until superseding tariffs are filed, AT&T-LLC will continue operating pursuant to AT&T's existing tariffs. Moreover, the reorganization will not have a negative financial impact on AT&T-LLC. In fact, the reorganization of AT&T is intended to create operating efficiencies and flexibility. A limited liability company structure provides such flexibility.

Pursuant to Commission orders, AT&T has provided interexchange and local exchange telecommunications services in Florida. AT&T is subject to numerous

Commission orders and is actively participating in many proceedings before the Commission. AT&T-LLC plans to continue its participation in these active matters as well as any other issues in which it has an interest as they are brought before the Commission.

Now is a critical time in the development of competition in the market for local exchange services in Florida. AT&T has been an active participant in the marketplace and in proceedings before the Commission. The efficiencies AT&T gains as a result of the merger will allow it to remain competitive in the rapidly changing competitive environment and will allow AT&T-LLC to continue AT&T's demonstrated commitment to bringing high-quality competitive telecommunications services to Florida.

IV. Conclusion

The Joint Applicants respectfully request that the Commission act on this Application within 30 days of the date of filing by finding that the transfer of AT&T's certificates to AT&T-LLC is in the public interest and further that the Commission find that upon the consummation of the reorganization:

- (1) The transfer of AT&T's IXC Certificate No. 69 to AT&T-LLC is approved;
- (2) The transfer of AT&T's AAV/ALEC Certificate No. 4037 to AT&T-LLC is approved;
- (3) AT&T's payphone Certificate No. 935 is cancelled and AT&T-LLC's request for certificate and application to provide pay telephone service in Florida (filed simultaneously herewith) is approved;
- (4) AT&T is authorized to assign all contracts as necessary or desirable to AT&T-LLC:
- (5) The requirements and authorizations of all Commission orders to which AT&T is currently subject will henceforth be binding on and apply to AT&T-LLC;
- (6) AT&T-LLC may operate pursuant to AT&T tariffs filed with the Commission unless and until superseding tariffs are filed (AT&T is providing the Commission with AT&T-LLC labels to affix to AT&T's tariffs, and will replace the AT&T designation with the AT&T-LLC designation as tariff revisions are made); and
- (7) AT&T-LLC may appear in all Commission proceedings in place of and with all rights and obligations currently held by AT&T.

AT&T and AT&T-LLC have included with this request the appropriate \$350.00 transfer and application fees, which includes the \$250.00 transfer fee for the alternative access vendor authority and the \$100.00 payphone service application fee.

If you have questions regarding this filing, please call Lisa Riley on 404-810-7812. Thank you for your assistance in this matter.

Respectfully submitted,

Virgima C. Tate

Attachments

OCT-01-01 MON 15:39



I certify the attached is a true and correct copy of the application by AT&T COMMUNICATIONS OF THE SOUTHERN STATES, LLC, a Delaware limited liability company, authorized to transact business within the state of Florida on August 7, 2001, as shown by the records of this office.

The document number of this limited liability company is M01000001773.

Given under my hand and the Great Seal of the State of Florida at Tallahassee, the Capitol, this the Seventh day of August, 2001



CRZEO22 (1-99)

Katherine Harris

Secretary of State

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF REGULATORY OVERSIGHT CERTIFICATION SECTION

APPLICATION FORM FOR CERTIFICATE TO PROVIDE PAY TELEPHONE SERVICE WITHIN THE STATE OF FLORIDA

INSTRUCTIONS

- ◆ This form is used as an application for an original certificate to provide pay telephone service within the State of Florida.
- ◆ Print or type all responses to each item requested in the application. If an item is not applicable, please explain. Pages 8, 9 and 10 must be completed and signed.
- Use a separate sheet for each answer which will not fit within the allotted space.
- Once completed, submit the original and two (2) copies of this form and a nonrefundable application fee of 100.00 to:

Florida Public Service Commission Division of Records and Reporting 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 (850) 413-6770

