

T

Swafford _____
Clark _____ *DIS FPSC*

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building
101 East Gaines Street
Tallahassee, Florida 32399-0850

M E M O R A N D U M

MAY 18, 1989

TO : DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [REITH, GREER, MCCABE] *5/16 TAM 9M*
 DIVISION OF LEGAL SERVICES [CROSBY] *RC H*

RE : DOCKET NOS. 890556-TI, 890557-TI, 890558-TI, 890559-TI,
 890560-TI, 890561-TI, 890562-TI, 890563-TI, 890564-TI,
 890565-TI, 890566-TI, 890567-TI, 890568-TI, 890569-TI,
 890570-TI, 890571-TI, 890572-TI, 890573-TI, 890574-TI,
 890575-TI, 890576-TI, 890577-TI, 890608-TI, 890609-TI,
 890610-TI, 890611-TI, 890612-TI, 890613-TI, 890614-TI,
 890615-TI, 890616-TI, 890617-TI - INITIATION OF SHOW CAUSE
 PROCEEDINGS FOR FAILURE TO FILE 1988 ANNUAL REPORTS

AGENDA : MAY 30, 1989 - CONTROVERSIAL - PARTIES MAY PARTICIPATE - ISSUE
 #5 IS PROPOSED AGENCY ACTION

PANEL : FULL COMMISSION

CRITICAL DATES : NONE

ISSUE AND RECOMMENDATION SUMMARY

ISSUE 1: Should the interexchange carriers (IXCs) on Attachment A be required to show cause why they should not be fined \$2,000 each for failure to file the required 1988 annual reports within the prescribed time limit which is in violation of Commission Rule 25-24.480?

DOCUMENT NUMBER-DATE
04985 MAY 18 1989
FPSC-RECORDS/REPORTING

DOCKET NOS. 890556-TI - 890577-TI,
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RECOMMENDATION: Yes. If a company listed on Attachment A does not protest or pay the fine, staff recommends that the Company's certificate be cancelled 30 days after issuance of the show cause order, the assessed fine be waived, and staff be authorized to administratively close the Company's respective docket.

ISSUE 2: Should the IXC's on Attachment B be required to show cause why they should not be fined \$4,000 each for failure to file the required 1988 annual reports within the prescribed time limit, for the second consecutive year, which is in violation of Commission Rule 25-24.480?

RECOMMENDATION: Yes. If a company listed on Attachment B does not protest or pay the fine, staff recommends that the company's certificate be cancelled 30 days after issuance of the show cause order, the assessed fine be waived, and staff be authorized to administratively close the Company's respective docket.

ISSUE 3: Should the Commission accept MCI's offer of settlement of a reduced fine for violation of Commission Rule 25-24.480?

RECOMMENDATION: No, staff recommends that the Commission not accept MCI's offer of settlement of a reduced fine for violation of Commission Rule 25-24.480. Staff recommends that the show cause order recommended under Issue 2 include MCI.

ISSUE 4: Should the Commission accept National Telephone Service's (NTS) offer of settlement of a reduced fine for violation of Commission Rule 25-24.480?

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RECOMMENDATION: No, staff recommends that the Commission not accept NTS's offer of settlement of a reduced fine for violation of Commission Rule 25-24.480. Staff recommends that the show cause order recommended under Issue 1 include National Telephone Service.

ISSUE 5 (Proposed Agency Action): Should the Commission accept Card*Tel's offer of settlement of a reduced fine for violation of Commission Rule 25-24.480?

RECOMMENDATION: No, staff recommends that the Commission issue a Proposed Agency Action Order accepting Card*Tel's \$500.00 offer in settlement of this docket for violation of Commission Rule 25-24.480 but rejecting Card*Tel's insufficient offer to pay \$1,500.00 if the company's 1989 annual report is untimely filed.

ISSUE 6: Should the IXC's on Attachment C be required to show cause why they should not have their certificates cancelled for failure to file the required 1988 annual reports which is in violation of Commission Rule 25-24.480?

RECOMMENDATION: Yes, staff recommends that the Commission cancel the certificates of each of the IXC's on Attachment C for failure to file the required 1988 annual reports which is in violation of Commission Rule 25-24.480.

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ISSUE 7: Should the Local Exchange Companies (LECs) and IXC's discontinue service to the companies whose certificates are cancelled as a result of these show cause proceedings?

RECOMMENDATION: Yes, staff recommends that the Commission order all LECs and IXC's to discontinue intrastate service to the companies whose certificates are cancelled as a result of these show cause proceedings.

ISSUE 8: Should these dockets be closed?

RECOMMENDATION: No, staff recommends that these dockets should be held open pending payment of fines. Staff also recommends that if the fine is paid within 30 days after issuance of the order, then staff will be authorized by the Commission to administratively close these dockets. Staff further recommends that if the fine is not paid within 30 days after issuance of the order or a protest is not received by the Commission, then the IXC's Certificates of Public Convenience and Necessity be cancelled and fines be waived, after which staff is authorized to administratively close these dockets.

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CASE BACKGROUND

On December 19, 1988, staff sent a memorandum (Attachment D) to all certificated IXCs directing their attention to Rule 25-24.480. The memorandum included a "fill in the blank" annual report form (Attachment E) created by staff to help simplify their task along with a copy of Rule 25-24.480 subparagraphs (5) and (6) which state:

- (5) "Each company shall file the following with the Division of Communications by January 31 of each year:
 - (a) The name and address of the certificate holder, principal national, regional and Florida office (if any) including street name and number and post office box, city, state and zip code.
 - (b) Telephone number and name of the individual who is to serve as liaison with the Commission in regard to the ongoing operations of the company at the principal Florida and national and regional offices.
 - (c) If incorporated, names, titles (if corporate officers), and addresses of ten (10) largest stockholders, and the directors and chief officers.
 - (d) If the company is an individual or partnership, name, title and address of sole proprietor or partners.
 - (e) A statement of whether the company is currently providing service to customers and, if not, the last date service was provided to customers and plans for providing service in the future.
 - (f) A statement of the current balance (if any) of customer deposits and advance payments (for more

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than one month's service), as well as the amount of the bond covering those amounts (if required by Rule 25-24.490(3))."

- (6) Each company shall file construction and capacity reports with the Division of Communications by January 31 of each year showing the company's construction and capacity increases completed during the past calendar year and proposed plans for the foreseeable future. The report shall contain the following by location and should include maps showing new routes installed:
- (a) Interexchange construction (put in service past year and proposed):
 - 1. Microwave radio;
 - 2. Metallic cable (carrier);
 - 3. Fiber optics;
 - 4. Satellite.
 - (b) Terminals (Point of Presence serving LEC). (Put in service past year and proposed.)
 - (c) Switches (Drop and Insert Point where calls are switched to IXC routes). (Put in service past year and proposed.)
 - (d) Network capacity (number of equivalent voice paths installed in past year.)"

On February 9, 1989, staff sent a second notice (Attachment F) to the 49 IXCs who did not respond to the initial letter by the required January 31, 1989 filing date. The second letter informed the IXCs that unless an annual report was submitted to the Commission, a fine or possible cancellation of their certificate may be forthcoming. Again, this letter included a copy of the appropriate IXC rule and an annual report form. Both the memo and the

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letter listed a staff contact for any questions on the part of the IXCs.

The annual reports are important for several reasons. First, the reports provide a continuing check on the appropriate contact person for each company. Second, the reports provide staff with the ability to review the corporate administration of each company. Finally, the reports provide staff and the Commission the opportunity to review the progress of competition in the long distance market. With the long distance marketplace constantly changing, timely filing of these reports are necessary for staff to keep up with the revolving door of IXC's serving the public.

