

Clark *ADG*

Swafford *[Signature]*

FLORIDA PUBLIC SERVICE COMMISSION

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

MEMORANDUM

MARCH 5, 1991

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [MOSES] *[Signature]*
DIVISION OF LEGAL SERVICES [ADAMS] *[Signature]*

RE : DOCKET NO.: 910147-TC INITIATION OF SHOW CAUSE
PROCEEDINGS AGAINST U.S. COMMUNICATIONS FOR VIOLATION OF
RULE 25-24.515(6), F.A.C., ACCESS TO INTEREXCHANGE
CARRIERS.

AGENDA: PLACE ON APRIL 2, 1991 AGENDA- CONTROVERSIAL PARTIES MAY
PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

CASE BACKGROUND

Staff filed a show cause recommendation (Attachment I) on February 18, 1991. The show cause recommendation was filed before knowledge of U.S. Communications being purchased by ABL. The new staff of U.S. Communications is making an effort to verify compliance of their pay phones with the Commissions Rules and Orders and is applying for a PATS certificate under the new management. Subsequently, the staff and company have negotiated a settlement agreement which staff recommends the Commission approve.

DOCUMENT NUMBER-DATE

02344 MAR -8 1991

PSC-RECORDS/REPORTING

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept U.S. Communications offer of settlement and incorporate the terms thereof in an Order?

RECOMMENDATION: Yes, the Commission should accept U.S. Communications' offer of settlement (Attachment II) and incorporate the terms thereof in an Order. The terms of the settlement are:

1. Without admitting to any of the facts alleged in Staff's proposed show cause recommendation deferred from the March 5, 1991 agenda or to any violation of Commission regulations or Florida law, U.S. Communications will pay a sum of \$2,000 to the Florida Public Service Commission in consideration for and settlement of any and all alleged violations to date arising out of the same facts and circumstances as in the proposed show cause recommendation in this docket.
2. U.S. Communications will verify that all their pay telephones comply with all applicable Commission Rules and Orders by (June 1, 1991).
3. U.S. Communications will pay the overdue regulatory assessment fee for 1990 immediately.
4. U.S. Communications will file the overdue annual report immediately.
5. Staff withdraws its recommendation that the Commission require U.S. Communications to show cause why it should not be fined \$1,000 for violation of Rule 25-24.515(6) regarding access to all locally available interexchange carriers.
6. Staff withdraws its recommendation that the Commission require U.S. Communications to show cause why it should not be fined \$1,000 for misrepresenting information to the Commission.

STAFF ANALYSIS: Staff believes the proposed settlement complies fully with staff's original recommendation and will give the desired results: compliance with the Commission Rules and Orders. Therefore, the settlement agreement should be approved. The Staff's original recommendation is shown in Attachment I. The conditional offer is contained in Attachment II.

ISSUE 2: Should this docket remain open?

RECOMMENDATION: No, this docket should be closed upon payment of the agreed upon settlement and the company's filing the necessary forms and reports, paying the required regulatory assessment fees, and certifying that its Florida instruments comply with the Commission's service standards. As agreed, the company will pay the fees and file the reports immediately. The certification of compliance with service requirements will be completed by June 1, 1991. This date was agreed upon to allow U.S. Communications a realistic time frame due to approximately 2500 pay phones that will need to be tested.

Rick
ATTACHMENT I

Clark ATC
Swafford OX

FLORIDA PUBLIC SERVICE COMMISSION

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

MEMORANDUM

FEBRUARY 18, 1991

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING *[Signature]*
FROM : DIVISION OF COMMUNICATIONS [MOSES] *[Signature]*
DIVISION OF LEGAL SERVICES [ADAMS] *[Signature]*
RE : DOCKET NO.: 910147-TC INITIATION OF SHOW CAUSE
PROCEEDINGS AGAINST U.S. COMMUNICATIONS FOR VIOLATION OF
RULE 25-24.515(6), F.A.C., ACCESS TO INTEREXCHANGE
CARRIERS.
AGENDA: PLACE ON MARCH 5, 1991 AGENDA- CONTROVERSIAL PARTIES MAY
PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