If you have questions about completing the form, contact:

Florida Public Service Commission Division of Regulatory Oversight Certification Section 2540 Shumard Oak Blvd. Tallahassee, Florida 32399-0850 (850) 413-6480

Name under which applicant will AT&T Communications of the South	l do business (fictitious name, etc.) tern States, LLC
Official mailing address:	
Street: 412 Mt. Kemble Avenue	
P.O. Box:	
City: Morristown	
State: New Jersey	Zip: 07960
Florida address:	
Street: 101 N. Monroe Street, Suite	700
P.O. Box:	
City: Tallahassee	
State: Florida	Zip: 32301
Structure of organization:	
(1) Individual	
(Corporation	
(General Partnership)
(Limited Partnershi	р
Other: Limited Liability	Corporation
If incorporated in Florida, provid	e proof of authority to operate in Florida:
Florida Secretary of Sta Corporate Registration	Number: N/A. See question 8 for F.E.I. Number.

fictitious name statute (Chapter 865.09, Florida Statutes) to operate in Florida: Florida Fictitious Name Registration Number: NOT APPLICABLE F.E.I. Number (if applicable): 22-3832814 8. 9. If individual, provide: Name: NOT APPLICABLE City/State/Zip: _____ Telephone No.: ______Fax No.: _____ Internet E-Mail Address: Internet Website Address: If partnership, provide name, title and address of all partners and a copy of the partnership 10. agreement: Name: NOT APPLICABLE 1. Address: ______ City/State/Zip: Telephone No.: _____ Fax No.: Internet E-Mail Address: Internet Website Address:_____

If using fictitious name d/b/a (doing business as), provide proof of compliance with the

10. Partnership (continued)

7.

	2.	Name: NOT APPLICABLE.
		Title:
		Address:
		City/State/Zip:
		Telephone No.:Fax No.:
		Internet E-Mail Address:
		Internet Website Address:
11.	Who	will serve as liaison to the Commission with regard to the following?
	1.	The application:
		Name: Lisa Riley
		Title: Manager
•		Address: 1200 Peachtree Street, NE, Suite 8066
		City/State/Zip: Atlanta, GA 30309
		Telephone No.: 404-810-7812
		Internet E-Mail Address: lisariley@att.com
		Internet Website Address: att.com
	2.	Official Point of Contact for ongoing company operations including complaints and inquiries:
		Name: Lisa Riley
		Title: Manager
		Address: 1200 Peachtree Street, NE, Suite 8066
		City/State/Zip: Atlanta, GA 30309
		Telephone No.: 404-810-7812 Fax No.: 404-877-7646
		Internet E-Mail Address: lisariley@att.com
		Internet Website Address: att.com

	If applicant or any subsidiary, partner, officers, directors, or any stockholder has beer by adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any whether such actions may result from pending proceedings.
If so, provide explanation: NOT APPLICABLE.	
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granted of and canc	applicant or any subsidiary, partner, officer, director, or any stockholder ever been or denied a pay telephone certificate in the State of Florida? (This includes active eled pay telephone certificates.) If yes, provide explanation and list the certificate nd certificate number.
NOT AP	PLICABLE.
Is the ap	plicant or any subsidiary, partner, officer, director, or any stockholder a subsidiary,
of compa	or officer in any other Florida certificated pay telephone company? If yes, give name any and relationship. If no longer associated with company, give reason why not. Ommunications of the Southern States, Inc. currently holds a payphone license in Florida
of compa	any and relationship. If no longer associated with company, give reason why not.