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DISCUSSION OF ISSUES

ISSUE 1: Should the interexchange carriers (IXCs) on Attachment A be required to show cause why they should not be fined \$2,000 each for failure to file the required 1988 annual reports within the prescribed time limit which is in violation of Commission Rule 25-24.480?

RECOMMENDATION: Yes. If a company listed on Attachment A does not protest or pay the fine, staff recommends that the Company's certificate be cancelled 30 days after issuance of the show cause order, the assessed fine be waived, and staff be authorized to administratively close the Company's respective docket.

STAFF ANALYSIS: Commission Rule 25-24.480 subparagraphs (5) and (6) requires the IXCs to file annual reports with the Division of Communications by January 31st of each year. Staff notified 89 IXCs by letter (Attachment D) dated December 19, 1988 reminding them that the due date for the annual report was approaching. Only 40 IXCs responded to staff's initial letter by submitting the required report.

On February 9, 1989 staff sent a second notice (Attachment F) to the 49 IXCs that did not respond. The second notice informed the IXCs that unless an annual report was submitted to the Commission a fine or possible cancellation of their certificate may be forthcoming. Nineteen additional companies submitted their annual report after the second notice.

Staff is recommending a fine of \$2,000 for 11 of the 19 companies that submitted an annual report after the second notice. Last year staff

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recommended a \$2,000 fine for failure to file the 1987 annual reports within the prescribed time limit. In Commission Order No. 19513, dated June 20, 1988, \$1,800 of the recommended \$2,000 was suspended for the companies that had filed their annual report but not in a timely manner. For the companies that had not filed by March 23, 1988, when the orders for initiation of show cause proceedings were issued, \$1,500 of the recommended \$2,000 was suspended provided the companies filed their annual report by June 30, 1988. Failure to comply with the terms of this order would have resulted in cancellation of the Company's certificate. In trying to be consistent with the past, staff is recommending the Commission fine the companies listed on Attachment A \$2,000 for failure to file a timely annual report with this Commission.

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ISSUE 2: Should the IXC's on Attachment B be required to show cause why they should not be fined \$4,000 each for failure to file the required 1988 annual reports within the prescribed time limit, for the second consecutive year, which is in violation of Commission Rule 25-24.480?

RECOMMENDATION: Yes. If a company listed on Attachment B does not protest or pay the fine, staff recommends that the company's certificate be cancelled 30 days after issuance of the show cause order, the assessed fine be waived, and staff be authorized to administratively close the Company's respective docket.

STAFF ANALYSIS: After the second notice was sent to the 49 IXC's that had not submitted their annual report by January 31st, 19 companies filed their reports. Of these 19 IXC's, eight were late two consecutive years. Of these eight IXC's, two companies, Alltelco of Florida, Inc. and 800 Telpatch Service, Inc., went through show cause proceedings last year for failure to file their annual report. In Commission Order No. 19513 (Attachment G) these companies were fined \$2,000, \$1,500 of which was to be suspended if the companies filed their annual report by June 30, 1988. Staff is recommending that these eight IXC's be fined \$4,000 each which is twice the amount recommended for the companies who filed late this year for the first time. Staff believes the recommended \$4,000 fine is appropriate for those IXC's that are showing a pattern for being consistently late in filing their annual report while they are aware that this is a recurring requirement.

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ISSUE 3: Should the Commission accept MCI's offer of settlement of a reduced fine for violation of Commission Rule 25-24.480?

RECOMMENDATION: No, staff recommends that the Commission not accept MCI's offer of settlement of a reduced fine for violation of Commission Rule 25-24.480. Staff recommends that the show cause order recommended under Issue 2 include MCI.

STAFF ANALYSIS: On May 1, 1989 staff received a letter from MCI (Attachment H) concerning staff's initiation of show cause proceedings against their company. In the letter MCI states reasons why staff should reconsider its recommendation directing their company to show cause why they should not be fined \$2,000 for failure to comply with and 1988 annual report requirements. MCI also proposed an offer of settlement where the Company would pay a \$1,000 fine, \$100 payable in 30 days and the balance (\$900) would be suspended and forgiven if MCI files a complete 1989 annual report in a timely manner. On May 17, 1989, staff received another letter from MCI, (Attachment H), proposing a revised offer of settlement after the company was made aware that staff intended to recommend MCI be show caused for \$4,000 not \$2,000. MCI's latest offer of settlement is the imposition of a \$4,000 fine of which \$1,500 would be payable within 30 days and the balance (\$2,500) would be suspended and forgiven if MCI files a complete 1989 annual report in a timely manner.

MCI believes that staff is being "unduly harsh" for the following reasons:

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- a) The Company contacted staff about granting an extension of time for filing the required reports and were informed that staff did not have the authority to grant such a request. Since a written request with the Commission would not have been timely filed, MCI submitted the annual report by the January 31st deadline minus the section on network capacity.
- b) The Company experienced personnel changes, MCI did not have a system in place to extract the information as per Commission Rule 25-24.480 and that the data is not in MCI's Southeast Divisional Headquarters, but must be obtained from other services within MCI.
- c) During February MCI was contacted by staff asking for the missing network capacity information to be filed by March 7, 1989, a date that the Company met.

MCI feels that given these reasons staff should recommend to the Commission imposition of a \$4,000 fine of which \$1,500 would be payable within 30 days and the balance (\$2,500) would be suspended and forgiven if MCI files a complete 1989 annual report in a timely manner.

Staff believes it is appropriate for the Commission to fine MCI \$4,000 in their docket for initiation of show cause proceedings for the following reasons:

- a) Commission Rule 25-24.480 requires the annual report, MCI participated in the rulemaking proceeding adopting this rule and PSC action was required to have the 1987 report filed.
- b) Staff notified MCI and the other IXC's by letter dated December 19, 1988 of the January 31, 1989 due date for the annual reports. This letter provided a copy of Commission Rule 25-24.480 and a fill in the blank form

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for the companies to complete.

- c) MCI contacted staff on January 27, 1989 asking for an extension of time for the filing and was informed that staff did not have the authority to grant such an extension. Also, staff informed the company that if it was late in filing the required report that staff would consider recommending a possible fine to the Commission for violation of the Commission Rules.
- d) On February 21, 1989, 21 days after the due date, staff mailed a letter to MCI (Attachment I) requesting the company file the missing network capacity information by March 7, 1989, 14 days from the date of the letter, at which time they were able to supply staff with the required information.
- e) MCI has violated Commission Rule 25-24.480 by failure to file the required annual reports in a timely manner for 2 consecutive years.

Therefore, staff believes it is appropriate to recommend that the Commission include MCI in the recommended show cause order imposing a \$4,000 fine, given the above reasons and the ones discussed in Issue 2.

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ISSUE 4: Should the Commission accept National Telephone Service's (NTS) offer of settlement of a reduced fine for violation of Commission Rule 25-24.480?

RECOMMENDATION: No, staff recommends that the Commission not accept NTS's offer of settlement of a reduced fine for violation of Commission Rule 25-24.480. Staff recommends that the show cause order recommended under Issue 1 include National Telephone Service.

STAFF ANALYSIS: On May 17, 1989 staff received an offer of settlement, by letter, from NTS (Attachment J) in lieu of staff's recommendation for initiation of show cause proceedings against their company. NTS is proposing that the Commission suspend all but \$500 of the staff recommended \$2,000 for one year. "If National Telephone Service should fail, without good cause, to file its next annual report in a timely fashion, NTS agrees to the lifting of the suspension and the immediate imposition of the remaining amount of the fine." NTS feels that their proposal is appropriate for the following reasons:

- a) NTS was issued its authority to operate in Florida on May 10, 1988, this is the first time the company has been required to submit an annual report. NTS, being a relatively new provider of telecommunications, may not be as sophisticated and streamlined in their company procedures for complying with regulatory matters as the longer established IXC's.
- b) At the time the annual reports were due, the individual

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responsible for filing the report, moved to another position with the Company. NTS did not realize an annual report was to be filed until staff contacted the company reminding them an annual report was due.

- c) NTS is taking corrective measures to ensure timely filing in the future.

Staff believes it is appropriate for the Commission to fine NTS \$2,000 in their docket for initiation of show cause proceedings for not filing their annual report by the January 31, 1989 due date.

NTS states that this is their first time in having to file an annual report and that they are a relatively new provider of telecommunications services. Staff believes that NTS (formerly American Operator Services, Inc.) is no stranger to the Commission or to our rules. On April 18, 1988 this Commission issued Show Cause Order No. 19167 (Attachment K) directing National Telephone Services of Florida, Inc. to show cause why it should not be fined \$10,000 for failure to obtain certification prior to furnishing intrastate interexchange telephone service. No response was received within the 20-day period prescribed by the order. On June 10, 1988, National Telephone Services submitted a check for \$10,000 in settlement of the fine imposed by the Order.

Staff is concerned with the leniency of the Company's proposal given NTS's ignorance of this Commission's rules. Staff recommends that the Commission include NTS in the recommended show cause order imposing a \$2,000 fine, given the above reasons as well as those discussed in Issue 1.

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ISSUE 5 (Proposed Agency Action): Should the Commission accept Card*Tel's offer of settlement of a reduced fine for violation of Commission Rule 25-24.480?

RECOMMENDATION: No, staff recommends that the Commission issue a Proposed Agency Action Order accepting Card*Tel's \$500.00 offer in settlement of this docket for violation of Commission Rule 25-24.480 but rejecting Card*Tel's insufficient offer to pay \$1,500.00 if the company's 1989 annual report is untimely filed.

STAFF ANALYSIS: On May 17, 1989 staff received a letter from Card*Tel (Attachment L) concerning staff's initiation of show cause proceedings against their company. Card*Tel proposes an offer of settlement which requests the Commission to suspend \$1,500 of the staff's recommended \$2,000 fine. In addition Card*Tel states that "If Card*Tel should fail, without good cause, to submit its next annual report prior to the due date, Card*Tel agrees to the lifting of the suspension and will immediately pay the suspended amount of the fine."

For the past two years the Commission has been leading IXCs by the hand in an attempt to receive the information necessary to comply with this Commission's rules. The company in receiving a certificate from this Commission has agreed to comply with all rules applicable to the specific certificate. In Card*Tel's case the rules are the IXC rules which they received prior to certification with this Commission. Staff realizes that

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this is the first time for this company to file an annual report but that was one of the conditions agreed upon by this company when it applied for a certificate. Staff has attempted to help these companies in filing their annual reports by notifying the company over a month before the annual report was due. This company was notified three times before staff was able to receive a completed annual report. Card*Tel was informed by letter on December 19, 1989 and February 9, 1989 that it was required to file an annual report with this Commission. Staff was in the process of cancelling Card*Tel's certificate when we received information from the LECs that Card*Tel was still providing service in Florida. After reviewing the information from the LECs, staff contacted Card*Tel for the third time by phone and followed up the conversation by letter dated March 24, 1989. Finally, the Commission received Card*Tel's annual report on April 3, 1989.

Card*Tel states that the person responsible to complete the form resigned from the company before the annual report was submitted. Staff sympathizes with the company's internal problems but it is the company's responsibility to file the required reports. Staff has provided the company a fill in the blank form three times. It is apparent from the quick turn around that the form is not that difficult to fill out. Staff believes that the \$500.00 offer in settlement of this docket is a reasonable amount for this violation in light of Card*Tel's circumstances. However, staff does not believe the offer to pay the suspended \$1,500.00 fine next year is an adequate

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amount if the company again files late. Therefore, staff recommends the Commission accept in part and reject in part Card-Tel's offer and issue a proposed agency action accepting the \$500.00 offer in settlement of this docket and rejecting as inadequate the offer to pay the suspended \$1,500.00 fine if the 1989 annual report is untimely filed.

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ISSUE 6: Should the IXC's on Attachment C be required to show cause why they should not have their certificates cancelled for failure to file the required 1988 annual reports which is in violation of Commission Rule 25-24.480?

RECOMMENDATION: Yes, staff recommends that the Commission cancel the certificates of each of the IXC's on Attachment C for failure to file the required 1988 annual reports which is in violation of Commission Rule 25-24.480.

STAFF ANALYSIS: On February 9, 1989 staff sent a second notice to the 49 IXC's that did not respond to the initial letter. The second notice informed the IXC's that unless an annual report was submitted a fine or possible cancellation of their certificate may be forthcoming. Nineteen additional companies submitted their annual reports after the second notice was sent to them. Thirty companies did not respond at all to staff's letters. Out of the 30 companies which did not respond to staff's letters, 15 of the companies have pending dockets to cancel their certificates. Therefore, staff has removed these companies from Attachment C.

For the remaining 15 of these companies, staff has not received an annual report from 13 of them and believes the Commission should cancel their certificate. Staff's major concern with cancelling the certificates is whether the companies are still providing service. On March 9, 1989 staff sent all LEC's and the major IXC's a list of the IXC's which had failed to submit an annual report. Staff's intentions were to verify whether the companies

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listed were still providing service within Florida. From the responses provided by some of the companies it became apparent that three IXC's were still in service. These three IXC's have been contacted and all except for one, Telefind Corporation, have submitted an annual report to this Commission. For the other two we are recommending fines. If the companies on Attachment C are still providing service but just did not notify us of a change in address then they are in violation of Commission Rule 25-24.480 subparagraph (4) which states that:

"Each company shall file updated information for the following items with the Division of Communications within 10 days after such changes occur.

- (a) The address of the certificate holder, principal national, regional and Florida offices, if any, including street name and address and post office box, city, state and zip code.
- (b) Telephone number and name of the individual who is to serve as liaison with the Commission in regard to the ongoing operations of the company at the principal Florida, national and regional offices."

Therefore, staff believes it is appropriate for this Commission to cancel the certificates of the companies listed on Attachment C. It should be pointed out that the recommended handling of these companies is different than last year. The reason for the difference is staff's inability to locate companies which we believe are no longer providing service in Florida. With

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that understanding staff has only recommended the Commission cancel the certificate instead of cancel the certificate and fine the company for noncompliance. Even though staff agrees with the concept of fining companies which violate our rules, the administrative nightmare of attempting to collect a fine against a company which is no longer in operation is too great. Therefore, staff is only recommending the Commission cancel the certificates of the companies listed on Attachment C.

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ISSUE 7: Should the Local Exchange Companies (LECs) and IXC's discontinue service to the companies whose certificates are cancelled as a result of these show cause proceedings?

RECOMMENDATION: Yes, staff recommends that the Commission order all LECs and IXC's to discontinue intrastate service to the companies whose certificates are cancelled as a result of these show cause proceedings.

STAFF ANALYSIS: After a company's Certificate of Public Convenience and Necessity has been cancelled, they should no longer be allowed to continue to operate in Florida on an intrastate basis. This is consistent with the provisions of the Access Service tariff, Section E2., which requires certification as a condition of service. Staff believes the best way to handle this is to have all the LECs and IXC's in Florida discontinue intrastate service to the companies who are no longer certificated. Further, staff will provide the IXC's and LEC's with a list of certificated IXC's on a semi-annual basis. With this list, the companies will be able to notify the staff of any company providing service without a certificate from this Commission.

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ISSUE 8: Should these dockets be closed?

RECOMMENDATION: No, staff recommends that these dockets should be held open pending payment of fines. Staff also recommends that if the fine is paid within 30 days after issuance of the order, then staff will be authorized by the Commission to administratively close these dockets. Staff further recommends that if the fine is not paid within 30 days after issuance of the order or a protest is not received by the Commission, then the IXC's Certificates of Public Convenience and Necessity be cancelled and fines be waived, after which staff is authorized to administratively close these dockets.

STAFF ANALYSIS: The fines assessed the IXCs should be collected before these dockets are closed. If the fines are not collected in a timely manner (within 30 days), or protest to the show cause is not received then the Certificate of Public Convenience and Necessity issued to those IXCs should be cancelled and the assessed fine be waived. If the fines are collected, then the dockets involved may be administratively closed.

0121C

MR/an

LATE FILINGS (\$2000)

1. AMERICAN NETWORK EXCHANGE, INC. (DKT.# 890609-TI)
2. CARD*TEL, INC. (DKT.# 890610-TI)
3. EXECUTIVE SUITES OF FT. LAUDERDALE (DKT.# 890611-TI)
4. LIGHTNET (DKT.# 890612-TI)
5. * NATIONAL TELEPHONE SERVICES INC. (AMERICAN OPERATOR SERVICES) (DKT.# 890609-TI)
6. PSA, INC. (DKT.# 890613)
7. SOUTHERNNET SERVICES, INC. (DKT.# 890514-TI)
8. TELAMARKETING CORPORATION OF LOUISIANA (DKT.# 890615-TI)
9. TELECOMMUNICATIONS SERVICES CORPORATION OF CENTRAL FLA. (DKT.# 890616-TI)
10. TELE-FIBER NETWORK CORPORATION (DKT.# 890574-TI)
11. TRIPLE CROWN INDUSTRIES, INC. (DKT.# 890617-TI)

* AMERICAN OPERATOR SERVICES NAME WAS CHANGED TO
NATIONAL TELEPHONE SERVICES, INC. ON MARCH 23, 1989.

LATE FILINGS 2YRS. IN A ROW (\$4000)

1. * ALLTELCO OF FLORIDA, INC. (DKT.# 890558-TI)
2. AMERISYSTEMS PARTNERSHIP (DKT.# 890559-TI)
3. CHATCO COMMUNICATIONS, INC. (DKT.# 890560-TI)
4. * 800 TELPATCH SERVICE, INC. (DKT.# 890565-TI)
5. MCI TELECOMMUNICATIONS CORPORATION (DKT.# 890568-TI)
6. ST. JOE COMMUNICATIONS, INC. (DKT.# 890571-TI)
7. SOUTHLAND FIBERNET, INC. (DKT.# 890572-TI)
8. SOUTHLAND SYSTEMS, INC. (DKT.# 890573-TI)

* DENOTES COMPANY WAS SHOW CAUSED LAST YEAR. REFER TO
ORDER NO. 19513 (ATTACHMENT G).

NO RESPONSE RECEIVED (CANCEL CERTIFICATE)

1. ADVANCED COMMUNICATIONS TECHNOLOGIES, INC. (DKT.# 890556-TI)
2. ALL FLORIDA TEL COMPANY (DKT.# 890557-TI)
3. * COMMUNICATIONS PLANNING CORPORATION (DKT.# 890562-TI)
4. CONSOLIDATED COMMUNICATIONS OF LEE COUNTY, INC. (DKT.# 890563-TI)
5. CORPORATE EXECUTIVE OFFICES, INC. (DKT.# 890564-TI)
6. * FLORIDA DIGITAL NETWORK (DKT.# 890566-TI)
7. FUTURE TELECOMMUNICATIONS, INC. (DKT.# 890567-TI)
8. * LAYNE COMMUNICATIONS CORPORATION (DKT.# 890561-TI)
9. MCN SERVICES, INC. (DKT.# 890569-TI)
10. METRO LINE, INC. (DKT.# 890570-TI)
11. SHARED NETWORK TECHNOLOGIES, INC. (DKT.# 890577-TI)
12. # TELEFIND CORPORATION (DKT.# 890575-TI)
13. TRIPLE A MANAGEMENT ASSOCIATION (DKT.# 890576-TI)

* DENOTES COMPANY WAS SHOW CAUSED LAST YEAR. REFER TO
ORDER NO. 19513 (ATTACHMENT G).

DENOTES COMPANY IS STILL PURCHASING SERVICE.

Commissioners
KATIE NICHOLS, CHAIRMAN
THOMAS M BEARD
GERALD L. (JERRY) GUNTER
JOHN T. HERNDON
MICHAEL McK WILSON



DIVISION OF COMMUNICATIONS
DIRECTOR, WALTER D'HAESELEER
(904) 488-1280

Public Service Commission

MEMORANDUM

DECEMBER 19, 1988

TO : ALL INTEREXCHANGE CARRIER COMPANIES
FROM : WALTER D'HAESELEER, DIRECTOR OF COMMUNICATIONS *W.D.H.*
RE : COMMISSION RULE 25-24.480(5) AND (6) REQUIRING ANNUAL REPORTS TO
BE RECEIVED FROM ALL INTEREXCHANGE COMPANIES (IXCS) BY JANUARY
31, 1989

Your attention is directed to Commission Rule 25-24.480 (Copy attached). The Annual Reports required by paragraphs (5) and (6) must be filed with the Commission by January 31, 1989. These reports are required to maintain in good standing your Certificate of Public Convenience and Necessity.

All of the information requested in subparagraphs 5a thru 5f and 6a thru 6d must be included. Detailed answers are encouraged. Negative and/or Not Applicable items must be so indicated on your reports, with an explanation as to why it is negative or not applicable. We strongly encourage you to be prompt in meeting the January 31 deadline.

If you have any questions or will be submitting a late report, please call Mike Reith or Stan Greer at (904) 488-1280.

MR/an

0004C(10)

21

IXC ANNUAL REPORT (1988) INFORMATION

RULE NO. 25-24.480 (5)(a & b)

NAME OF IXC CERTIFICATE HOLDER
ADDRESS
CITY, STATE & ZIP

PRINCIPAL NAME
PRINCIPAL ADDRESS
PRINCIPAL CITY, STATE & ZIP

REGIONAL NAME
REGIONAL ADDRESS
REGIONAL CITY, STATE & ZIP

FLORIDA NAME
FLORIDA ADDRESS
FLORIDA CITY, STATE & ZIP

NATIONAL LIAISON NAME
NATIONAL LIAISON TELEPHONE

() _____ - _____

REGIONAL LIAISON NAME
REGIONAL LIAISON TELEPHONE

() _____ - _____

FLORIDA LIAISON NAME
FLORIDA LIAISON TELEPHONE

() _____ - _____

IXC ANNUAL REPORT (1988) INFORMATION

RULE NO. 25-24.480 (5)(c)

NAME OF IXC CERTIFICATE HOLDER

STOCKHOLDER1 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

STOCKHOLDER2 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

STOCKHOLDER3 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

STOCKHOLDER4 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

STOCKHOLDER5 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

STOCKHOLDER6 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

STOCKHOLDER7 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

RULE NO. 25-24.480 (5)(c)

NAME OF IXC CERTIFICATE HOLDER

STOCKHOLDER8 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

STOCKHOLDER9 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

STOCKHOLDER10 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

IXC ANNUAL REPORT (1988) INFORMATION

RULE NO. 25-24.480 (5)(c)

NAME OF IXC CERTIFICATE HOLDER

DIRECTOR1 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

DIRECTOR2 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

DIRECTOR3 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

DIRECTOR4 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

DIRECTOR5 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

DIRECTOR6 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

RULE NO. 25-24.480 (5)(c)

NAME OF IXC CERTIFICATE HOLDER

DIRECTOR7 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

DIRECTOR8 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

RULE NO. 25-24.480 (5)(c)

NAME OF IXC CERTIFICATE HOLDER

OFFICER1 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

OFFICER2 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

OFFICER3 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

OFFICER4 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

OFFICER5 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

OFFICER6 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

OFFICER7 NAME & TITLE

ADDRESS

CITY, STATE & ZIP

IXC ANNUAL REPORT (1988) INFORMATION

RULE NO. 25-24.480 (5)(e & f)

NAME OF IXC CERTIFICATE HOLDER

CURRENT STATEMENT OF SERVICE &
TYPE OF FACILITY (AOS PROVIDER,
RESELLER OR FACILITY BASED CARRIER)
use additional sheets if necessary

OR LAST DATE THAT SERVICE
WAS PROVIDED-IF NO LONGER
PROVIDING SERVICE.

