

ORIGINAL
FILE COPY

TESTIMONY

WITNESS: James Alan Taylor

PROFFERED BY: The Florida Public Service Commission Staff

DOCKET NO. 961458-TI - Initiation of show cause proceedings
against Combined Companies, Inc. for violation of Rules 25-4.118,
Interexchange Carrier Selection, and 25-24.470, F.A.C.,
Certificate of Public Convenience and Necessity Required.

DOCUMENT NUMBER-DATE

06639 JUL-15

FPSC-RECORDS/REPORTING

DIRECT TESTIMONY OF ALAN TAYLOR

1 |
2 | Q Please state your name and business address.

3 | A My name is Alan Taylor and my address is 2540 Shumard Oak Boulevard,
4 | Tallahassee, Florida 32399-0850.

5 | Q By whom are you employed and in what capacity?

6 | A I have been employed by the Florida Public Service Commission since
7 | 1977. My title is Chief of the Bureau of Service Evaluation in the Division
8 | of Communications.

9 | Q Briefly describe your duties.

10 | A I am responsible for overseeing the evaluation of the quality of service
11 | provided by all telecommunications companies in Florida. In addition, my
12 | bureau is responsible for the review of applications for certification to
13 | provide interexchange service and alternative local exchange service,
14 | including those companies' tariffs. My staff also reviews the applications
15 | for certification of pay telephone service, shared tenant services, operator
16 | services, and alternative access vendor services. My bureau is also
17 | responsible for enforcement of the rules governing the telecommunications
18 | industry.

19 | Q What is the purpose of your testimony?

20 | A The purpose of my testimony is to explain why I believe Combined
21 | Companies, Inc. (CCI) is in violation of Rules 25-24.470, Florida
22 | Administrative Code, Certificate of Public Convenience and Necessity Required
23 | and 25-4.118, Interexchange Carrier Selection.

24 | Q How did CCI first come to the Commission's attention?

25 | A The Commission became aware of CCI's activities in Florida through two

1 | consumer complaints. On June 21, 1996, the Commission's Division of Consumer
2 | Affairs (CAF) received correspondence from Ms. Diane Davis of Killearn Brokers
3 | Realty, Inc. (EXH JAT - 1) Ms. Davis stated in her letter that she received
4 | a bill from AT&T 800 Readyline, which had a \$3,959.03 charge itemized as "AT&T
5 | Term Plan Periodic True Up Charge". Ms. Davis stated she called AT&T and was
6 | told that Killearn Brokers' service had been switched from AT&T to CCI and
7 | that Ms. Davis needed to contact CCI for further information. Ms. Davis
8 | stated that she was unaware that service had been switched to another company,
9 | but called CCI as instructed by AT&T. In response, CCI faxed Killearn Brokers
10 | a letter dated June 17, 1996, advising that AT&T placed the true up charge on
11 | its customers billings improperly and that CCI had no control over AT&T's
12 | billing procedures. The letter requested that Killearn Brokers write the
13 | Federal Communications Commission (FCC) a letter, and fax it to an 800 number,
14 | which belonged to CCI. CCI's letter went on to explain that CCI would collect
15 | all such complaint letters and deliver them to the FCC.

16 | Q What was the other complaint about?

17 | A Basically, the same thing. The other complaint was received by CAF on
18 | June 17, 1996, from Mr. T. Richard Hagin, an attorney in Bushnell, Florida.
19 | (EXH JAT - 2) The only difference is the amount of the true up charge. Mr.
20 | Hagin's true up charge amounted to \$1,690.81. Also, as in the Killearn
21 | Brokers complaint, Mr. Hagin indicated he was unaware of CCI's existence.

22 | Q How did CAF staff handle the complaints?

23 | A Since CCI was an uncertificated carrier, CAF staff correctly forwarded
24 | the two complaints to AT&T for responses. In both cases, AT&T advised that
25 | (1) the complainants are customers of CCI, not AT&T; (2) CCI buys time from

1 | AT&T at volume discounts; (3) CCI did not meet the requirements and
2 | commitments for which it had contracted with AT&T; and (4) AT&T "offered" to
3 | bill CCI directly for the shortfall shortages but that CCI declined. Hence,
4 | the true up charges appeared on end users' billings.

5 | Q How did the Commission's Division of Communications staff become
6 | involved and investigate further?

7 | A CAF staff forwarded the two complaints to Communications staff, since
8 | the problem remained unresolved and because it appeared that CCI was
9 | uncertificated, but operating as an interexchange carrier within the state of
10 | Florida. On July 1, 1996, staff wrote AT&T and asked for additional
11 | information. (EXH JAT - 3) AT&T responded by reiterating that the two
12 | complainants were customers of CCI and that AT&T had billed the end users in
13 | accordance with its tariff on file with the FCC. (EXH JAT - 4)

14 | Q Did Communications staff communicate with CCI?

15 | A Yes. On August 1, 1996, staff wrote CCI and enclosed an IXC
16 | application, explaining that it appeared CCI needed to be certificated. Staff
17 | further explained that since an uncertificated company could not collect
18 | payments for services, the charges billed to the complainants should be
19 | credited. (EXH JAT - 5)

20 | Q Did CCI respond?

21 | A Yes, CCI responded (EXH JAT - 6) in a letter dated September 12, 1996,
22 | but did not agree with staff's analysis of the situation. CCI advised staff
23 | that because end users do not pay CCI directly, the end users are AT&T's
24 | customers; therefore, CCI believes it is not required to be certificated in
25 | Florida.

1 | Q Why do you believe that CCI should be certificated as an IXC in Florida?
2 | A Rule 25-24.470 (1), Florida Administrative Code, Certificate of Public
3 Convenience and Necessity Required, states "No person shall provide intrastate
4 interexchange telephone service without first obtaining a certificate of
5 public convenience and necessity from the Commission. Services may not be
6 provided, nor may deposits or payment for services be collected, until the
7 effective date of a certificate, if granted. However, acquisition of
8 equipment and facilities, advertising and other promotional activities may
9 begin prior to the effective date of the certificate at the applicant's risk
10 that it may not be granted. In any customer contacts or advertisements prior
11 to certification, the applicant must advise the customer that certification
12 has not and may never be granted."

13 In addition, Rule 25-24.465, Florida Administrative Code, Terms and
14 Definitions; Rules Incorporated, incorporates Rule 25-4.003(32), Florida
15 Administrative Code, Definitions, which states that a multi-location discount
16 aggregator (MLDA) is "An entity that offers discounted long distance
17 telecommunications services from an underlying interexchange company to
18 unaffiliated entities. An entity is a MLDA if one or more of the following
19 criteria applies: (a) It collects fees related to interexchange
20 telecommunications services directly from subscribers. (b) It bills for
21 interexchange telecommunications services in its own name. (c) It is
22 responsible for an end user's unpaid interexchange telecommunications bill,
23 or (d) A customer's bill cannot be determined by applying the tariff of the
24 underlying interexchange company to the customer's individual usage."
25 It is my opinion that CCI's activities fall under subsection (c) of Rule

1 25-4.003(32), Florida Administrative Code. Also, CCI admitted to staff in its
2 September 12, 1996, letter (EXH JAT - 6) that several end users were contacted
3 "to acquire their AT&T Term Plans" and subsequently "submitted several orders"
4 to AT&T to transfer the end users' plans to CCI. Therefore, I believe it is
5 very clear that CCI is operating as a MLDA without a certificate.

6 Q Is it your opinion that the service of the two complainants that were
7 mentioned previously in your testimony was switched to CCI without
8 authorization?