CASE BACKGROUND

U.S. Communications has been a certificated pay telephone provider since November 15, 1989. On December 15, 1989 a random service evaluation was conducted by staff on one of its pay phones (813/782-7526) which was found to be in apparent violation of Rule 25-24.515(6) regarding accessing long distance carriers. A letter was sent on January 22, 1990 notifying the company of the apparent violation. The response from U.S. Communications was received on February 6, 1990 stating that the pay phone had full access to all available IXC carriers. In addition, U.S. Communications reflected that they purchased Century Systems which previously owned the pay phone in question. On January 31, 1991 a follow-up evaluation was conducted by staff and found that the pay phone was still in apparent violation because access to all locally available interexchange companies was not available.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission require U.S. Communications to show-cause why it should not be fined \$1,000 for violation of Rule 25-24.515 providing access to all available interexchange carriers?

RECOMMENDATION: Yes, the Commission should require U.S. Communications to show cause why it should not be fined \$1,000 for violation of Rule 25-24.515.

STAFF ANALYSIS: U.S. Communications operates 1650 pay telephones in the State of Florida with a gross revenue of \$114,984.00 for 1989. The annual report has not been filed with the Commission staff for 1990; therefore, the latest statistics for this company is the 1989 annual report. Commission staff conducted a random evaluation of one of its pay phones (813/782-7526) on December 15, 1989 (see attachment I for results) and found the pay phone to be in apparent violation of Rule 25-24.515(6) which states:

"Each telephone station which provides access to any interexchange company must provide access to all locally available interexchange companies."

A letter notifying the company of the apparent violation was sent January 22, 1990 (Attachment II). The company responded with a letter received February 6, 1990 stating "there is now access to all IEC" (Attachment III). Upon reevaluating the pay phone on January 31, 1991 (Attachment IV) the staff found that the violation has not been corrected. Therefore, the staff recommends U.S. Communications, Inc. should be required to show cause why it should not be fined \$1,000. Staff believes this fine amount is appropriate in view of the length of time this violation has existed. The recommended fine is also consistent with the uniform fine methodology (Attachment V).

ISSUE 2: Should the Commission require U.S. Communications to show cause why they should not be fined an additional \$1,000 for misrepresenting information to the Commission?

RECOMMENDATION: Yes, the Commission should require U.S. Communications to show cause why they should not be fined an additional \$1,000 for misrepresenting information to the Commission?

STAFF ANALYSIS: U.S. Communications appears to have misrepresented their service repair of their pay phone (813/7882-7526). Attachment III states "there is now access to all IEC." When the second evaluation was completed (attachment IV), the apparent violation had not been corrected. The staff believes that U.S. Communications misrepresented the repair of this pay phone. Therefore, staff recommends that the company should show cause why an additional \$1,000 fine should not be imposed for misrepresenting compliance.

ISSUE 3: Should the Commission require U.S. Communications to verify all of their pay phones for compliance with Rule 25-24.515(6) regarding equal access of interexchange carriers?

RECOMMENDATION: Yes, the Commission should require U.S. Communications to verify all of their pay phones for compliance with Rule 25-24.515(6) regarding equal access of interexchange carriers.

STAFF ANALYSIS: Staff believes it is appropriate in view of the apparent lack of compliance from at least one pay telephone, for the company to certify to the commission that all of its instruments are in compliance with commission rules.

ISSUE 4: Should this docket remain open?

RECOMMENDATION: Yes, this docket should remain open pending the resolution of the show cause issues.

STAFF ANALYSIS: This docket should remain open pending U.S. Communications' response to the show cause order.



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) 488-1280

Public Service Commission

January 22, 1990

Century Systems, Inc.
 ATTN: Mr. Frederic Goodman
 2901 Sterling Road, Suite 306
 Ft. Lauderdale Beach, Florida 33312

Dear Mr. Goodman:

Under the terms of your certificate to provide pay telephone service (PATS) in the State of Florida, you are subject to the Commission's Rules and Service Standards. Accordingly staff engineers conduct periodic evaluations to assure compliance by both Independent and Local Exchange Company PATS providers.