FUTURE PLANS

CUSTOMERS DEPOSITS \$

ADVANCE PAYMENTS(in excess of \$
one month)

BOND \$
Expiration Date

IF YOU DO NOT HAVE A BOND PROVIDE
COMMISSION ORDER # TO WAIVE BOND RULE _____

RULE NO. 25-24.480 (6)(a & b)

NAME OF IXC CERTIFICATE HOLDER _____

IXC CONSTRUCTION AND CAPACITY BY LOCATION ##### (see note)

ACTUAL FOR 1988: *

MICROWAVE

METALLIC CABLE

FIBER OPTIC

SATELLITE

TERMINAL 1

TERMINAL 2

TERMINAL 3

TERMINAL 4

TERMINAL 5

TERMINAL 6

TERMINAL 7

TERMINAL 8

Note: If facilities are leased, state from whom and how much capacity from each company (In number of voice circuits).

* Attach sketch (map) showing location of existing and new facilities including routes. ****REQUIRED****

RULE NO. 25-24.480 (6)(c)

NAME OF IXC CERTIFICATE HOLDER

SWITCH 1: (see note)

MANUFACTURER

MODEL

DROP **

INSERT POINT ***

INSERT POINT

INSERT POINT

INSERT POINT

INSERT POINT

INSERT POINT

INSERT POINT

INSERT POINT

Note: If no switch is owned or leased; indicate in this space how you block intraEAEA calls.

** DROP - Location where a call is passed over to the local exchange or access tandem for termination.

*** INSERT POINT - Location (P.O.P.) where originating call enters the IXC's leased or owned network.

SWITCH 2:

MANUFACTURER

MODEL

DROP

INSERT POINT

RULE NO. 25-24.480 (6)(c)

NAME OF IXC CERTIFICATE HOLDER

SWITCH 3:

MANUFACTURER

MODEL

DROP

INSERT POINT

SWITCH 4:

MANUFACTURER

MODEL

DROP

INSERT POINT

IXC ANNUAL REPORT (1988) INFORMATION

RULE NO. 25-24.480 (6)(d)

NAME OF IXC CERTIFICATE HOLDER

NET CAPACITY

Prior 1988 and installed in 1988

(By route & capacity)

If filed confidential give
detailed reason as to why.

Planned

UPDATED

DOCKET

CERTIFICATE NUMBER

CERTIFICATE DATE

Remarks

State of Florida

Commissioners
MICHAEL MCK WILSON, CHAIRMAN
THOMAS M BEARD
BETTY EASLEY
GERALD L. (JERRY) GUNTER
JOHN T. HERNDON



DIVISION OF COMMUNICATIONS
DIRECTOR WALTER D HAESELEER
(904) 486 1280

Public Service Commission

February 9, 1989

Dear Mr. :

Our records indicate that your company has not filed the annual reports required by Commission Rule 25-24.480 (5) and (6).

In order to assist you in submitting the required reports, we are attaching another copy of the form that was sent to you in a letter dated December 19, 1988.

Please send your reports to arrive by February 24, 1989. Failure to provide the requested reports may result in a fine or cancellation of your certificate.

If you have any questions, please call Mike Reith or Stan Greer at (904) 488-1280.

Sincerely,


WALTER D HAESELEER
Director

WD/MR/SG/db
Attachments
(IXC Annual Report (1988) Forms)

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Show Cause Proceedings against)	
certain IXCs for violation of Commission)	
Rule 25-24.480, F.A.C., 1987 annual)	
report requirements)	
CAPRICORN COMMUNICATIONS ENGINEERING,)	DOCKET NO. 880368-TI
INC.)	
800 TELEPATCH SERVICE, INC.)	DOCKET NO. 880373-TI
FLORIDA DIGITAL NETWORK, INC.)	DOCKET NO., #P0374-TI
INTERNATIONAL OFFICE NETWORKS)	DOCKET NO. 880376-TI
SUN TEL COMMUNICATIONS CORP.)	DOCKET NO. 880382-TI
THI FLORIDA, INC.)	DOCKET NO. 880387-TI
LAYNE COMMUNICATIONS COMPANY d/b/a)	DOCKET NO. 880388-TI
COINPHONE SERVICES)	
ALLTELCO, INC.)	DOCKET NO. 880389-TI
)	ORDER NO. 19513
)	ISSUED: 6-20-88

The following Commissioners participated in the disposition of this matter:

KATIE NICHOLS, Chairman
 THOMAS M. BEARD
 GERALD L. GUNTER
 JOHN T. HERNDON
 MICHAEL McK. WILSON

ORDER IMPOSING FINES

BY THE COMMISSION:

In December of 1987, a memorandum was sent to all certificated interexchange companies (IXCs) to advise them of the reporting requirements contained in Rule 25-24.480, Florida Administrative Code. That rule requires informational, construction and capacity reports by January 31st of each year. On February 10, 1988, another letter was mailed to each company that had not submitted the reports, requesting that the reports be filed by February 29, 1988. On March 23, 1988, orders initiating show cause proceedings were issued to companies that had still not submitted reports. Written responses to the show cause orders were required by April 13, 1988.

Eight IXCs responded to the show cause proceedings. These IXCs were:

Capricorn Communications Engineering, Inc.
 800 Telepatch Service, Inc.
 Florida Digital Network, Inc.
 International Office Networks
 Sun Tel Communications Corp.
 THI Florida, Inc.
 Layne Communications Company d/b/a Coinphone Services
 Alltelco, Inc.

Capricorn Communications Engineering, Inc. (Capricorn) has been trying to cancel its certificate for some time. Apparently, there have been communication lapses between our staff and this IXC. Due to this lack of communication between our staff and Capricorn, we will impose a \$2,000 fine upon the company but will suspend \$1,800 of this amount. Capricorn is directed to remit \$200 for failure to timely file the reports. Capricorn's certificate is also cancelled.

DOCUMENT NUMBER-DATE

65242 JUN 20 1988

PSC-RECORDS/REPORTING

ORDER NO. 19513
 DOCKETS NOS. 880368-T1, 880373-T1, 880374-T1, 880376-T1,
 880382-T1, 881087-T1, 880388-T1, 880389-T1

Page 2

International Office Networks, Sun Tel Communications Corp., Layne Communications Company d/b/a Coinphone Services, and THI Florida, Inc. have now submitted the required information. These IXCs will be fined \$2,000 and \$1,800 of the amount will be suspended. These companies are directed to remit \$200 within 30 days of the date of this order. Failure to pay the amount within the time noted above will result in automatic cancellation of the company's certificate.