9 A Yes. CCI has never provided staff with proof that the two complainants
10 authorized the switch, and both complainants denied authorizing a switch.
11 Therefore, it is my opinion that CCI is in violation of Rule 25-4.118, Florida
12 Administrative Code, Interexchange Carrier Selection, since CCI submitted
13 orders to AT&T to transfer their service to CCI.

14 Q Do you believe that CCI should be fined for violation of Rules 25-
15 24.470, Florida Administrative Code, Certificate of Public Convenience and
16 Necessity Required and 25-4.118, Interexchange Carrier Selection?

17 A Yes. The Commission has fined numerous other companies for both rule
18 violations. Therefore, based on the Commission's prior history of fining
19 companies with similar violations, I believe CCI should be fined \$25,000.

20 Q Does this conclude your testimony?

21 A Yes.

22

23

24

25

EXHIBIT NO. JAT - 1

WITNESS: James Alan Taylor

PROFFERED BY: The Florida Public Service Commission

TITLE: Complaint Report of Killearn Brokers

Name KILLEARN BROKERS REALTY, INC.
Address DIANNE D. DAVIS
3646 SHAMROCK WEST
City/Zip TALLAHASSEE 32308-2642 County LEON
Account Number 131026-1223633
Company Contact _____

Company AT&T COMMUNICATIONS OF THE SOUTHERN
Attn. Sandy Hinton
Consumer's Telephone # _____
Can Be Reached (904)-893-6100
Note _____
Limited Reponse N

Request No. 1302361
By RWM Time 4:18 PM Date 06/21/96
To CO Time FAX Date 06/24/96
Type B Form Phone
Category PR-09
Infraction _____
Closed by RWM Date 11/15
Reply Received L

Please see attached correspondence concerning the billing of 800 readyline.
Please investigate this matter and provide a response by the date below.

ATTENTION SANDY HINTON:
7-25 AS OF TODAY I HAVE NOT RECEIVED A RESPONSE TO THIS COMPLAINT. PLEASE
PROVIDE A REPORT BY 7-31. THANKS RUTH McHARGUE

9-16 received letter from customer

ATTENTION AT&T:
9-20 SEE ATTACHED COPY OF LETTER FROM CUSTOMER REGARDING THE CHARGES.
I STILL HAVE NOT RECEIVED A RESPONSE TO THIS COMPLAINT. AT&T IS CURRENTLY IS
VIOLATION OF PSC RULES. A REPORT MUST BE RECEIVED BY SEPT. 26.
RUTH McHARGUE.

reply received

11-14 I called the customer. She said the charges had been removed but was
concerned she would be billed again. She said she had never been a customer of
CCI and had always received their bills from AT&T. I told her we did not have
any information on CCI nor the charges. I told her it could be a matter for the
FCC. She said she would fax me the latest correspondence she had received from

CONSUMER REQUEST

**FLORIDA PUBLIC
SERVICE
COMMISSION**

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-0850
904-413-6100

PLEASE RETURN THIS FORM
WITH REPORT OF ACTION T

Ruth W. McHarque

DUE: 07/10/96

Exhibit JAT - 1
(Page 1 of 34)

Name KILLEARN BROKERS REALTY, INC.

Company AT&T COMMUNICATIONS OF THE SOUTHERN

Request No. 1302361

PAGE: 2

CCI and AT&T. I told her the inquiry would be forwarded to our Division of Communications for further review.

11-15 file closed

FORWARD TO CMU FOR REVIEW

Just the FAX...from

**KILLEARN
& BROKERS**
REALTY, INC.

3646 Shamrock West
Tallahassee, FL 32308-2642

(904) 893-6100

FAX (904) 668-6001

Date: 11/14/96
To: Ruth M. Hargue
Fax #: 413-6362
of pages to follow: 10

Comments: AT&T & CCI Complaint

THE FACSIMILE MESSAGE MAY CONTAIN PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY NAME ABOVE. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE TO DELIVER IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO US AT THE ADDRESS LISTED BELOW VIA THE U.S. POSTAL SERVICE. THANK YOU.

