

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings against Conetco Communications d/b/a Communications Network Corporation for violation of Rule 25-4.043, F.A.C., Response to Commission Staff Inquiries.

DOCKET NO. 961089-TI  
ORDER NO. PSC-97-0739-FOF-TI  
ISSUED: June 25, 1997

The following Commissioners participated in the disposition of this matter:

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

FINAL ORDER CANCELING CERTIFICATE  
AND ORDERING ALL INTEREXCHANGE COMPANIES TO CEASE  
PROVIDING SERVICE TO CONETCO COMMUNICATIONS  
D/B/A/ COMMUNICATIONS NETWORK CORPORATION

BY THE COMMISSION:

We initiated this show cause proceeding as a result of our investigation of a particular debit card, The Travel Phone Card, that was sold in the Miami area. Our investigation gave rise to a concern that the company marketing the card was doing so without a certificate from the Commission. On July 9, 1996, our staff sent a certified letter addressed to "The Travel Phone Card". In the letter our staff explained that two types of companies provide debit card service, one that requires certification and one that does not. Our staff asked whether the company that sold The Travel Phone Card provided distributor/reseller service or underlying carrier service. Our staff requested a response by July 25, 1996. The letter was returned on July 21, 1996, marked "Return to Sender; Attempted - Not Known".

On the same day that the letter was returned, we received a consumer complaint from a customer who claimed that he had purchased The Travel Phone Card, but was unable to use it. The customer provided our staff with a copy of a letter he had written

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ORDER NO. PSC-97-0739-FOF-TI  
DOCKET NO. 961089-TI  
PAGE 2

Conectco Communications complaining about the card. Our records did not indicate the existence of a certificated carrier by the name of Conectco Communications. In addition, the address the customer had used was different from the one staff had used for the July 9 letter inquiring about The Travel Phone Card.

On August 1, 1996, our staff sent Conectco a certified letter at the address provided by the customer, and requested a response by August 16, 1996. That letter was signed for on August 5, 1996. When our staff did not receive a response by August 21, our staff called both toll-free numbers listed on the Travel Phone Card for accessing service for English and Spanish-speaking customers. Both times our staff reached a recording that advised callers that the 800 number was not in service and directed them to call the information operator. The information operator did not have a listing for either The Travel Phone Card or Conectco Communications. Our staff then called the toll-free number listed on the debit card as Customer Service. An employee answered and stated that a company representative would return staff's call.

On August 22, 1996, a company representative returned staff's call. After explaining the concerns about the card, the company representative asked for the PIN number on the Travel Phone Card. The representative then stated that there were two companies distributing similar debit cards and that the one in the Commission's possession was not connected with Conectco. When staff asked why Conectco's Customer Service toll-free number appeared on another company's debit card, the company representative could not answer. Our staff then asked that an officer of Conectco call the Commission.

Richard Erckert from the company returned Commission staff's call later the same day and left a voice mail message. He explained that he had received staff's August 1 letter, did not want to be in violation of Commission rules, and asked that his call be returned. On August 23, 1996, Commission staff returned Mr. Erckert's call, but he was not available. A message was left for him to return staff's call. To date, Mr. Erckert has provided no further response.

In the meantime, our staff discovered that a company by the name of Conetco Corporation d/b/a Communications Network Corporation was a certificated telecommunications carrier in Florida. This company was issued Certificate No. 3974 on June 2, 1995. Although the name is spelled differently, we have determined that

ORDER NO. PSC-97-0739-FOF-TI  
DOCKET NO. 961089-TI  
PAGE 3

this is the same company as Conectco, the company to which our staff directed its inquiries concerning The Travel Phone Card.

On October 8, 1996, an attorney for WorldCom Network Services, Inc. d/b/a WilTel Network Services, Inc. (WilTel), Marieann Machida, advised us that WilTel is a creditor of Conetco's. Ms. Machida stated that WilTel has filed an involuntary Chapter 11 bankruptcy petition against Conetco. We were further advised that on August 6, 1996, the Bankruptcy Court issued a Consent Order mandating that Conetco immediately transfer its 1+ customer base, among other things, to WilTel.

Rule 25-24.480 (1)(a), Florida Administrative Code, incorporates Rule 25-4.043, Florida Administrative Code, and states that, "The necessary replies to inquiries propounded by the Commission's staff concerning service or other complaints received by the Commission shall be furnished in writing within fifteen (15) days from the date of the Commission inquiry."

Although we determined that Conetco held an IXC certificate, the company had, nevertheless, failed to respond to Commission staff's correspondence and phone calls regarding both The Travel Phone Card and a customer's inability to use that card. Therefore, by Order No. PSC-96-1437-FOF-TI, issued November 26, 1996, we ordered Conetco to show cause why it should not be fined up to \$25,000 per day or have its certificate canceled for not properly responding to Commission staff's inquiries in accordance with Rule 25-4.043, Florida Administrative Code. The Post Office subsequently returned the certified copy of the Order to Show Cause.

After we voted to fine Conetco, but before our Order was issued, the Post Office provided our staff with a new address for Conetco. Based on the new information, by Order No. PSC-97-0227-FOF-TI, issued February 26, 1997, we reinitiated proceedings to require Conetco to show cause why it should not be fined up to \$25,000 per day or have its certificate canceled for not responding to Commission staff inquiries.

On March 17, 1997, Conetco's alleged Chapter 11 trustee contacted our staff. He stated that he was attempting to clarify matters relating to the pending bankruptcy proceedings and that he would contact us upon resolution. Our staff wrote the trustee on April 11, 1997, asking for specific information. On May 12, 1997,

ORDER NO. PSC-97-0739-FOF-TI  
DOCKET NO. 961089-TI  
PAGE 4

we received the trustee's response, which stated that Conetco is not providing any type of telecommunications service in Florida.

In previous dockets involving companies not responding to staff inquiries, we have either canceled a company's certificate or agreed to a \$1,000 settlement. Since Conetco is currently involved in bankruptcy proceedings and is apparently no longer providing service in Florida, we believe it is most appropriate to cancel Conetco's certificate number 3974. In addition, we shall also order all interexchange telecommunications companies to discontinue providing intrastate long distance service to this company, although it appears that Conetco is no longer providing any telecommunications service in Florida.

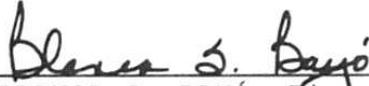
Based on the foregoing, it is therefore

ORDERED by the Florida Public Service Commission that Certificate of Public Convenience and Necessity Number 3974 held by Conetco Communications d/b/a Communications Network Corporation is canceled. It is further

ORDERED that all interexchange carriers shall cease providing service to Conetco Communications d/b/a Communications Network Corporation. It is further

ORDERED that this docket is closed.

By ORDER of the Florida Public Service Commission, this 25th day of June, 1997.

  
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BLANCA S. BAYÓ, Director  
Division of Records and Reporting

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ORDER NO. PSC-97-0739-FOF-TI  
DOCKET NO. 961089-TI  
PAGE 5

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 and/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 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.