Florida Digital Network, Inc., Alltelco, Inc. and 800 Telepatch Service, Inc. have indicated they will file the reports as soon as possible. A \$2,000 fine is levied against these companies. We will suspend \$1,500 of this amount if the reports are filed by June 30, 1988. Each of these companies shall remit \$500 within 30 days of the date of this order. Failure to comply with the terms of this order will result in cancellation of the company's certificate. This Commission is authorized to levy a fine of up to \$5,000 per day for violation of Commission Rules. See Section 364.285, Florida Statutes.

Therefore, based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the certificate of Capricorn Communications Engineering, Inc. is hereby cancelled. It is further

ORDERED that Capricorn Communications Engineering, Inc., International Office Networks, Sun Tel Communications Corp., Layne Communications Company d/b/a Coinphone Services and THI Florida, Inc. are hereby assessed a fine of \$2,000, \$1,800 of which is hereby suspended. It is further

ORDERED that failure to remit \$200 by each of the above-listed utilities within thirty days shall result in cancellation of applicable certificates. It is further

ORDERED that Florida Digital Network, Inc., Alltelco, Inc. and 800 Telepatch Service, Inc. are hereby assessed a \$2,000 fine, \$1,500 of which is hereby suspended. It is further

ORDERED that failure to remit \$500 by each of the above-listed companies within thirty days shall result in cancellation of applicable certificates. It is further

ORDERED that each docket in this proceeding shall be closed thirty days from the date of this Order.

By ORDER of the Florida Public Service Commission
 this 29th day of JUNE, 1988.


 STEVE TRIBBLE, Director
 Division of Records and Reporting

(S E A L)

RDV

ORDER NO. 19513
DOCKETS NOS. 880368-TI, 880373-TI, 880374-TI, 880376-TI,
880382-TI, 880387-TI, 880388-TI, 880389-TI

Page 3

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes (1985), as amended by Chapter 87-345, Section 6, Laws of Florida (1987), to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, 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 or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

HOPPING BOYD GREEN & SAMS

ATTORNEYS AND COUNSELORS

183 SOUTH CALHOUN STREET

POST OFFICE BOX 6876

TALLAHASSEE, FLORIDA 32314

1804-222-7600

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 WILLIAM D. PRESTON
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 GARY P. SAMS
 ROBERT P. SMITH, JR.

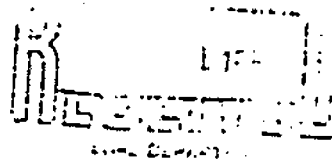
JAMES S ALVES
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 DAVID L. POWELL
 DOUGLAS B. ROBERTS
 CECILIA C SMITH
 CHERYL B. STUART

May 1, 1989

OF COUNSEL
 W. ROBERT FOOTE

BY HAND DELIVERY

Ennis L. Jacobs
 Staff Counsel
 Florida Public Service Commission
 101 East Gaines Street
 Tallahassee, Florida 32301



Re: Initiation of Show Cause Proceedings Against MCI
 Docket No. 890568

Dear Ennis:

I am writing on behalf of MCI Telecommunications Corporation (MCI) with regard to above referenced docket. MCI understands that the staff has opened the docket with the current intent of recommending to the Commission that it enter an order directing MCI to show cause why MCI should not be fined \$2,000 for failure to comply with the 1988 annual report requirements.

As you and the staff are aware, MCI filed the bulk of the information required by Rule 25-24.480 in a timely fashion, on January 31, 1989. MCI submitted the balance of the required information -- consisting of network capacity information for which MCI has requested specified confidential classification -- on March 7, 1989.

MCI recognizes that the late submission of the confidential network capacity information constitutes a technical violation of Rule 25-24.480. MCI apologizes to the staff for any inconvenience that the late filing may have caused. Under the circumstances, however, MCI believes that the penalty being considered by the staff is unduly harsh. MCI respectfully requests that the staff reconsider its proposed recommendation in light of the information set forth below.

Ennis L. Jacobs
May 1, 1989
Page 2

1. The late filing did not constitute a refusal to comply with Rule 25-24.480, nor a willful violation of that Rule, within the meaning of Section 367.161, Florida Statutes. The late filing was due to MCI's internal difficulties in assembling and verifying the network capacity information. That difficulty was primarily the result of (i) changes in MCI personnel, (ii) the fact that MCI did not have a system in place to maintain the information in the format required by the Commission's rule, and (iii) the fact that the underlying information is not maintained in MCI's Southeast Divisional headquarters, but must be obtained from other sources within MCI.

2. On or about January 29, 1989, counsel for MCI notified the Communications Department that MCI was experiencing difficulty in assembling and verifying the information, and inquired whether the staff could grant an extension of time for filing the report. MCI was advised (i) that the staff did not have the authority to grant extensions of time, and (ii) that a written request to the Commission for extension would not be considered timely filed, since there was insufficient time remaining for Commission action on such a request prior to the due date of the report. In the circumstances, MCI filed the bulk of the required information on January 31st, omitting only the information that it was unable to furnish at the time.

3. During February, MCI's staff was contacted by the Communications Department staff regarding the missing network capacity information. MCI reiterated the difficulty it was experiencing in assembling that information and was advised that the staff intended to recommend imposition of a fine unless the annual report was completed by March 7, 1989. MCI in fact completed the filing by that date.

MCI believes that the initiation of a show cause proceeding is unnecessary given the circumstances set forth above. On the other hand, MCI recognizes that it technically failed to comply with the Rule, and that the staff has a legitimate interest in insuring full and prompt compliance by all regulated parties.

Accordingly, MCI proposes that the staff consider settling this docket on the following basis:

a. MCI would admit that its failure to file a complete, timely annual report constitutes a technical violation of Rule 25-24.480. Staff would recommend that the

Ennis L. Jacobs
May 1, 1989
Page 3

Commission find that such failure was not a knowing refusal nor a willful failure to comply with the Rule, but was due to excusable neglect.

b. MCI would stipulate to imposition of a \$1,000 fine for its technical failure to file a complete annual report by January 31, 1989.

c. Ten percent of that fine (\$100) would be payable within 30 days and the balance (\$900) would be suspended for a period of one year. The suspended portion would be forgiven, provided that MCI files a complete 1989 Annual Report in a timely manner.

I believe that this resolution would maintain the integrity of the Commission's annual reporting process without unduly penalizing MCI for its inability to timely file a complete report for 1988.

In the event this offer of settlement is not accepted by the staff and the Commission, MCI does not waive any rights or positions in any subsequent show cause proceedings.

If you would like to discuss this proposal, please give me a call.

Very truly yours,



Richard D. Melson

HOPPING BOYD GREEN & SAMS

ATTORNEYS AND COUNSELORS
 123 SOUTH CALHOUN STREET
 POST OFFICE BOX 6526
 TALLAHASSEE, FLORIDA 32314
 (904) 822-7500

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 RICHARD D. NELSON
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 CAROLYN S. RACAPLE
 GARY R. SAMS
 ROBERT R. SMITH, JR.

May 17, 1989

JAMES S. ALVES
 KATHLEEN BLIZZARD
 THOMAS M. DE ROSE
 KATHLEEN E. MOORE
 RICHARD W. MOORE
 LAURA BOYD PEARCE
 DAVID L. POWELL
 DOUGLAS B. ROBERTS
 CECILIA C. SMITH
 CHERYL G. STUART

OF COUNSEL
 W. ROBERT FOXES

BY HAND DELIVERY

Donald Crosby
 Staff Counsel
 Florida Public Service Commission
 101 East Gaines Street
 Tallahassee, Florida 32301

Re: Initiation of Show Cause Proceedings Against MCI
 Docket No. 890568

Dear Don:

I wrote Ennis Jacobs on May 1st regarding the proposed show cause proceedings against MCI for late filing of its 1988 annual report. Based on discussions with you since that time, I understand that the proposed show cause order will cover late filing of both the 1987 and 1988 annual reports, and will recommend imposition of a \$4,000 fine, rather than the \$2,000 that we had previously understood the staff was contemplating.

Based on these changes in the scope of the proceeding and in penalty being sought by staff, and taking into account the mitigating factors set forth in the May 1st letter, MCI proposes that the staff consider settling this docket on the following basis:

a. MCI would admit that its failure to file complete, timely annual reports constitutes a technical violation of Rule 25-24.480. Staff would recommend that the Commission find that such failures were not a knowing refusal nor a willful failure to comply with the Rule, but were due to excusable neglect.

Donald Crosby
May 17, 1989
Page 2

b. MCI would stipulate to imposition of a \$4,000 fine for its technical failure to file complete annual reports in a timely manner.

c. Fifteen hundred dollars (\$1,500) of that fine would be payable within 30 days and the balance (\$2,500) would be suspended for a period of one year. The suspended portion would be forgiven, provided that MCI files a complete 1989 Annual Report in a timely manner.

I believe that settlement on these terms would preserve the integrity of the Commission's annual reporting process without unduly penalizing MCI.

In the event this offer of settlement is not accepted by the staff and the Commission, MCI does not waive any rights or positions in any subsequent show cause proceedings.

If you would like to discuss this proposal, please give me a call.

Very truly yours,



Richard D. Melson

RDM

State of Florida



Commissioners
 MICHAEL MCK WILSON, CHAIRMAN
 THOMAS M BEARD
 BETTY EASLEY
 GERALD L (JERRY) GUNTER
 JOHN T. HERNDON

DIVISION OF COMMUNICATIONS
 DIRECTOR, WALTER D HAESELEEF
 (904) 488-1280

Public Service Commission

February 21, 1989

Mr. Ken Port
 MCI Telecommunications Corporation
 400 Perimeter Center Terrace N.E.
 Suite 400
 Atlanta, GA 30346

Dear Mr. Port:

On January 31, 1989 your company submitted, via hand-delivery, it's 1988 IXC Annual Report to the Division of Communications. In the body of the cover letter Mr. Richard Nelson states that a copy of the network capacity section of the annual report "will be submitted to the Director of the Division of Records and Reporting, along with a copy of MCI's request for Specified Confidential Classification." This section was not received by the required January 31st filing date and is considered delinquent.

Please send a complete copy of the required report to arrive by March 7, 1989. Failure to do so may result in further Commission action.

If you have any questions, please call Mike Reith or Stan Greer at (904) 488-1280.

Sincerely,

Walter D'Haeseleer
 Director
 Division of Communications

MR/an
 0067C(9)

KATZ, KUTTER, HAIGLER, ALDERMAN, EATON, DAVIS & MARKS

PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

SILVIA MORELL ALDERMAN
DANIEL C. BROWN
MARQUERITE W. "DITTY" DAVIS
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JAMES E. EATON
PAUL R. SZATOFF, JR.
WILLIAM M. FURLONG
MITCHELL B. HAIGLER
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FIRST FORT LAUDERDALE PLACE
SUITE 600, 100 N. E. THIRD AVENUE
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JOHN R. MARKS, III
GARY R. RUTLEDGE
BARBARA C. SUGAR
DAVID A. TOM
PAUL A. ZENGLER
SPECIAL CONSULTANTS
MONICA A. LASSETER*
WILLIAM D. RUBIN*
GERALD C. WESTER*

REPLY TO: TALLAHASSEE

*NOT MEMBERS OF THE FLORIDA BAR

May 17, 1989

Mr. Walter D'Haeseleer
Director of Communications
101 East Gaines Street
Room G-28 Fletcher Building
Tallahassee, Florida 32399-0850

RE: [Docket No. 890608-TI
Show Cause Order

Dear Mr. D'Haeseleer:

RECEIVED

MAY 17 1989

Florida Public Service Commission
Communication Department

It has come to the attention of National Telephone Service (NTS) that the Commission intends to issue a Show Cause order for failure to submit the required annual report in a timely manner. NTS would like to avoid the Show Cause proceeding and provides the following information:

1. National Telephone Service was issued its authority to operate in Florida on May 10, 1988 and this is the first time National Telephone Service has been required to submit an annual report to the Florida Commission. Compared to long established interexchange carriers, NTS is a relatively new provider of telecommunication services and its internal company procedures for complying with regulatory requirements may not be as sophisticated and streamlined as others.

2. At the time the Florida Public Service Commission issued the Notice to National Telephone Service, the individual responsible for filing the annual report moved to another position with the company. It was assumed the successor would properly file the annual report on behalf of National Telephone Service. Not until a subsequent notice did NTS representatives realize the annual report may not have been submitted.

KATZ, KUTTER, HAIGLER, ALDERMAN, EATON, DAVIS & MARKS

Mr. Walter D'Haeseleer
May 17, 1989
Page 2

3. National Telephone Service is taking corrective measures to ensure timely filing in the future. Rather than assigning responsibility to file the annual report to a particular individual, the responsibility has been assigned to the Department of Regulatory Affairs.

In light of the foregoing, and because National Telephone Service would like to avoid the Show Cause proceeding, NTS respectfully request the Commission to suspend for one year, all but \$500.00 of the potential \$2,000.00 fine. If National Telephone Service should fail, without good cause, to file its next annual report in a timely fashion, NTS agrees to the lifting of the suspension and the immediate imposition of the remaining amount of the fine. If the foregoing is acceptable to the Commission, National Telephone Service also agrees to waive its rights under the Commission's rules and Chapter 120 to contest the Show Cause Order. If the foregoing is not acceptable to the Commission, NTS reserves its rights under the Commission rules and Chapter 120 to contest the Show Cause Order.

On behalf of National telephone Service, your consideration is greatly appreciated.

Sincerely,



John R. Marks, III

cc: Donald Crosby

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of National Telephone Services Of Florida, Inc. for Authority to provide interexchange telecommunications as a reseller.)
) ORDER NO. 19167
)
) ISSUED: 4-18-88

The following Commissioners participated in the disposition of this matter:

KATIE NICHOLS, Chairman
 THOMAS M. BEARD
 GERALD L. GUNTER
 JOHN T. HERNON
 MICHAEL MCK. WILSON

ORDER INITIATING SHOW CAUSE PROCEEDINGS
AGAINST AMERICAN OPERATOR SERVICES, INC. FOR FAILING
TO OBTAIN A CERTIFICATE PRIOR TO PROVIDING INTRASTATE
INTEREXCHANGE TELEPHONE SERVICE IN VIOLATION OF
RULE 25-24.470, FLORIDA ADMINISTRATIVE CODE

BY THE COMMISSION:

On November 4, 1987, National Telephone Services of Florida, Inc. filed an application for authority to operate as an interexchange telephone company and Alternative Operator Service provider. On March 10, 1988, we were informed that the name of the applicant had been changed to American Operator Services, Inc., (the Company). The Company states in its application that it initiated service in September, 1986. Thus, the Company admits that it commenced operations prior to receiving authorization to furnish service as an interexchange telephone company.

Rule 25-24.470, Florida Administrative Code, states that:

(1) No person shall provide intrastate interexchange telephone service without first obtaining a certificate of public convenience and necessity from the Commission. Services may not be provided, nor may deposits or payment for services be collected, until the effective date of a certificate, if granted. However, acquisition of equipment and facilities, advertising and other promotional activities may begin prior to the effective date of the certificate at the applicant's risk that it may not be granted. In any customer contacts or advertisements prior to certification, the applicant must advise the customer that certification has not and may never be granted.