Attached is a listing of your PATS locations that were recently evaluated. Each evaluation reflects the service items checked with satisfactory or unsatisfactory results indicated. If the service item is in violation of the physically handicapped rule, please respond to this violation by stating the phone number, installation date, and the corrective action taken. In addition to the handicapped format, please respond to the remaining unsatisfactory items as follows:

PHONE NUMBER	VIOLATION ITEM NUMBER	RESPONSE
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If there are no unsatisfactory items, no response is necessary. However, please respond to us in writing by February 6, 1990, confirming that all unsatisfactory items have been corrected on the phones which we evaluated, as well as any other phones you own with the same violation within the State of Florida. If you fail to take proper action, we have no alternative but to suspend or discontinue that service for violation of the terms and conditions under which the authority was originally granted; violation of Commission rules or orders; or, violation of Florida Statutes, in accordance with Commission Rule 25-24.514.

Feel free to call me if you have any questions.

Sincerely,

Don E. Robertson
 Utility System/Comm. Engineer
 Bureau of Service Evaluation

DER/emd
 Atch: Station Evaluation Results (2)

-4-

0367C(4) FLETCHER BUILDING • 101 EAST GAINES STREET • TALLAHASSEE, FL 32399-0865

ATT: Dow Rosenberg
POLL'ED



ATCH: OF

NON-LEC PATS
STATION EVALUATION RESULTS

TELEPHONE NO: 7827526
4127 GALL BLVD.
ADDRESS: ZEPHYRHILLS FL
34248
NAME OF PATS PROVIDERS: CENTURY SYSTEMS I/C.

DATE EVALUATED: DEC. 15, 1989
EVALUATED BY: E. FUCHS

NO.	SERVICE ITEMS EVALUATED	SAT	UNSAT	NA
1.	The telephone was in service (can originate and receive calls).	. . .	X	. . .
2.	The station was accessible to the physically handicapped.	. . .	X	. . .
3.	Wiring was properly terminated and in good condition.	X	. . . . .
4.	The instrument was clean and free of trash.	X	. . . . .
5.	Enclosure was adequate and free of trash.	X	. . . . .
6.	All glass was clean and not cracked, chipped or broken.	X	. . . . .
7.	There was sufficient light at night to read the station instructions and use the instrument.	X	. . . . .
8.	The telephone number plate was displayed.	X	. . . . .
9.	The address of the location was displayed.	. . .	X	. . .
10.	The name or logo of your company was displayed.	X	. . . . .
11.	A statement was displayed disclaiming Local Telephone Company responsibility.	. . .	X	. . .
12.	Clear dialing instructions were displayed.	X	. . . . .
13.	A statement of services not available (toll-only, local-only) was displayed.	X	. . . . .
14.	Your free telephone number for repairs-refunds was displayed.	X	. . . . .
15.	The posted number for refunds-repairs was dialed and verified.	X	. . . . .
16.	There was coin-free service to your repair-refunds service.	X	. . . . .
17.	The address of the party responsible for repairs-refunds was displayed.	X	. . . . .
18.	Instructions for obtaining refunds-repairs was displayed.	X	. . . . .
19.	A current directory was available.	. . .	X	. . .
20.	The station instrument was hearing aid compatible.	X	. . . . .
21.	The automatic coin-return function operated properly.	X	. . . . .
22.	Bell rings and can be heard.	. . .	X	. . .
23.	Incoming calls could be received.	. . .	X	. . .
24.	There was coin-free service to the local operator.	. . .	X	. . .
25.	There was coin-free service to local Directory Assistance.	X	. . . . .
26.	Access to all available interexchange carriers was available.	. . .	X	. . .
27.	There was coin-free service to 911 or the local operator.	X	. . . . .
28.	The 911 center could verify the street address of the station.	X	. . . . .
29.	Extended Area Service and Local calls are not more than 25/.	X	. . . . .
30.	Transmission was adequately strong and free of noise.	X	. . . . .
31.	Complies with Toll rate cap - coin AT&T + \$1.00.	X	. . . . .
32.	Complies with toll rate cap - operator AT&T + \$1.00.	. . . . .	X	

REMARKS: 0- GOES TO ANNEX
10288+0 GOES TO NOT A VALID NUMBER.
NO ACCESS TO 3' SQ PAD.
WRONG ADDRESS. (1110 301 SOUTH).



USC

Don

U.S. COMMUNICATIONS OF WESTCHESTER, INC.

