



Public Service Commission
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DATE: SEPTEMBER 25, 2003
TO: DIRECTOR, DIVISION OF THE COMMISSION CLERK & ADMINISTRATIVE SERVICES (BAYÓ)
FROM: DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT (ISLER) OFFICE OF THE GENERAL COUNSEL (MCKAY; ROJAS) vs m
RE: CANCELLATION OF TARIFF AND REMOVAL FROM REGISTER BY FLORIDA PUBLIC SERVICE COMMISSION OF IXC REGISTRATION FOR VIOLATION OF SECTION 364.336, FLORIDA STATUTES.
AGENDA: 10/07/03 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE
CRITICAL DATES: NONE
SPECIAL INSTRUCTIONS: NONE
FILE NAME AND LOCATION: S:\PSC\CMP\WP\030756.RCM

CASE BACKGROUND

This recommendation deals with the enforcement actions against intrastate interexchange telecommunications companies (IXCs) for nonpayment of the Regulatory Assessment Fees (RAFs). Staff is recommending that first time offenders be penalized \$500 and the second time offenders be penalized \$1,000.

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.02, Florida Statutes. The following docket numbers are addressed by this recommendation.

DOCKET NOS. 030756-TI & OTHERS
DATE: SEPTEMBER 25, 2003

1st Time Offenders - Nonpayment of RAFs - \$500 Penalty

DOCKET NO. 030756-TI - ALTERNATE COMMUNICATIONS TECHNOLOGY, INC.
DOCKET NO. 030757-TI - EASTERN TELECOMMUNICATIONS INCORPORATED
D/B/A ETI-TELECOMMUNICATIONS, INC.
DOCKET NO. 030761-TI - UNITED STATES TELECOMMUNICATIONS, INC.
D/B/A TEL COM PLUS
DOCKET NO. 030770-TI - MAXXIS COMMUNICATIONS, INC.
DOCKET NO. 030774-TI - TELEMANAGEMENT SERVICES, INC.
DOCKET NO. 030775-TI - PARAMOUNT INTERNATIONAL
TELECOMMUNICATIONS, INC. D/B/A R NETWORK
DOCKET NO. 030791-TI - CALL SCIENCES, INC.
DOCKET NO. 030792-TI - DLC ENTERPRISES, INC. D/B/A DIRECT LINK
COMMUNICATIONS, INC.
DOCKET NO. 030793-TI - TALKINGNETS HOLDINGS, LLC
DOCKET NO. 030798-TI - TELIS COMMUNICATIONS GROUP, INC.
DOCKET NO. 030799-TI - VOIP COMMUNICATIONS, INC.
DOCKET NO. 030800-TI - ICT WORLDWIDE, INC.
DOCKET NO. 030801-TI - CENTRIX TELECOM, LLC D/BA CTLLC D/BA CTINC
AND D/B/A T2TECINC
DOCKET NO. 030802-TI - LIGHTDIAL, CORP.
DOCKET NO. 030804-TI - MYCOMP INS AGENCY CORP.
DOCKET NO. 030805-TI - WHOLESALE CARRIER SERVICES, INC.
DOCKET NO. 030819-TI - CERISTAR, INC.
DOCKET NO. 030820-TI - M/C SOUTHERN COMMUNICATIONS, INC.
DOCKET NO. 030822-TI - SILVERLEAF COMMUNICATIONS INC.
DOCKET NO. 030823-TI - CON-NEXT SITE SOLUTIONS, INC.
DOCKET NO. 030824-TI - VOICE CONNECTIONS, INC.
DOCKET NO. 030825-TI - THC MERGER CORP. D/B/A THC INTERNET
SOLUTIONS
DOCKET NO. 030826-TI - EPHONE TELECOM, INC.
DOCKET NO. 030827-TI - ALL-STAR ACQUISITION CORPORATION
DOCKET NO. 030831-TI - STEL INTERNATIONAL, INC.
DOCKET NO. 030832-TI - TALK AND PAY, INC.

