

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Legent Communications Corporation d/b/a Long Distance America (holder of IXC Certificate No. 8090) for waiver of carrier selection requirements of Rule 25-4.118, F.A.C., for acquisition of customer base and related assets of CEO Telecommunications, Inc. (holder of IXC Certificate No. 4073), and request for cancellation of IXC Certificate 4073 held by CEO.

DOCKET NO. 020504-TI
ORDER NO. PSC-02-1068-PAA-TI
ISSUED: August 8, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
MICHAEL A. PALECKI
RUDOLPH "RUDY" BRADLEY

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING ACQUISITION OF CUSTOMER BASE AND
TELECOMMUNICATIONS ASSETS; CANCELING INTEREXCHANGE
TELECOMMUNICATIONS CERTIFICATE; AND GRANTING WAIVER OF THE
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.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

On June 12, 2002, we received a petition from Legent Communications Corporation d/b/a Long Distance America (Legent), holder of IXC Certificate No. 8090, requesting waiver of the carrier selection requirements in Rule 25-4.118, Florida Administrative Code and approval of the acquisition of the customer base and related assets of CEO Telecommunications, Inc., holder of IXC Certificate No. 4073. Additionally, Legent requested cancellation of IXC Certificate No. 4073.

There are no outstanding Regulatory Assessment Fees owed by the entities mentioned above. The Commission is vested with jurisdiction in this matter pursuant to Sections 364.335, 364.337, and 364.603, Florida Statutes.

Acquisition of Telecommunications Assets and Waiver of the Carrier Selection Requirements

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.

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.

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 may serve the purpose of this Part.

We find that in this instance it is in the public interest to waive the carrier selection requirements of Rule 25-4.118, Florida Administrative Code. Legent has attested that it has provided for a seamless transition while ensuring that the affected customers understand available choices with the least amount of disruption to the customers. We have reviewed the notices that will be sent to the customers. The customers will receive ample notification of the transfer and should not experience any interruption of service, rate increase, 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, we believe that granting this waiver will avoid unnecessary slamming complaints during this transition.

Accordingly, we approve the transfer of the customer base and the related telecommunications assets and find that the carrier selection requirements in Rule 25-4.118, Florida Administrative Code, shall be waived in this instance.

Cancellation of IXC Certificate

Rule 25-24.474, Florida Administrative Code, outlines the information this Commission needs from a certificated company to process a voluntary cancellation of an IXC certificate. CEO has complied with the requirements by paying all due Regulatory Assessment Fees and has provided for the seamless transition of its customers to Legent.

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Therefore, we find that IXC Certificate No. 4073 shall be canceled effective the date of issuance of the Consummating Order.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Legent Communications Corporation d/b/a Long Distance America request for approval of the acquisition of the customer base and related telecommunications assets of CEO Telecommunications, Inc. is hereby granted.

ORDERED by the Florida Public Service Commission that CEO Telecommunications, Inc.'s Certificate No. 4073 to provide Interexchange Telecommunications services is hereby canceled, effective the date of issuance of the Consummating Order. It is further

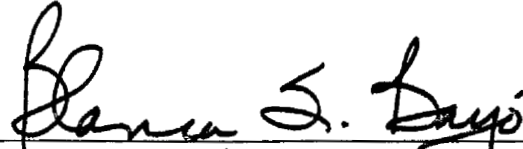
ORDERED that the carrier selection requirements in Rule 25-4.118, Florida Administrative Code, are waived in this instance. It is further

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 in the event this Order becomes final, this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 8th day
of August, 2002.



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

(S E A L)

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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,

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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 August 29, 2002.

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.