1.	Is currently providing pay telephone service.	
	Delaware, Maryland, Michigan, New England, Ohio, Pennsylvania, Virginia,	
	Washington, D.C.	
2.	Has applications pending to be certified as a pay telephone provider.	
	Georgia, North Carolina, South Carolina	
3.	Has been denied authority to operate as a pay telephone provider. circumstances.	 Explain
	NONE	_
4.	Has had regulatory penalties imposed for violations of telecommunications rules, or orders. Explain circumstances.	— s statutes,
4.	Has had regulatory penalties imposed for violations of telecommunications rules, or orders. Explain circumstances.	— s statutes, —
4.	NONE	— s statutes, —
4.	NONE	s statutes, — —
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	NONE	s statutes, — — —
	NONE ase check (./) the services that will be provided:	s statutes, — — —
	NONE	s statutes,
	NONE ase check (./) the services that will be provided: (X) LOCAL	s statutes,
	NONE ase check (./) the services that will be provided: (X) LOCAL (X) LONG DISTANCE	s statutes,
	none ase check (./) the services that will be provided: (A) LOCAL (A) LONG DISTANCE (A) COIN (A) CALLING CARD (B) CREDIT CARD	s statutes,
	NONE ase check (./) the services that will be provided: (X) LOCAL (X) LONG DISTANCE (X) COIN (X) CALLING CARD	s statutes, — — —
	none ase check (./) the services that will be provided: (A) LOCAL (A) LONG DISTANCE (A) COIN (A) CALLING CARD (B) CREDIT CARD	 s statutes,

	ed number of pay telephone instruments the applicant plans to perate in the first year:
(./) all th	es the applicant intend to service and maintain each payphone? Check eat apply. PERSONALLY FULL-TIME TECHNICIAN PART-TIME TECHNICIAN SERVICE/REPAIR/MAINTENANCE CONTRACT OTHER: (Describe)
Will each	n of the installed pay telephones provide access to all locally available cance carriers via 10XXX+0, 10XXXX+0, 101XXXX+0, 950, and toll free 0, 877, and 888)? See Rule 25-24.515(10), Florida Administrative Code. Yes No Explain:
4.29 of and Us Americ	ich of the installed pay telephones conform to subsections 4.28.8.4 and f the American National Standard (CABO/ANSI A117.1 -1992), Accessible sable Buildings and Facilities, approved December 15, 1992 by the can National Standards Institute, Inc.? See Rule 25-24.515(18), Florida istrative Code. Yes No Explain:
	Will each long dist (e.g. 800 Will each Admin

** APPLICANT FEE/TAX STATEMENT **

- 1. REGULATORY ASSESSMENT FEE: I understand that all telephone companies must pay a regulatory assessment fee in the amount of <u>0.15 of one percent</u> of the gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
- 2. GROSS RECEIPTS TAX: I understand that all telephone companies must pay a gross receipts tax of **two and one-half percent** on all intra- and interstate business.
- 3. SALES TAX: I understand the a <u>seven percent</u> sales tax must be paid on intra- and interstate revenues.
- 4. APPLICATION FEE: I understand that a non-refundable application fee of \$100.00 must be submitted with the application.

UTILITY OFFICIAL:

Signature	
Date	
Fax No.	
	Date

ACKNOWLEDGMENT

By my signature below, I, the undersigned owner/officer, have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

I will comply with all current and future Commission requirements regarding pay telephone service. I understand that I am required to pay a regulatory assessment fee (minimum of \$50.00 per calendar year), file an annual pay telephone service report, pay applicable sales tax, and pay gross receipts tax. Furthermore, I agree to keep the Commission advised of any changes in the names and addresses listed in the application within 10 days of the change.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

UTILITY OFFICIAL:

Print Name	Signature	
	Date	
Telephone No.	Fax No.	
Address:		

APPLICANT ACKNOWLEDGMENT

Applicant:	
	and understanding of the Florida Public Service uirements relating to my provision of Pay Telephone
Print Name	Signature
Title	Date
Telephone No.	Fax No.
Address:	

THIS ACKNOWLEDGMENT FORM MUST BE COMPLETED AND RETURNED AS PART OF THE APPLICATION BEFORE THE CERTIFICATION PROCESS BEGINS. FAILURE TO DO SO WILL RESULT IN A DELAY OF THE CERTIFICATE BEING ISSUED.