

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Initiation of show cause) DOCKET NO. 960216-TI
 proceedings against World Access)
 Communications Corp. for) FILED: APRIL 4, 1997
 violation of Rule 25-24.4701,)
 F.A.C., Provision of Regulated)
 Communications Service to)
 Uncertificated Resellers)
 Prohibited.)

STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-97-0046-PCO-TI, the Staff of the Florida Public Service Commission files its Prehearing Statement.

- A. All Known Witnesses: Staff proposes to call Rick Moses as a witness to offer direct testimony. Staff reserves the right to call additional witnesses, witnesses to respond to Commission inquiries not addressed in direct testimony, and witnesses to respond to Commission inquiries not in direct testimony, and witnesses to address issues not presently designated that may be designated at the prehearing conference to be held on May 12, 1997.
- B. All Known Exhibits: Listed below is a tentative list of exhibits which staff intends to utilize in this proceeding. Staff reserves the right to introduce exhibits for cross-examination, impeachment, or any other purpose authorized by the applicable Florida Rules of Civil Procedure and the Rules of this Commission.

ACK _____
 AFA _____
 APP _____
 CAF _____
 CMU _____
 CTR _____
 EAG _____
 LEG _____
 LIN 3 _____
 OPC _____
 RCH _____
 SEC 1 _____
 WAS _____
 DT - _____

<u>WITNESS</u>	<u>DOCUMENT INDICATOR</u>	<u>TITLE OF EXHIBIT</u>
Rick Moses	(RAM-1)	12/11/95 Letter from Luis Coello to FCC
	(RAM-2)	12/11/95 Letter from Luis Coello to AT&T
	(RAM-3)	12/14/97 Letter from Luis Coello to Staff

DOCUMENT NUMBER-DATE
 03523 APR-4 5
 FPSC-RECORDS/REPORTING

<u>WITNESS</u>	<u>DOCUMENT INDICATOR</u>	<u>TITLE OF EXHIBIT</u>
	<u>(RAM-4)</u>	November/December 1995 Calls Correspondent: Bill from World Access for Service to Telecuba
	<u>(RAM-5)</u>	World Access v. Telecuba Verified Complaint, Dade County Circuit Court, Case No. 96-00828
	<u>(RAM-6)</u>	World Access Florida Interexchange Carrier Tariff, effective 11/11/95

C. Staff's Statement of Basic Position:

Staff believes that World Access Communications Corporation (World Access) knowingly provided interexchange telecommunications service to an uncertificated entity, Telecuba, Inc. Staff understands that World Access produced a bill to Telecuba for the service it provided to Telecuba for Telecuba's prepaid calling cards. Telecuba then would pay only for the actual minutes of use by its customers, as represented on the bill received from World Access. As such, staff believes that Telecuba was acting as a reseller of intrastate interexchange telecommunications services. Accordingly, Telecuba should have obtained a certificate of public convenience and necessity as required by Rule 25-24.470, Florida Administrative Code.

Telecuba has never applied for a certificate to offer these services. World Access thus violated Rule 25-24.4701, Florida Administrative Code, by its sale of services to an uncertificated entity. World Access resold interexchange telecommunications services to an uncertificated reseller, Telecuba. Further, World Access' Florida tariff does not include the required language stating that customers reselling or rebilling interexchange services must have a Certificate of Public Convenience and Necessity as an interexchange carrier from the Florida Public Service Commission. As a result, staff believes a fine of \$25,000 is warranted for the provision of service to an uncertificated entity.

If it is determined that Telecuba was merely a marketing agent, staff strongly contends that World Access must be accountable for the refund of Telecuba's customers who possessed non-working cards. In December, 1995, World Access notified Telecuba that World Access was shutting down the 1-800 access numbers used by Telecuba for Telecuba's calling cards because of an unresolved billing dispute. Because of this shutdown, an estimated 30,000 Telecuba cards were rendered non-working. If the Commission determines World Access is the only provider of telecommunications services to Telecuba's customers under the terms of Chapter 364.02, Florida Statutes, and Commission rules, staff believes World Access must implement a direct refund, plus interest, to the affected customers in accordance with Rule 25-4.114, Florida Administrative Code. In the event Telecuba is found to be a reseller of telecommunications services provided by World Access, World Access must provide the necessary call detail records to Telecuba so that Telecuba can complete the appropriate refunds.

D.-G. Staff's Position on the Issues:

ISSUE 1: Should the Commission require World Access to provide its relevant call detail records in a standard format to Telecuba to facilitate proper customer refunds?

STAFF: Staff believes World Access should be required to provide call detail records in a standard format to Telecuba to facilitate proper customer refunds.

ISSUE 2: Should World Access complete direct refunds to consumers plus interest pursuant to Rule 25-4.114, Florida Administrative Code, for debit cards sold that were unusable?

STAFF: If it is determined that Telecuba is actually a marketing agent and did not qualify as a telephone company as defined in Section 364.02 World Access should be ordered to complete direct refunds to consumers, plus interest, pursuant to Rule 25-4.114, Florida Administrative Code.

ISSUE 3: Did World Access knowingly provide interexchange telecommunications service to an uncertificated entity?

STAFF: Staff believes World Access had knowledge that Telecuba was reselling World Access' service because World Access produced to Telecuba a bill for the 800 access number usage. World Access also had knowledge that the usage was used for the provision of debit card service and not being consumed by Telecuba.

ISSUE 4: Should the Commission fine World Access for knowingly providing interexchange telecommunications service to an uncertificated entity?

STAFF: If it is determined that Telecuba should have been certificated, World Access should be fined. However, if it is determined that Telecuba is a marketing agent, World Access should not be fined.

ISSUE 5: Should the Commission cancel World Access' certificate for knowingly providing interexchange telecommunications service to an uncertificated entity?

STAFF: No. This apparent rule violation and does not rise to the level of revoking World Access' certificate.

ISSUE 6: If it is determined that a fine is appropriate, what amount should be levied?

STAFF: Staff believes a \$25,000 fine is appropriate.

H. **Stipulation**

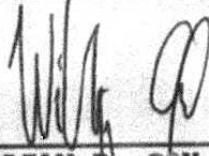
Staff is not aware of any issues that have been stipulated at this time.

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I. Pending Motions:

Staff has no pending motions at this time.

RESPECTFULLY SUBMITTED,



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_____)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Prehearing Statement, in the above referenced docket, has been furnished by U.S. Mail this 4th day of April, 1997, to the following:

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