2nd Time Offenders - Nonpayment of RAFs - \$1,000 Penalty

DOCKET NO. 030758-TI - WORLD-LINK, INC.
DOCKET NO. 030764-TI - SINGLE BILLING SERVICES, INC. D/B/A ASIAN
AMERICAN ASSOCIATION
DOCKET NO. 030785-TI - COMMUNICATIONS BILLING, INC.
DOCKET NO. 030787-TI - NATEL, L.L.C.
DOCKET NO. 030794-TI - SUMMIT TELCO, L.L.C.

DISCUSSION OF ISSUES

1st Time Offenders - Nonpayment of RAFs - \$500 Penalty

ISSUE 1: Should the Commission impose a \$500 penalty or cancel each company's respective tariff and remove the company from the register, as listed on Attachment A, for apparent violation of Section 364.336, Florida Statutes?

RECOMMENDATION: The Commission should impose a \$500 penalty or cancel each company's respective tariff and remove the company from the register, as listed on Attachment A, for apparent violation of Section 364.336, Florida Statutes, if the penalty and the Regulatory Assessment Fees, including statutory penalty and interest charges, are not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The penalty should be paid to the Florida Public Service Commission. If a company does not protest the Commission's Order or the penalty and Regulatory Assessment Fees, including statutory penalty and interest charges, are not received, that company's tariff should be cancelled and the company removed from the register administratively, as listed on Attachment A, and the collection of the past due fees should be referred to the Florida Department of Financial Services for further collection efforts. If a company's tariff is cancelled and its name removed from the register, as listed on Attachment A, in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing intrastate interexchange services in Florida. If any of the companies listed on Attachment A have their respective tariff cancelled and name removed from the register, and subsequently decides to reapply for registration as an intrastate interexchange telecommunications company, that company should be required to first pay any outstanding penalties and RAF, including statutory penalty and interest charges. **(Isler; McKay)**

STAFF ANALYSIS: Each of the telecommunications companies listed on Attachment A have not paid their 2002 Regulatory Assessment Fees, plus statutory penalty and interest charges. Therefore, it appears the companies have failed to comply with Section 364.336, Florida Statutes, and have not requested cancellation of their respective tariffs or removal from the register in compliance with Section 364.02, Florida Statutes. The penalty amount recommended in these dockets is consistent with amounts imposed for recent, similar

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violations. Pursuant to Section 364.336, Florida Statutes, cancellation of an entity's tariff and removal from the register does not relieve the obligation to pay Regulatory Assessment Fees, including statutory penalty and interest charges, if the company was registered during any portion of the calendar year, including the year of removal from the register.

Accordingly, staff recommends that the Commission assess a \$500 penalty or cancel each company's respective tariff and remove the company from the register, as listed on Attachment A, for apparent violation of Section 364.336, Florida Statutes, if the penalty and the Regulatory Assessment Fees, including statutory penalty and interest charges, are not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The penalty should be paid to the Florida Public Service Commission. If a company does not protest the Commission's Order or the penalty and Regulatory Assessment Fees, including statutory penalty and interest charges, are not received, that company's tariff should be cancelled and the company removed from the register administratively, as listed on Attachment A, and the collection of the past due fees should be referred to the Florida Department of Financial Services for further collection efforts. If a company's tariff is cancelled and its name removed from the register, as listed on Attachment A, in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing intrastate interexchange services in Florida. If any of the companies listed on Attachment A have their respective tariff cancelled and name removed from the register, and subsequently decides to reapply for registration as an intrastate interexchange telecommunications company, that company should be required to first pay any outstanding penalties and RAF, including statutory penalty and interest charges.

2nd Time Offenders - Nonpayment of RAFs - \$1,000 Penalty

ISSUE 2: Should the Commission impose a \$1,000 penalty or cancel each company's respective tariff and remove the company from the register, as listed on Attachment B, for apparent violation of Section 364.336, Florida Statutes?