If there are any problems with this transmission, please contact us. Thank you.

November 14, 1996

Ruth McHargue
Florida Public Service Commission
Consumer Complaint Department
Capital Circle Office Center Blvd.
2540 Shumard Oak Blvd.
Tallahassee, Fl 32399-0850

Dear Ms. McHargue:

In reference to our telephone conversation this morning I am sending you my latest correspondence from AT&T and CCI. As you will note as you read through these letters, they continue to be very confusing and disturbing to the consumer. Would you please let me know if the complaint is transferred to the FPSC Communication Department.

As I mentioned to you today, when our company first realized this summer that we were not an AT&T customer (although we always thought that we were), we switched back to AT&T. I am forwarding a copy of the postcard received from the FCC in which they say they are closing the file. This was certainly a disappointment, since they gave no status report as to what had been resolved and how this matter would be disposed of in the future.

I appreciate yours and Dick Durbins continued endeavor to help us conclude this matter. Please keep me posted as to the status and progress that you are making

Sincerely,

Dianne D. Davis, CRS, GRI
Broker Realtor
Corporate Partner

Rec'd 11/6/96

November 6, 1996

Re: Your Rights to Recoup 800 Service Overcharges from January 1995 Onward
(You do not have to be currently on an aggregator plan to recoup the overcharges)

Around October 16, 1996, you received a letter from one of AT&T's District Managers, Carl Williams, purporting to respond to an earlier letter you received from One Stop Financial, Inc. (OSF). Before clearing up the confusion created by Mr. Williams' version of reality, you need to know the following:

THE DISCOUNT YOU, AND THOUSANDS OF OTHER 800 USERS LIKE YOU, RECEIVED ON YOUR 800 SERVICES FROM JANUARY, 1995 FORWARD WERE SIGNIFICANTLY LESS THAN WHAT YOU AND OTHER USERS WERE ENTITLED TO UNDER AT&T'S FCC TARIFF PROVISIONS. FOR REASONS EXPLAINED BELOW, WE ARE ASKING IF YOU WOULD BE INTERESTED IN A JOINT UNDERTAKING TO RECOUP THE TOTAL DISCOUNTS TO WHICH YOU WERE ENTITLED. IF YOU ARE, LET US HEAR FROM YOU AS SOON AS POSSIBLE (YOU SHOULD HAVE BEEN RECEIVING 28% PER MONTH OFF YOUR AT&T 800 BILL SINCE JANUARY OF 1995.)

You need to act quickly or the right to claim all the discounts to which you were entitled may be extinguished by the applicable statute of limitations. You will not be responsible for any costs to investigate this matter further.

AT&T doesn't want to honor its commitments to its aggregators nor to comply with its own FCC tariff provisions. Hence, AT&T threatens you with discontinuance of service. AT&T has no right to do this, as you are not a direct customer of AT&T, rather, the aggregator customer. This means that AT&T is not entitled to adversely affect your service in any way.

OSF has been embroiled in bitter litigation with AT&T for several years. AT&T's reference to the dispute over charges which Mr. Williams claims are past due are part of that litigation. It may be of interest that a federal court has found that the charges AT&T claims are due are illusory. We are specifically referring to the true-up charges that AT&T had placed on your bill. AT&T's tactics have been designed to deprive end users of additional discounts on their 800 services. These discounts were made available to customers like you because of the policies of the FCC.

It is extremely unfortunate that under the laws of this nation, small users like yourself and small companies like ours, trying to serve you, are frustrated by the deliberate anti-competitive antics of AT&T, antics that also frustrate the resale policy of the FCC.

