

STATE OF FLORIDA

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DIVISION OF COMPETITIVE MARKETS &
ENFORCEMENT
WALTER D'HAESELEER
DIRECTOR
(850) 413-6600

Public Service Commission

April 1, 2002

Via Facsimile
(615) 345-1564

Ms. Dana Shaffer
VP/Regional Regulatory Counsel
XO Florida, Inc.
105 Molloy Street
Nashville, TN 37201

RE: Docket No 011014-TI

Dear Ms. Shaffer:

We have had several conversations concerning the docket that was established for nonpayment of the 2000 Regulatory Assessment Fee (RAF). I have delayed taking a recommendation to the Commissioners several times to allow our Division of Regulatory Oversight additional time to complete its audit of the company's 1999 and 2000 RAFs for both its IXC and ALEC certificates. The audit was completed and the results were provided to me and you on December 21, 2001, which showed that additional amounts were due. It is my understanding a response to the audit from the company has not been received. Our records also show that on March 1, 2002, the additional amounts were officially billed and the letters stated that in order to avoid additional interest, payment was due within two weeks from the date of the letters (by March 15, 2002). As of this date, our records reflect that the additional payments have not been made.

If the company wishes to keep its IXC certificate active, the Commission must receive full payment of the "true-up" amounts, including the increased interest charges, by April 16, 2002. You may contact Jackie Knight in the Commission's Division of the Commission Clerk & Administrative Services, Fiscal Section, for the additional interest amounts. Her telephone number is (850) 413-6267.

In addition, the company must propose a settlement. A sample settlement proposal, which includes all elements that should be included, is enclosed. If full payment and the proposed settlement are not received by April 16, 2002, I will have no choice except to file a recommendation to cancel XO Florida, Inc.'s IXC certificate at the next available Agenda Conference.

In the meantime, if you have any questions, just let me know. I can be reached at (850) 413-6502-voice, (850) 413-6503-fax, by internet e-mail at pslser@psc.state.fl.us, or at the address below.

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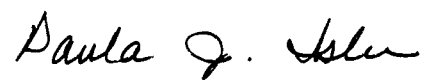
PSC Website: <http://www.floridapsc.com>

Internet E-mail: contact@psc.state.fl.us

DOCUMENT NUMBER-DATE
03762 APR-2002
FPSC-COMMISSION CLERK

Ms. Dana Shaffer
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Sincerely,

A handwritten signature in black ink that reads "Paula J. Isler". The signature is written in a cursive style with a large initial 'P' and a distinct 'I'.

Paula J. Isler, Research Assistant
Bureau of Service Quality

Enclosure

cc: Docket No. 011014-TI
Office of the General Counsel (J. Elliott)
Division of the Commission Clerk & Administrative Services (J. Knight)

Sample



IG2, Inc.

80-02 Kew Gardens Road
Suite 5000
Kew Gardens, NY 11415
p. (718) 261-4424 (261-IG2I)
p. (888) 428-8654
f. (718) 520-0783

September 5, 2001

Ms. Blanca Bayo
Director
Division of the Commission Clerk & Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Proposed Settlement for Docket No. 011147-TX
IG2, Inc.

Dear Ms. Bayo:

Enclosed is a check in the amount of \$66.50 and the applicable completed 2001 Regulatory Assessment Fee document on behalf of IG2, Inc. ("IG2" or "the Company").

IG2 definitely wishes to keep its Certificate active and in compliance with Commission rules. We apologize for the oversight in filing this document. We feel it may have gone to the incorrect address because the company used to be Suite 7000 (7th floor) and IG2 since has moved to the 5th floor (Suite 5000). We have taken steps to prevent future late payments of the regulatory assessment fees including notifying our postal carrier of the change. We have made this change on the document and also I notified Barbara Bailey of your OPR staff and she arranged for the change to be made there as well.

The Company agrees to waive any objection to the administrative cancellation of its certificate should IG2 fail to pay in accordance with its settlement offer. If, however, there is a factual dispute as to the manner or level of compliance with any provision in the settlement, Commission staff will bring the matter to the Commission for consideration.

IG2 respectfully proposes to pay \$100 as monetary settlement for the violation, which will be paid within 10 business days after the Commission Order is issued.

We appreciate your consideration of this settlement offer and, as always, please do not hesitate to contact me at (718) 261-4424 should you have any questions on this matter.

Sincerely yours,

Deborah S. Arnott
Vice President – Director of Compliance