15 NORTH BROADWAY, WHITE PLAINS, N.Y. 10601
TELEPHONE (914) 949-4999
FAX (914) 949-5034



February 5, 1990

Mr. Don E. Robertson
Utility System/Communication Engineer
Bureau of Service Evaluation
Public Service Commission
Fletcher Building
101 East Gaines Street
Tallahassee, FL 32399-0865

Dear Mr. Robertson:

With respect to your letter dated January 22, copy enclosed, I am writing to inform you that each of the specified violations has been rectified as of the date of this communication. In particular:

PHONE NUMBER	VIOLATION ITEM NUMBER	RESPONSE
782-7526	1	Telephone is completely operational.
	2	Station reinstalled to be handicapped accessible.
	9	Address now displayed.
	11	Owner (USC) now plainly visible.
	19	Current directory now available.
	22	Audible incoming bell now exists.
	24	Coin-free service to the local operator established.
	26	There is now access to all IEC.
985-1710	6	Current directory has been installed.

I would like to point out that these phones were part of a route owned by Century Systems, Inc., a company which U.S. Communications has recently purchased. The violations which you cite were pre-existing problems and we are currently in the process of "swapping" their equipment.

I trust that this information is sufficient. Should you have any further questions, please feel free to contact me.

Sincerely,

Howard N. Field

Howard N. Field
National Director of Operations

HF/jab

encl.

NON-LEC PATS
STATION EVALUATION RESULTS

TELEPHONE NO: 813
7827526

EVALUATION DATE: Jan. 31, 1991

ADDRESS: 4127 Call Blvd
Zephyr Hills, FL
33541

EVALUATOR NAME: D. Robertson

NAME OF PATS PROVIDERS: US Communications of Westchester

NO.	SERVICE ITEMS EVALUATED	SAT	UNSAT	NA
1.	The telephone was in service (can originate and receive calls).	X	.	.
2.	The station was accessible to the physically handicapped.	X	.	.
3.	The telephone number plate was displayed.	X	.	.
4.	The address of the party responsible for repairs-refunds was displayed.	X	.	.
5.	Instructions for obtaining refunds-repairs was displayed.	X	.	.
6.	A current directory was available.	X	.	.
7.	Extended Area Service and Local calls are not more than 25/.	X	.	.
8.	Wiring was properly terminated and in good condition.	X	.	.
9.	The address of the location was displayed.	X	.	.
10.	The instrument was clean and free of trash.	X	.	.
11.	Enclosure was adequate and free of trash.	X	.	.
12.	All glass was clean and not cracked, chipped or broken.	X	.	.
13.	There was sufficient light at night to read the station instructions and use the instrument.	X	.	.
14.	The name or logo of your company was displayed.	X	.	.
15.	A statement was displayed disclaiming Local Telephone Company responsibility.	.	X	.
16.	Clear dialing instructions were displayed.	X	.	.
17.	A statement of services not available (toll-only, local-only) was displayed.	X	.	.
18.	Your free telephone number for repairs-refunds was displayed.	X	.	.
19.	The posted number for refunds-repairs was dialed and verified.	X	.	.
20.	There was coin-free service to your repair-refunds service.	X	.	.
21.	The station instrument was hearing aid compatible.	X	.	.
22.	The automatic coin-return function operated properly.	X	.	.
23.	Bell rings and can be heard.	X	.	.
24.	Incoming calls could be received.	X	.	.
25.	There was coin-free service to the local operator.	.	X	.
26.	There was coin-free service to local Directory Assistance.	X	.	.
27.	Access to all available interexchange carriers was available.	.	X	.
28.	There was coin-free service to 911 or the local operator.	X	.	.
29.	The 911 center could verify the street address of the station.	X	.	.
30.	Transmission was adequately strong and free of noise.	X	.	.
31.	Complies with Toll rate cap - coin AT&T + \$1.00.	X	.	.
32.	Complies with toll rate cap - operator AT&T + \$1.00.	.	.	X

REMARKS: 0- goes to menu *0 for emergency, 1 for collect, 3 for assistance(GTF Opr)
102880 not valid.

ATTN: P. 11/11/11

ENTER GROSS REVENUE OF COMPANY: \$114,984.00

CATEGORY OF VIOLATION	BASE POINTS	LENGTH OF VIOLATION (0-3 PTS.)	MAGNITUDE VIOLATION (0-3 PTS)	SUM OF PREVIOUS POINTS	NO BASE EXCUSE (1 PT)	UNRESPONSIVE (2 PTS)	CONFLICTING OR MISLEADING INFO (3 PTS)	TOTAL POINTS
SAFETY	4							
SERVICE	3	3	3				3	9
JURIS/CERT	2							
ECPM/RATE	2							
ADMIN/ COMM REP	1							
ACTG/ REC KPG	1							

GRAND TOTAL PTS: 9

FINE AMOUNT: \$1,034.86



U.S. COMMUNICATIONS OF WESTCHESTER, INC.

ATTACHMENT
II

100 CORPORATE DRIVE SOUTH WESTCHESTER EXECUTIVE PARK, YONKERS, N.Y. 10701
TELEPHONE (914) 376-7800 FAX (914) 376-7800

February 27, 1991

Mr. John Adams, Esq.
Florida Public Service Commission
Legal Department
101 East Gaines Street
Tallahassee, Florida 32399-0864

RE: March 5th Commission Agenda

Dear Mr. Adams:

Pursuant to our telephone conversation on Wednesday, I would like to briefly describe some recent developments pertaining to our meeting all of the regulatory requirements in the state of Florida. We have been advised that there is an item on the commission's agenda for March 5th which involves USCW. We are concerned with USCW's having failed to meet the requirements of the commission and ask for a brief postponement of any action against USCW. We are offering a settlement which has been discussed with both you and Rick Moses. We feel that if you and the commission understand the most recent facts concerning USCW that the commission would feel comfortable with USCW's new management, our willingness and ability to comply with applicable regulations and would further recommend accepting the settlement.

- 1/11/91 - USCW filed for Chapter 11 bankruptcy in Federal Bankruptcy Court, White Plains, New York.
- 2/12/91 - The ABL Corp., a subsidiary of Ascom Holdings, acquired all of USCW stock and replaced all of the old management with a team of top professionals from the telecommunications industry.
- 2/13/91 - The new management began the task of reorganization, including the creation of a regulatory compliance department.
- 2/19/91 - USCW's Regulatory Department contacted the Florida P.S.C. to inquire about certification, only to discover previous non-compliance problems.

2/25/91 - A telephone conversation was held with Mr. Rick Moses to discuss pending violations, including:

- Access to ATT is blocked
- Dial 0- is not directed to LEC without a coin deposit
- The regulatory assessment return and annual report has not been filed.

2/26/91 - USCW's Regulatory Department directs the USCW Computer Department to institut new programming to allow access to AT&T via 10288 dialing and to allow dial 0 to directly access the LEC without menu prompts or coin deposits.

Mr. Adams, as you can see, these issues were only recently brought to our attention as we have only been operating this company for a very short time, and would appreciate your intervention on our behalf to inform the commission that we are taking a proactive position to reach full compliance. I sincerely apologize on behalf of USCW for any non-compliance which may have existed in the past. We ask that the commission show patience and leniency toward USCW knowing the full details of current management involvement. It is now USCW's policy, as it is Ascom's, to strive for and achieve full regulatory compliance.

Per our discussion, we offer the following settlement, in order to postpone these proceedings and so we may continue to correct any past violations and see that there will not be any in the future:

- 1) Payment of a \$2,000.00 fine
- 2) Allow U.S. Communications of Westchester, Inc. 90 days to correct the equipment that does not meet regulatory standards.

The reason for the 90 days is that we operate in excess of 2,500 phones in approximately 1,800 locations covering the entire state of Florida, and would like our field technicians to have enough time to do the job correctly. The technicians do not visit the phones except as needed. As such, our staff cannot possibly visit and correct the problems on such a large number of phones unless sufficient time is given for complete and thorough analysis of each phone and corrective action.

- 3) We will file and pay all regulatory assessments and annual reports for all business in Florida post bankruptcy petition of 1/11/91.

For your convenience, I am enclosing some literature describing Ascom, which is a 2.5 billion dollar Swiss multi-national communications company, which hopefully will give you and the commission a level of comfort necessary to work with us and accept our proposal.

I thank you in advance for your help with this matter, and assure you that U.S. Communications of Westchester, Inc. is a serious "player" in the telecommunication industry and will do everything possible from here forward to comply with all regulatory requirements in Florida.

Should you have any questions, please don't hesitate to call me at 1-800-366-3425.

Sincerely,



John F. Cocola
Vice President & General Counsel

MS:tj

ci:FlrRegAff.228

CC: Don Whalen
Ira Goodman
Urs Kamber
Marty Segal