If you are still on the plan OSF's offer of an additional 20% discount still stands. If you wish more information on this discount call 1-800-638-2678. Whether or not you are still on the plan, if you want to reserve your right to collect overcharges, use your company letterhead and simply state that you wish to recover the overcharges while your company was on the aggregator plan, then sign, date and fax to 1-800-338-0409. Even if you are currently no longer on the aggregator plan you are still entitled to receive the overcharges. Thus far, AT&T has successfully frustrated federal policies, and despite the fact that it was once fined \$1,000,000 by the FCC for being caught having done so, it continues its actions unimpeded while the FCC and the courts sit by allowing time to pass and the rights of small users and small resellers, trying to serve those users, to waste away.



October 16, 1996

Some of you have written to alert AT&T to the letter and "authorization form" sent to you by Alfonse G. Inga of One Stop Financial in Little Falls, New Jersey ("collectively "Mr. Inga"). Generally, Mr. Inga asks that you send payment for your 800 services to him, instead of the Bill Payment Center (to which you always remitted payment). We thank you for bringing this to our attention and allowing us a moment to address your concerns.

You should know, at the outset, that despite the unauthorized use of our corporate name throughout this mailing, the mailing was without the knowledge or permission of AT&T and it contains misleading information. Here are the facts:

AT&T's records reflect that Mr. Inga is an agent for Combined Companies, Inc. ("CCI") and that you have been a customer of CCI. Companies like CCI purchase service from AT&T, and other carriers, at volume discounts which they then resell to businesses like yours under terms and prices with which AT&T is not familiar. In other words, CCI is a customer of AT&T, while your company is a customer of CCI (or of an intermediate reseller to which CCI may provide service).

As you can tell from his letter, Mr. Inga wants you to send him a check for most of the bill plus a signed authorization form which purportedly would enable him to "instruct AT&T to pay your monthly telephone bill in full." Supposedly CCI has "credits owed to us by AT&T that can only go to pay phone bills."

These statements are, in at least three substantial respects, untrue. First, Mr. Inga purchases no services from AT&T, nor does he have any other business relationship with AT&T. Second, even if Mr. Inga is writing as an agent for CCI, the information is still wrong. There are no "credits" outstanding on the CCI plans through which you receive your 800 service. To the contrary, there is presently a substantial past-due balance on these plans. (CCI disputes these charges). Third, sending the so-called "authorization form" along with partial payment to Mr. Inga *will not* mean that AT&T has been paid. You should be aware that if AT&T does not receive payment in full in accordance with the remittance slip, it has the right to terminate service.

Thank you, again, for bring this matter to our attention. If you have any questions about this matter, you may contact AT&T at 1-(800) 251-0103.

Carl Williams
District Manager

Rec'd 11/5/96



George Bacon
Staff Manager

Room 1130R3
295 N. Maple Ave.
Basking Ridge, NJ 07920
(908) 221-8400

October 3, 1996

IncmTeam
Federal Communications Commission
Common Carrier Bureau
Enforcement Division
Consumer Protection Branch
Stop Code 1600A2
Washington, DC 20554

Re: Ms. Dianne D. Davis
IC-96-12034
Type S2 (Incmteam)
Notice of Informal Complaint dated September 3, 1996

Dear IncmTeam Analyst:

This is in response to the referenced Notice of Informal Complaint. Ms. Davis disputes charges billed in connection with Term Plan Periodic True Up Charges of \$4,349.12 associated with long distance service provided by Combined Companies Incorporated ("CCI").

CCI is a reseller/aggregator of AT&T's tariffed long distance services. Although CCI's calls are carried over the AT&T network, CCI has no affiliation with AT&T. AT&T cannot comment on the business practices of a reseller. In cases where the reseller has subscribed to an AT&T volume discounted service and has not meet its tariffed usage commitment, the reseller is responsible for any additional charges assessed by the tariff for the customer's failure to meet the commitment. AT&T's tariff provides that shortfall charges be billed initially on a prorated basis to all locations (end users) on the reseller's plans. Here, however, CCI declined the suggestion that the shortfall charges be billed to it. AT&T, therefore, billed the charges to CCI's customers, one of whom was Ms. Davis.

