

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Initiation of show cause) DOCKET NO. 960216-TI
proceedings against World Access) ORDER NO. PSC-96-0646-FOF-TI
Communications Corp. for) ISSUED: May 10, 1996
violation of Rule 25-24.4701,)
F.A.C., Provision of Regulated)
Communications Service to)
Uncertificated Resellers)
Prohibited.)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

ORDER TO SHOW CAUSE

BY THE COMMISSION:

I. Background

Telecuba, Inc. (Telecuba) has been a Florida Corporation since March 15, 1995. The sole office holder and shareholder of the corporation at the time of incorporation was Luis Coello, according to the Articles of Incorporation filed with the Florida Department of State. Telecuba is or was a provider of debit card services. Prepaid debit cards have become quite prevalent over the past year. They are used in promotional giveaways by shopping malls and other businesses, purchased by parents for their children who are college students, used by people who are transient and may not subscribe to telephone service, and also by persons who simply wish to prepay for service as a way of budgeting their long distance usage.

Telecuba provided this service by purchasing long distance services from World Access Communications Corporation (World Access), holder of Certificate No. 2385, and reselling the service to end user customers who purchased a debit card which could be used to access an 800 number to place telephone calls. The debit cards were sold by Telecuba or its agents and purchased by the end user customers for a flat fee for a certain amount of minutes of use. For example, a customer might purchase a debit card for \$10

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and it would be stated on the card that it could be used for 40 minutes of long distance service by calling an 800 number listed on the back of the card to gain access to the long distance operator or automated operator.

In early December, Mr. Coello contacted our staff several times by telephone regarding his complaint that World Access had disconnected the 800 access numbers Telecuba was using to provide its prepaid calling service. Telecuba was not able to get World Access to reconnect the numbers and unable to get AT&T to reassign the numbers to Telecuba. As a result, end users who had purchased debit cards were not able to complete telephone calls and receive the telephone service for which they had already paid. On December 15, 1995, our staff received a letter from Telecuba detailing this problem.

One of the services provided by World Access is reselling long distance services to other communications companies, and the general public. This is done by purchasing long distance service at wholesale per minute rates from companies such as AT&T and reselling it to other companies that would otherwise be unable to obtain such discounts from a major provider.

The companies have been unable to resolve their differences. It appears that World Access is providing service to an uncertificated reseller in without a certificate in violation of Rule 25-24.4701, Florida Administrative Code. In Section II of this Order, we order World Access to show cause why it should not be fined for violation of that Rule. In Section III, we order World Access to provide to Telecuba all records necessary for Telecuba to refund money to customers who have purchased bad debit cards. By providing interexchange telecommunications service without a certificate, it appears Telecuba is violating Rule 25-24.470, Florida Administrative Code. By separate Order, we order Telecuba to show cause why it should not be fined for violation of that Rule. See Docket 960217-TI.

By Order No. 22899, issued May 7, 1990, we ordered Telecommunications Services, Inc. (now World Access) to show cause why it should not be fined for failure to file an annual report. The company paid a \$1,000 fine and the docket was closed.

II. Alleged Violation

Rule 25-24.4701, Florida Administrative Code, forbids interexchange carriers to provide service for resale only to other certificated interexchange carriers. It appears that World Access is providing service for resale to Telecuba in violation of the

Rule. Accordingly, we order World Access to show cause why it should not be fined or have its certificate cancelled for violation of Rule 25-24.4701, Florida Administrative Code. There is no need for us to order World Access to cease and desist reselling service to Telecuba as the company has already done so.

III. Call Detail Records

In order to accomplish the refunds ordered in Docket No. 960217-TI, World Access must provide to Telecuba sufficient call detail records to allow Telecuba to determine the long distance service that has been used by specific PIN numbers. World Access stated at the April 16, 1996 Agenda Conference that it will assist Telecuba in this regard. If World Access chooses not to assist Telecuba, we order World Access to show cause why it should not provide Telecuba with information necessary for Telecuba to make appropriate refunds.

IV. Conclusion

For the alleged violation of Rule 25-24.4701, Florida Administrative Code, we order World Access to show cause, in writing, why it should not be fined or have its certificate cancelled. World Access' response must contain specific allegations of fact and law and be filed by the date specified in the "Notice of Further Proceedings or Judicial Review" section of this Order. If World Access fails to respond, such failure shall be deemed an admission of all facts contained in this Order and a waiver of its right to a hearing.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that World Access Communications Corporation show cause, in writing, within twenty (20) days, why it should not be fined or have its certificate cancelled for violation of Rule 25-24.4701, Florida Administrative Code. It is further

ORDERED that World Access Communications Corporation show cause, in writing, why it should not provide records necessary for Telecuba, Inc. to provide refunds to customers who purchased bad debit cards. It is further

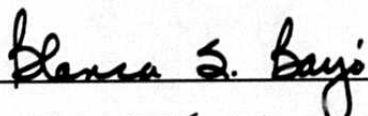
ORDERED that World Access Communications Corporation's response shall contain specific allegations of fact and law. It is further

ORDERED that failure to respond to this Order in the manner

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and by the date set forth in the Notice of Further Proceedings or Judicial Review section of this Order shall constitute an admission of the violations described in the body of this Order, and waiver of a right to a hearing.

By ORDER of the Florida Public Service Commission, this 10th day of May, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

LMB

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 all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

This order is preliminary, procedural or intermediate in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.037(1), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 30, 1996.

Failure to respond within the time set forth above shall constitute an admission of all facts and a waiver of the right to a hearing pursuant to Rule 25-22.037(3), Florida Administrative

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Code, and a default pursuant to Rule 25-22.037(4), Florida Administrative Code. Such default shall be effective on the day subsequent to the above date.

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 any electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater 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 this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure.