

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Request for waiver of carrier selection requirements of Rule 25-4.118, F.A.C., due to acquisition by IBFA Acquisition Company, LLC (IXC Registration No. TJ993) of subscriber base of American Farm Bureau, Inc. d/b/a The Bureau Connection (IXC Registration No. TJ383).

DOCKET NO. 050326-TI
ORDER NO. PSC-05-0715-PAA-TI
ISSUED: July 5, 2005

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
LISA POLAK EDGAR

NOTICE OF PROPOSED AGENCY ACTION ORDER
GRANTING WAIVER OF CARRIER SELECTION REQUIREMENTS
OF RULE 25-4.118, FLORIDA ADMINISTRATIVE CODE

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

I. Waiver of the Carrier Selection Requirements

A. Case Background

On May 16, 2005, this Commission received a joint petition seeking waiver of the carrier selection requirements of Rule 25-4.118, Florida Administrative Code (F.A.C.), from IBFA Acquisition Company, LLC (IBFA) and American Farm Bureau, Inc. d/b/a The Farm Bureau Connection (FB Connection) due to IBFA's purchase of FB Connection's customer base and assets.

Rule 25-24.490, F.A.C., incorporates Rule 25-4.118, F.A.C., thereby extending applicability to interexchange carriers (IXCs). The basis for seeking a waiver is set forth in Rule 25-24.455(4), F.A.C. This Commission may consider whether the petition is in the public interest, whether market forces obviate the need for the provision in a particular instance, and whether reasonable alternative regulatory methods may serve the same purpose.

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FPSC-COMMISSION CLERK

IBFA has attested that it will provide for a seamless transition while ensuring that the affected customers understand available choices with the least amount of disruption to the customers. Our staff has reviewed the notice that will be sent to FB Connection's customers and found it to be adequate. The customers shall not experience any interruption of service, rate increase, or switching fees.

In addition, IBFA and FB Connection provided our staff with the following statements in a letter dated May 20, 2005, regarding outstanding consumer complaints:

If a customer of American Farm Bureau, Inc. d/b/a The Farm Bureau Connection files a complaint about the service provided or disputes an invoice that was received prior to the acquisition by IBFA, then IBFA will work with the customer and/or Commission to resolve the complaint within the following guidelines:

Adjustments to customers' bills shall be made to the extent that records are available and/or circumstances exist which reasonably indicate that such charges are not in accordance with approved rates or that an adjustment may otherwise be appropriate.

We note that IBFA does not have any outstanding Regulatory Assessment Fees, penalties, or interest.

B. Jurisdiction

We are vested with jurisdiction in this matter pursuant to Sections 364.02, 364.336, and 364.603, Florida Statutes.

Pursuant to Rule 25-4.118(1), F.A.C., a customer's carrier cannot be changed without the customer's authorization. Rule 25-4.118(2), F.A.C., 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 (LOA) . . . from the customer requesting the change;
- (b) The provider has received a customer-initiated call for service . . . ;
- (c) A firm that is independent and unaffiliated with the provider . . . has verified the customer's requested change. . .

Rule 25-24.455(4), F.A.C., states in pertinent part:

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.

Pursuant to Rule 25-24.490, F.A.C., Rule 25-4.118, F.A.C., is incorporated into Chapter 25-24, and applies to IXCs. As such, the waiver provisions of Rule 25-24.455, F.A.C., are applicable to Rule 25-4.118, F.A.C., as it applies to IXCs.

C. Conclusion

We hereby find in this instance that it is in the public interest to waive the carrier selection requirements of Rule 25-4.118, F.A.C. 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.

As noted above, IBFA does not have any outstanding Regulatory Assessment Fees, penalties, or interest. Therefore, we find that the carrier selection requirements in Rule 25-4.118, F.A.C., be waived in this instance.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the carrier selection requirements in Rule 25-4.118, Florida Administrative Code, are waived in this instance for IBFA Acquisition Company, LLC. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that if no person whose substantial interests are affected by the proposed agency action files a protest within twenty-one (21) days of the issuance of this Order, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 5th day of July, 2005.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 26, 2005.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.