RECOMMENDATION: The Commission should impose a \$1,000 penalty or cancel each company's respective tariff and remove the company from the register, as listed on Attachment B, for apparent violation of Section 364.336, Florida Statutes, if the penalty and the Regulatory Assessment Fees, including statutory penalty and interest charges, are not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The penalty should be paid to the Florida Public Service Commission. If a company does not protest the Commission's Order or the penalty and Regulatory Assessment Fees, including statutory penalty and interest charges, are not received, that company's tariff should be cancelled and the company removed from the register administratively, as listed on Attachment B, and the collection of the past due fees should be referred to the Florida Department of Financial Services for further collection efforts. If a company's tariff is cancelled and its name removed from the register, as listed on Attachment B, in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing intrastate interexchange services in Florida. If any of the companies listed on Attachment B have their respective tariff cancelled and name removed from the register, and subsequently decides to reapply for registration as an intrastate interexchange telecommunications company, that company should be required to first pay any outstanding penalties and RAF, including statutory penalty and interest charges. **(Isler; Rojas)**

STAFF ANALYSIS: Each of the telecommunications companies listed on Attachment B have not paid their 2002 Regulatory Assessment Fees, plus statutory penalty and interest charges. This is the second docket opened against each company for nonpayment of the RAF. In each of the prior dockets, the companies listed on Attachment B proposed settlements to resolve the dockets. Therefore, it appears the companies have failed to comply with Section 364.336, Florida Statutes, and have not requested cancellation of their respective tariffs or removal from the register in compliance with Section 364.02, Florida Statutes. The penalty amount recommended in these

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dockets is consistent with amounts imposed for recent, similar violations. Pursuant to Section 364.336, Florida Statutes, cancellation of an entity's tariff and removal from the register does not relieve the obligation to pay Regulatory Assessment Fees, including statutory penalty and interest charges, if the company was registered during any portion of the calendar year, including the year of removal from the register.

Accordingly, staff recommends that the Commission assess a \$1,000 penalty or cancel each company's respective tariff and remove the company from the register, as listed on Attachment B, for apparent violation of Section 364.336, Florida Statutes, if the penalty and the Regulatory Assessment Fees, including statutory penalty and interest charges, are not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The penalty should be paid to the Florida Public Service Commission. If a company does not protest the Commission's Order or the penalty and Regulatory Assessment Fees, including statutory penalty and interest charges, are not received, that company's tariff should be cancelled and the company removed from the register administratively, as listed on Attachment B, and the collection of the past due fees should be referred to the Florida Department of Financial Services for further collection efforts. If a company's tariff is cancelled and its name removed from the register, as listed on Attachment B, in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing intrastate interexchange services in Florida. If any of the companies listed on Attachment B have their respective tariff cancelled and name removed from the register, and subsequently decides to reapply for registration as an intrastate interexchange telecommunications company, that company should be required to first pay any outstanding penalties and RAF, including statutory penalty and interest charges.

DOCKET NOS. 030756-TI & OTHERS

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ISSUE 3: Should these dockets be closed?

RECOMMENDATION: The Orders issued from these recommendations will become final upon issuance of Consummating Orders, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Proposed Agency Action Orders. The dockets should then be closed upon receipt of the penalty and fees or cancellation of each company's tariff and removal from the register of IXC registration. A protest in one docket should not prevent the action in a separate docket from becoming final. **(McKay; Rojas)**

STAFF ANALYSIS: Whether staff's recommendations on Issues 1 and 2 are approved or denied, the result will be Proposed Agency Action Orders. If no timely protest to the Proposed Agency Actions are filed within 21 days of the date of issuance of the Orders, these dockets should be closed upon receipt of the penalty and fees or cancellation of each company's tariff and removal from the register of IXC registration. A protest in one docket should not prevent the action in a separate docket from becoming final.

1st Time Offenders - Nonpayment of RAFs - \$500 Penalty

<u>Docket No.</u>	<u>Provider Last Reported Revenues & Period Ended</u>	<u>Reg. No.</u>	<u>RAFs</u>	<u>Penalty and Interest*</u>
030756-TI	Alternate Communications Technology, Inc. \$182 Revenues 12/31/2001	TI067	2002	1998 2002
030757-TI	Eastern Telecommunications Incorporated d/b/a ETI-Telecommunications, Inc. \$5,085 Revenues 12/31/2001	TI402	2002	1998 2000 2001 2002
030761-TI	United States Telecommunications, Inc. d/b/a Tel Com Plus \$0 Revenues 12/31/2001	TJ086	2002	2000 2001 2002
030770-TI	Maxxis Communications, Inc. \$100,000 Revenues 12/31/2001	TJ218	2002	2002
030774-TI	Telemanagement Services, Inc. \$1,349 Revenues 12/31/2001	TJ326	2002	2000 2002
030775-TI	Paramount International Telecommunications, Inc. d/b/a R Network \$0 Revenues 12/31/2001	TJ342	2002	2000 2002
030791-TI	Call Sciences, Inc. \$0 Revenues 12/31/2001	TJ462	2002	2002
030792-TI	DLC Enterprises, Inc. d/b/a Direct Link Communications, Inc. \$0 Revenues 12/31/2001	TJ463	2002	2002
030793-TI	TalkingNets Holdings, LLC \$0 Revenues 12/31/2001	TJ468	2002	2002
030798-TI	Telis Communications Group, Inc. \$0 Revenues 12/31/2001	TJ544	2002	2001 2002