According to AT&T's records, Ms. Davis was disconnected from CCI's network on July 1, 1996, and returned to her carrier of choice, AT&T. The disputed charges were removed from Ms. Davis' account and billed back to the reseller.

Page Two
IC-96-12034

As part of the Commission's guidelines for responding to slamming complaints, AT&T provides the following additional information relating to this matter.

AT&T's established guidelines require a reseller to have obtained a signed Letter of Agency ("LOA") before submitting a service order to AT&T. AT&T does not require a copy of the precise LOA, only the reseller's representation that such an LOA is already in its possession. This is consistent with the Commission's ruling that a reseller, as an independent service provider, must itself comply with the Commission's verification rules. AT&T has requested a copy of the LOA from the reseller. However, AT&T respectfully refers the Commission to the response filed by the reseller.

Since Ms. Davis disputes ever authorizing the switch to CCI, AT&T respectfully refers the customer and the Commission to the response filed by that company.

We trust this provides your office with the information required in this matter.

Sincerely,



George F. Bacon
Staff Manager

cc: Ms. Dianne Davis

/pb

Rec'd 10/15/96

One Stop Financial Inc.

Exhibit JAT -
(Page 9 of 34)

55 MAIN STREET, LITTLE FALLS, NJ 07424 • TEL: (800) 245-1825 • FAX: (800) 338-0409

AT&T 800 Bill - Whatever your current discount is, we'll increase your discount up to 50% off the entire bill

Dear Sir/Madam,

The aggregation plan that you are currently on is already providing you with a discount off your AT&T 800 Phone bill. (See "CSTP II Option B Pricing Plan" located on the summary of charges page of the AT&T bill). Our additional discount offer will dramatically increase your current discount. (If you have come off the plan we can put you back on and still extend this offer).

Enclosed is an authorization form from One Stop Financial, Inc. which will instruct AT&T to pay your monthly phone bill in full. (You should soon be receiving October bill).

We have credits owed to us by AT&T that can only go to pay phone bills. AT&T will not give us a check for these type of credits, but we can use them to pay phone bills. Since we only have a limited amount of credits, we are providing this opportunity on a first come first serve basis.

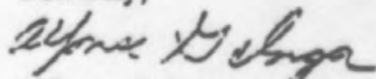
You are only allowed to participate in this offering if your current AT&T phone bill is not substantially in arrears.

Fill out the form to follow and fax it to us at 1-800-338-0409. You must include a copy of the summary of charges pages of your current bill.

Call us at 1-800-638-2678 and we will tell you what you need to pay so as to ensure your 50% reduction. AT&T will use our credits to pay 100% of your bill. You may pay by VISA/MasterCard if you would like. Whether you pay by check or credit card AT&T will then use our credits to pay 100% of your bill. Send payment to One Stop at the above address.

Only after we receive your payment will we confirm with AT&T to go ahead and process the authorization that you faxed to us. We will provide you with any testimonials you need to verify our offer.

Sincerely,



Alfonse G. Inga
President

33 MAIN STREET, LITTLE FALLS, NJ 07424 • TEL: (800) 245-1825 • FAX: (800) 338-0409

AT&T
Mr. Carl Williams/Neil Morgan
5000 Hadley Road
South Plainfield, NJ 07080

AT&T 800 BILL DISCOUNT AUTHORIZATION

Dear Sirs,

As per AT&T FCC Tariff II covering 1-800 toll free services please debit the applicable CSTP II Plans to credit the end users bill in full. (Plans 2430, 2829, 3124, 3524, 3663).

