



Public Service Commission

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

DATE: OCTOBER 22, 2003

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

FROM: DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT (ISLER) *Pji*
OFFICE OF THE GENERAL COUNSEL (MCKAY) *VSM BK* *MMB*

RE: DOCKET NO. 030631-TX - CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF CLEC CERTIFICATE NO. 7823 ISSUED TO GLOBAL TELECOM SYSTEMS, INC. FOR VIOLATION OF RULE 25-4.0161, F.A.C., REGULATORY ASSESSMENT FEES; TELECOMMUNICATIONS COMPANIES.

AGENDA: 11/03/03 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\030631.RCM

CASE BACKGROUND

- **06/06/01** - This company obtained Florida Public Service Commission Competitive Local Exchange Telecommunications Company (CLEC) Certificate No. 7823.
- **12/12/02** - The Division of the Commission Clerk & Administrative Services mailed the 2002 Regulatory Assessment Fee (RAF) return notice. Payment was due by January 30, 2003.
- **02/21/03** - The Office of the General Counsel mailed a delinquent notice via certified mail for nonpayment of the 2002 RAF. The US Postal Service subsequently returned the certified receipt showing the delinquent notice was signed for and delivered on March 7, 2003.

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- **03/19/03** - The Division of the Commission Clerk & Administrative Services notified staff that this company had not paid its 2002 RAF.
- **04/11/03** - Staff wrote the company and explained that the 2002 RAF had not been paid and that in order to avoid an enforcement docket from being established, the RAF needed to be paid by April 30, 2003.
- **06/26/03** - Staff faxed the company a note attempting collection prior to establishing a docket.
- **07/16/03** - The company did not pay the past due amount or contact staff; therefore, Docket No. 030631-TX was established for nonpayment of the 2002 RAF.
- **09/04/03** - The Commission received the company's payment for the 2002 RAF, including statutory penalty and interest charges, plus payment for the 2003 RAF. In addition, the company included a note requesting cancellation of its certificate as it was no longer in business. The company reported no revenues for calendar years 2002 and 2003.
- **10/02/03** - As of this date, the company does not have any outstanding consumer complaints.

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.337, Florida Statutes. Accordingly, staff believes the following recommendations are appropriate.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission grant Global Telecom Systems, Inc. a voluntary cancellation of CLEC Certificate No. 7823?

RECOMMENDATION: Yes. The Commission should grant the company a voluntary cancellation of its CLEC certificate with an effective date of September 4, 2003. If the company's certificate is cancelled in accordance with the Commission's Order from this recommendation, Global Telecom Systems, Inc. should be required to immediately cease and desist providing competitive local exchange services in Florida. **(Isler; McKay)**

STAFF ANALYSIS: Rule 25-4.0161, Florida Administrative Code, which implements Section 364.336, Florida Statutes, requires the payment of Regulatory Assessment Fees by January 30 of the subsequent year for telecommunications companies, and provides for penalties and interest as outlined in Section 350.113, Florida Statutes, for any delinquent amounts.

The Division of the Commission Clerk & Administrative Services notified staff that the company had not submitted the 2002 RAFs, along with statutory penalty and interest charges, for the year 2002. Therefore, the company had failed to comply with Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies.

After the docket was opened, but prior to staff filing a recommendation, the Commission received the company's payment for the outstanding RAFs, including statutory penalty and interest charges, and the 2003 RAF. In addition, the company included a note with its payment requesting cancellation of its CLEC certificate in compliance with Rule 25-24.820(2)(a), (b), (c), and (d), Florida Administrative Code.

Accordingly, staff believes the Commission should grant the company a voluntary cancellation of its CLEC certificate with an effective date of September 4, 2003. If the company's certificate is cancelled in accordance with the Commission's Order from this recommendation, Global Telecom Systems, Inc. should be required to immediately cease and desist providing competitive local exchange services in Florida.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: The Order issued from this recommendation will become final upon issuance of a Consummating Order, 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 Order. The docket should then be closed upon cancellation of the certificate as no other issues need to be addressed by the Commission. - (McKay)

STAFF ANALYSIS: Whether staff's recommendation on Issue 1 is approved or denied, the result will be a Proposed Agency Action Order. If no timely protest to the Proposed Agency Action is filed within 21 days of the date of issuance of the Order, this docket should be closed upon issuance of a Consummating Order.