*Years penalty and/or interest was not paid

1st Time Offenders - Nonpayment of RAFs - \$500 Penalty - Continued

<u>Docket No.</u>	<u>Provider Last Reported Revenues & Period Ended</u>	<u>Req. No.</u>	<u>RAFs</u>	<u>Penalty and Interest*</u>
030799-TI	VOIP Communications, Inc. \$0 Revenues 12/31/2001	TJ550	2002	2002
030800-TI	ICT Worldwide, Inc. \$0 Revenues 12/31/2001	TJ558	2002	2001 2002
030801-TI	Centrix Telecom, LLC d/b/a CTLLC d/b/a CTINC and d/b/a T2TECINC \$48,986 Revenues 12/31/2001	TJ571	2002	2002
030802-TI	LightDial, Corp. No Previous Return Filed	TJ598	2002	2002
030804-TI	MYCOMP INS AGENCY CORP. No Previous Return Filed	TJ626	2002	2002
030805-TI	Wholesale Carrier Services, Inc. No Previous Return Filed	TJ629	2002	2002
030819-TI	CeriStar, Inc. No Previous Return Filed	TJ635	2002	2002
030820-TI	M/C Southern Communications, Inc. No Previous Return Filed	TJ652	2002	2002
030822-TI	Silverleaf Communications Inc. No Previous Return Filed	TJ662	2002	2002
030823-TI	con-next Site Solutions, Inc. No Previous Return Filed	TJ678	2002	2002
030824-TI	Voice Connections, Inc. No Previous Return Filed	TJ679	2002	2002
030825-TI	THC Merger Corp. d/b/a THC Internet Solutions No Previous Return Filed	TJ694	2002	2002
030826-TI	ePHONE Telecom, Inc. No Previous Return Filed	TJ704	2002	2002

*Years Penalty and/or Interest was not paid

1st Time Offenders - Nonpayment of RAFs - \$500 Penalty - Continued

<u>Docket No.</u>	<u>Provider</u> <u>Last Reported Revenues &</u> <u>Period Ended</u>	<u>Req.</u> <u>No.</u>	<u>RAF</u> s	<u>Penalty</u> <u>and</u> <u>Interest*</u>
030827-TI	All-Star Acquisition Corporation No Previous Return Filed	TJ713	2002	2002
030831-TI	Stel International, Inc. No Previous Return Filed	TJ715	2002	2002
030832-TI	Talk and Pay, Inc. No Previous Return Filed	TJ727	2002	2002

*Years Penalty and/or Interest was not paid

2nd Time Offenders - Nonpayment of RAFs - \$1,000 Penalty

<u>Docket No.</u>	<u>Provider Last Reported Revenues & Period Ended</u>	<u>Req. No.</u>	<u>RAFs</u>	<u>Penalty and Interest*</u>
030758-TI	World-Link, Inc. \$106 Revenues 12/31/2001	TI479	2002	1998 2001 2002
030764-TI	Single Billing Services, Inc. d/b/a Asian American Association \$36,175 Revenues 12/31/2001	TJ141	2002	2000 2002
030785-TI	Communications Billing, Inc. \$6,285 Revenues 12/31/2001	TJ164	2002	2000 2001 2002
030787-TI	Natel, L.L.C. \$654,350 Revenues 12/31/2001	TJ385	2002	2000 2002
030794-TI	Summit Telco, L.L.C. \$644 Revenues 12/31/2001	TJ469	2002	2002

*Years penalty and/or interest was not paid