Customer Name (End User) _____

Contact Person _____

Signature _____

Address _____

Account # _____

800# _____ Local Phone # _____

Amount of current AT&T 800 bill \$ _____

Amount paid One Stop after discount \$ _____

Paying by check- remember to enclose AT&T bill

Paying by VISA/MC fax AT&T summary of charges page

If paying by VISA/MC Account Number _____

Expiration of credit card _____

Signature of authorized card holder _____

For Office Use Only:

AT&T Account Manager affecting debit _____

AT&T code assigned to transaction _____

Date of debit to RVPP Pool by AT&T _____

One Stop officer approving discount _____

Fax Back to 1-800-338-0409

FEDERAL COMMUNICATIONS
COMMISSION
WASHINGTON, D.C. 20554

OFFICIAL
PENALTY FOR PRIVATE USE \$300

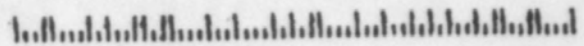
First-Class Mail
Postage & Fees Paid
FCC
Permit No. 0111

Exhibit JAT - 1
(Page 11 of 34)

To: Ms. Dianne D. Davis
3646 Shamrock West
Tallahassee, FL 32308-2642

Date: OCT 21 1996
IC-96-12034

32308/2642



This is in reference to the informal complaint that you filed with the Federal Communications Commission (FCC) regarding common carrier telecommunications service.

The Consumer Protection Branch directed each company involved in the complaint that falls within the FCC's jurisdiction to respond to the complaint in writing and to provide you with a copy of its response. The Branch has reviewed this informal complaint file. Based on that review, the Branch is closing the file. The complaint file number and date of file closure are listed on the address side of the post card.

Thank you for contacting the Consumer Protection Branch, Enforcement Division, Common Carrier Bureau, FCC.

1gq:8/6



AT&T

Room 6051, Promenade I
1200 Peachtree Street
Atlanta, GA 30309
(404) 810-4867
(404) 810-7076 - FAX

TO: Ruth McHargue
Consumer Affairs

FR: SANDY HINTON
Law and Government Affairs

COMMENTS:

Killearn Brokers Realty, Inc.
1302361

Number of pages including cover: 3



Sandy Hinton
Staff Associate
Law and Government Affairs

Room 6051, Promenade I
1200 Peachtree St.
Atlanta, GA 30309
(404) 810-4867
(404) 810-7076 - FAX

July 2, 1996

Ruth McHargue
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0876

RE: Killearn Brokers Realty, Inc.
1302361

Dear Ms. McHargue:

The attached letter was sent to Killearn Brokers to explain the results of our investigation.

Please call me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Sandy Hinton".

Sandy Hinton



Customer Service and Support Center
Specialized Markets

So. Plainfield, NJ 07080
1 800 251-0108
FAX: 908 688-3464

June 27, 1998

Thank you for your recent inquiry regarding the "Periodic True-Up Charges" that appeared on your telephone bill. AT&T realizes that this charge may come as a surprise. Please allow us a moment to explain the entire situation to you.

AT&T's records reflect that you are a customer of Combined Companies, Inc (CCI) and not a direct customer of AT&T. Companies like CCI routinely purchase service from AT&T, and other carriers, at volume discounts which they then resell to businesses like yours under terms and prices with which AT&T is not familiar. In other words, CCI is a customer of AT&T, while your company is a customer of CCI (or of an intermediate reseller to which CCI may provide service)

AT&T files tariffs with the Federal Communications Commission (FCC) that spell out customer requirements and commitments. In the case of the service CCI has purchased from AT&T, CCI is liable for shortfall charges if it does not meet its annual revenue commitment, which is what has happened. (You should know, however, that CCI disputes these charges.)

The tariff provides that shortfall charges should be billed initially on a prorated basis to all locations on CCI's plans. Although AT&T offered to bill CCI directly, CCI declined the suggestion. The shortfall charges were then billed to CCI's customers to comply with the tariff requirement. These charges will soon be transferred to a bill directed to CCI itself. Until CCI pays these charges, the discounts otherwise received under AT&T's tariffs will be applied to offset the shortfall charges. As a result, these discounts likely will not appear on the bills prepared by AT&T, at least for an interim period.

