



Public Service Commission  
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**-M-E-M-O-R-A-N-D-U-M-**

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COMMISSION CLERK

**DATE:** MAY 9, 2002

**TO:** DIRECTOR, DIVISION OF THE COMMISSION CLERK  
ADMINISTRATIVE SERVICES (BAYÓ)

**FROM:** DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT (PRUITT) y  
OFFICE OF THE GENERAL COUNSEL (K. PEÑA, B. KEATING) mp/BC

**RE:** DOCKET NO. 020090-TI - APPLICATION FOR TRANSFER OF AND  
NAME CHANGE ON IXC CERTIFICATE NO. 3531 FROM CRG  
INTERNATIONAL, INC. D/B/A NETWORK ONE TO ONESTAR  
COMMUNICATIONS, LLC, FOR CANCELLATION OF ONESTAR LONG  
DISTANCE, INC.'S IXC CERTIFICATE NO. 6042; AND PETITION  
FOR TRANSFER OF CUSTOMER BASES TO ONESTAR COMMUNICATIONS,  
LLC AND FOR WAIVER OF IXC CARRIER SELECTION REQUIREMENTS  
IN RULE 25-4.118, F.A.C.

**AGENDA:** 05/21/02 - REGULAR AGENDA - PROPOSED AGENCY ACTION -  
INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** NONE

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\CMP\WP\020090.RCM

**CASE BACKGROUND**

On February 1, 2002, the Commission received a joint petition from CRG International, Inc. d/b/a Network One (Network One) and OneStar Long Distance, Inc. (OneStar, Inc.) to combine the companies' operations through the formation of a limited liability company and for the transfer of their customer bases to the new entity, OneStar Communications, LLC. (OneStar, LLC). The companies also requested a waiver of the carrier selection requirements of Rule 25-4.118, Florida Administrative Code. The companies further requested that Network One's interexchange (IXC) Certificate No. 3531 be transferred to OneStar, LLC and IXC Certificate No. 6042 of OneStar, Inc. be canceled.

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According to the Operating Agreement and Contribution Agreement signed by OneStar, Inc. and Network One, the companies will transfer assets and operational control to the newly formed company. OneStar, LLC will provide duplicate services that are currently provided by OneStar, Inc. and Network One.

This is the second joint petition from OneStar, Inc. and Network One. Docket No. 010985-TX was a petition for the transfer of Network One's alternative local exchange certificate to OneStar, LLC. The Consummating Order in that docket was issued April 8, 2002.

The Regulatory Assessment Fees for 2001 have been paid by OneStar, Inc. and Network One. The Commission is vested with jurisdiction in the matter pursuant to Sections 364.337 and 364.345, Florida Statutes.

**DISCUSSION OF ISSUES**

**ISSUE 1:** Should the transfer of and name change on IXC Certificate No. 3531 from CRG International, Inc. d/b/a Network One to OneStar Communications, LLC be approved.

**RECOMMENDATION:** Yes. **(Pruitt)**

**STAFF ANALYSIS:** Section 364.345(2), Florida Statutes, reads:

A telecommunications company may not sell, assign, or transfer its certificate or any portion thereof without:

(a) A determination by the commission that the proposed sale, assignment, or transfer is in the public interest; and

(b) The approval of the commission.

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.

OneStar Communications, LLC submitted an IXC application with the petition. A review of the application indicates that the company appears to meet the requirements of Section 364.337(3). Therefore, staff recommends that the Commission approve the transfer of and name change on IXC Certificate No. 3531 as being in the public interest.

**ISSUE 2:** Should the Commission approve the transfer of the customer bases of CRG International, Inc. d/b/a Network One and OneStar Long Distance, Inc. to OneStar Communications, LLC and relieve OneStar Communications, LLC in this instance of the interexchange carrier selection requirements of Rule 25-4.118, Florida Administrative Code?

**RECOMMENDATION:** Yes. (Pruitt)

**STAFF ANALYSIS:** Pursuant to Rule 25-4.118(1), Florida Administrative Code, a customer's carrier cannot be changed without the customer's authorization. Rule 25-4.118(2), Florida Administrative Code, provides that a carrier shall submit a change request only if one of the following has occurred:

- (a) The provider has a letter of agency from the customer requesting the change;
- (b) The provider has received a customer-initiated call for service;
- (c) A third party firm has verified the customer's requested change.

Rule 24-24.455(4), Florida Administrative Code, reads as follows:

An interexchange company may petition for a waiver of any provision of this Part. The Commission may grant a waiver to the extent that it determines that it is consistent with the public interest to do so. The Commission may grant the petition in whole or part, may limit the waiver to certain geographic areas and/or may impose reasonable alternative regulatory requirements on the petitioning company. In disposing of a petition, the Commission may consider:

- (a) The factors enumerated in Section 364.337 (4), Fla. Statutes;
- (b) The extent to which competitive forces may serve the same function as, or obviate the necessity for, the provision sought to be waived; and
- (c) Alternative regulatory requirements for the company which may serve the purpose of this Part.

Pursuant to Rule 25-24.490, Florida Administrative Code, Rule 25-4.118, Florida Administrative Code, is incorporated into Chapter 25-24, and applies to IXCs.

Staff believes that in this instance it is in the public interest to waive the carrier selection requirements of Rule 25-4.118, Florida Administrative Code. The companies have attested that they have provided for a seamless transition while ensuring that the affected customers understand available choices with the least amount of disruption to the customers. The companies have further attested that their customers have received ample notification of the transfer and will not experience any interruption of service, rate increases, or switching fees.

If prior authorization is required in this event, customers may fail to respond to a request for authorization, neglect to select another carrier, and lose their long distance service. Furthermore, staff believes that granting this waiver will avoid unnecessary slamming complaints during this transition.

Accordingly, staff recommends that the interexchange carrier selection requirements in Rule 25-4.118, Florida Administrative Code, be waived in this instance.

**ISSUE 3:** Should the Commission grant the request to cancel IXC Certificate No. 6042 by OneStar Long Distance, Inc.

**RECOMMENDATION:** Yes. (Pruitt)

**STAFF ANALYSIS:** Rule 25-24.474, Florida Administrative Code, outlines the information the Commission needs from a certificated company to process a voluntary cancellation of an IXC certificate. OneStar, Inc. has complied with the requirements by paying all due Regulatory Assessment Fees and providing for the seamless transition of its customers to OneStar, LLC.

Accordingly, staff recommends that IXC Certificate No. 6042 be canceled.

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**ISSUE 4:** Should this docket be closed?

**RECOMMENDATION:** Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order. **(K. Peña, B. Keating)**

**STAFF ANALYSIS:** At the conclusion of the protest period, if no protest is filed, this docket should be closed upon the issuance of a consummating order.