Pursuant to Section 364.285, Florida Statutes, we find it appropriate to require the Company to show cause in writing why it should not be fined \$10,000 for its failure to obtain a certificate prior to furnishing intrastate interexchange telephone service in violation of Rule 25-24.470. Section 364.285 states:

The commission shall have the power to impose upon any entity subject to its jurisdiction under this Chapter which is found to have refused to comply or to have willfully violated any lawful rule or order of the Commission or any provision of this Chapter a penalty for each offense of not more than \$5,000, which penalty shall be fixed, imposed, and collected by the

DISPOSITION BY PSC-DATF

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Commission; or the Commission may, for any such violation, amend, suspend, or revoke any certificate issued by it. Each day that such refusal or violation continues constitutes a separate offense. Each penalty shall be a lien upon the real and personal property of the entity, enforceable by the Commission as a statutory lien under Chapter 85.

Now, therefore, in consideration of the foregoing, it is

ORDERED by the Florida Public Service Commission that American Operator Services, Inc., shall show cause in writing within twenty days of the date of this order why it should not be penalized by the imposition of a fine in the amount of \$10,000 for its failure to comply with Rule 25-24.470, Florida Administrative Code, as set forth in the body of this Order. It is further

ORDERED that any response filed by American Operator Services, Inc., must contain specific statements as to fact and law. It is further

ORDERED that upon receipt of a response as outlined above, and upon American Operator Services, Inc.'s request, further proceedings will be scheduled by the Commission, at which time American Operator Services, Inc., will have an opportunity to contest the violation alleged above. It is further

ORDERED that American Operator Services, Inc.'s failure to respond within the prescribed time will constitute admission of guilt and a waiver of the right to a hearing.

By ORDER of the Florida Public Service Commission,
 this 18th day of APRIL, 1988.


 STEVE TRIBBLE, Director
 Division of Records and Reporting

(S E A L)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean that requests for an administrative hearing or judicial review will be granted or result in the relief sought.

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This order is preliminary, procedural or intermediate in nature. Any person whose substantial interests are adversely affected by the action proposed by this order may file a petition for a formal proceeding pursuant to Rule 25-22.037(1), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on May 9, 1988. Failure to respond by May 9, 1988 shall constitute a admission of all facts and a waiver of the right to a hearing pursuant to Rule 25-22.037(3), Florida Administrative Code, and a default pursuant to Rule 25-22.037(4), Florida Administrative Code. Such default shall be effective on May 10, 1988.

If an adversely affected person fails to respond to this order within the time prescribed above, that party may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of the default set forth in this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.500(a), Florida Rules of Appellate Procedure.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of AMERICAN) DOCKET NO. 871166-T1
 OPERATOR SERVICES, INC. for Authority to) ORDER NO. 20107
 Provide Interexchange Telecommunications) ISSUED: 10-3-88
 Services as a Reseller)
 _____)

The following Commissioners participated in the disposition of this matter:

KATIE NICHOLS, Chairman
 THOMAS M. BEARD
 JOHN T. HERNDON
 MICHAEL MCK. WILSON

ORDER CLOSING DOCKET

BY THE COMMISSION:

By Order No. 19167, issued April 18, 1988, the Commission directed National Telephone Services of Florida, Inc. (National) to show cause why it should not be fined \$10,000 for failure to obtain certification prior to furnishing intrastate interexchange telephone service. No response was received within the 20-day period prescribed by the Order.


On June 10, 1988, National submitted a check for \$10,000 in settlement of the fine imposed by the Order. National also stated that it did not agree with the order to show cause but that it waived its right to contest the order in order to avoid protracted litigation.

Since National has remitted the amount of the fine, there is no reason for this docket to remain open. Therefore, based on the foregoing, it is

ORDERED by the Florida Public Service Commission that we accept National Telephone Services of Florida, Inc.'s payment of \$10,000 in full settlement of the Show Cause provisions of Order No. 19167. It is further

ORDERED that this docket be and the same is hereby closed.

By ORDER of the Florida Public Service Commission, this 3rd day of October, 1988.


 STEVE TRIBBLE, Director
 Division of Records and Reporting

(S E A L)

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REC'D

FILED

KATZ, KUTTER, HAIGLER, ALDERMAN, EATON, DAVIS & MARKS

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MONICA A. LABBETER*
WILLIAM D. RUBIN*
BERALD C. WESTER*

*NOT MEMBERS OF THE
FLORIDA BAR

REPLY TO: TALLAHASSEE

May 17, 1989

Mr. Walter D'Haeseleer
Director of Communications
101 East Gaines Street
Room G-28 Fletcher Building
Tallahassee, Florida 32399-0850

REF Docket No. 890610-TI
Show Cause Order

Dear Mr. D'Haeseleer:

It has come to the attention of Card*Tel that the Commission intends to initiate Show Cause proceedings for failure to timely submit its annual report. Card*Tel does not deny that the annual report required by the Commission was not submitted in a timely fashion. The attached letter from Card*Tel explains the reasons why the annual report was submitted late. Card*Tel was issued a certificate to provide interexchange carrier service on July 24, 1988 and this is the first time Card*Tel has had to file an IXC annual report.

In view of the foregoing and Card*Tel's desire to avoid a Show Cause proceeding, we respectfully request the Commission to suspend \$1,500.00 of the proposed \$2,000.00 fine. If Card*Tel should fail, without good cause, to submit its next annual report prior to the due date, Card*Tel agrees to the lifting of the suspension and will immediately pay the suspended amount of the fine. If the foregoing is acceptable to the Commission Card*Tel also agrees not to contest the Show Cause Order and waives its rights under the Commission rules and Chapter 120 F.S. If the foregoing is not acceptable to the Commission, Card*Tel reserves its rights under the Commission rules and Chapter 120 F.S. to contest the Show Cause Order.

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MAY 17 1989

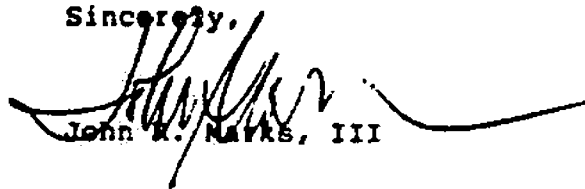
Florida Public Service Commission
Communication Department

KATZ, KUTTER, HAIGLER, ALDERMAN, EATON, DAVIS & MARKS

Mr. Walter D'Haeseleer
May 17, 1989
Page 2

On behalf of Card*Tel, your consideration is greatly appreciated.

Sincerely,



JOHN K. MARKS, III

cc: Conald Crosby

CARD*TEL

1500 N.W. 49th St.
Suite 600
Tallahassee, FL 32309
(905) 491-7800

May 16, 1989

Florida Public Service Commission
Fletcher Building
101 E. Gaines Street
Tallahassee, Florida 32399-0865

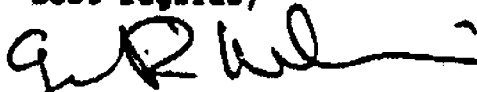
Dear Commissioners:

I am writing this letter to explain the reasons for the late filing of the Annual Report Information Form. This form arrived at our office and was forwarded to the Chief Financial Officer for handling. Our Chief Financial Officer resigned and left the company before completing the form and the form could not be found.

We received a letter dated March 24, 1989, from Stan L. Greer, Engineer III of your office, sending us a new form for the Annual Report. It was then immediately completed and mailed back to Mr. Greer on March 30, 1989.

We realize the importance of making these reports and regret the circumstances that caused this report to be filed late. We will make every effort in the future to avoid this problem so that the report can be promptly filed. We would appreciate any consideration you can extend to us.

Best regards,



Guy R. Williams
Executive Vice President

GRW/kk
Enclosure