AT&T understands that CCI has issued letters to some of its customers urging them to contact the FCC on this matter by sending a fax to 800-338-0409. Of course, you should feel free to contact whomever you wish about this matter. You should know, however, that the number CCI has furnished is not the FCC's. Instead, it appears this number terminates at a CCI fax machine.

AT&T apologizes for any hardship or inconvenience this episode may have caused for you or your business. If you have any questions about this matter, we suggest you contact your carrier, CCI, directly.

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



DIVISION OF CONSUMER AFFAIRS
BEVERLEE DeMELLO
DIRECTOR
(904) 413
TOLL FR

Exhibit JAT - 1
(Page 16 of 34)

Public Service Commission

FACSIMILE TRANSMITTAL COVER SHEET

DATE: September 20, 1996

TO: Sandy Hinton

OFFICE/BUSINESS: AT&T Communications

FAX NUMBER: (404) 810-7076

FROM: DIVISION OF CONSUMER AFFAIRS

FAX NUMBER: (904) 413-6362 OR 1-800-511-0809

TELEPHONE NUMBER: (904) 413-6100 OR 1-800-342-3552

COMMENTS: _____

NUMBER OF PAGES, INCLUDING THIS COVER SHEET: 5

Combined Companies, Inc.

Exhibit JAT - 1
(Page 17 of 34)

September 11, 1996

Federal Communications Commission
Consumer Protection Branch
Enforcement Division
Common Carrier Bureau
Mail Code 1600A2
Washington, DC 20554

TO WHOM IT MAY CONCERN:

130236I

Re: IC-96-12034

Combined Companies, Inc. (CCI) is in receipt of your inquiry (Notice of Informal Complaint, dated September 3, 1996) regarding certain additional charges, called true-up charges, appearing on Killearn Brokers Realty, Inc's recent AT&T bills for 800 services.

These charges were placed on their bills by AT&T directly. And, as hopefully you have now been advised, these charges are in dispute; as in our opinion, they should have never been posted, to either Killearn Brokers or CCI, in the first place. The charges are not for actual usage provided either Killearn Brokers or CCI. Additionally, we did everything we could do, consistent with our understanding of AT&T procedures, policies, tariffs and agreements to avoid this problem from getting started in the first place. In fact, it would now appear that AT&T itself agrees with CCI's position, as they have subsequently removed the charges from the end-user's bill, and in doing so has classified them as "MisApplied True-Up Charges", see following.

In closing, let me address any question that has been raised regarding how Killearn Brokers came to be associated with CCI, which we understand AT&T has improperly characterized as occurring through "slamming". This, of course, is not the case.

In 1995, and in some cases since 1990, many AT&T customers, like Killearn Brokers, were receiving discounts pursuant to certain AT&T tariffed Customer Specific Term Plans and/or Revenue Volume Pricing Plans. These plans allow customers to obtain discounts which AT&T adds to their normal invoice. Killearn Brokers previous plan holder was Winback and Conserve, Inc.

In early 1995, Winback and Conserve, Inc. and CCI negotiated to effect a transfer through AT&T of Winback's plans, along with others, for the intended purpose of obtaining additional discounts. Although this was a routine practice within the industry, which was available to

Federal Communications Commission
September 11, 1996
Page 2

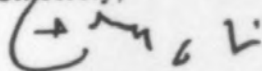
Killearn Brokers and CCI as AT&T customers since 1989, AT&T, not wanting to pay these additional discounts, opposed the transfer.

Thereafter, CCI sued AT&T and was successful in obtaining two preliminary injunctions by the United States District Court, District of New Jersey. These injunctions required AT&T to move the plan(s) and the traffic as CCI had requested. This transfer would not have any adverse effect on Killearn Brokers as an ultimate consumer, and they would have continued to receive AT&T service, AT&T billing, and all discounts (plus additional discounts) which had previously been made available to them. AT&T appealed the judge's ruling, and the matter is now presently before the commission through our Declaratory Judgment filings.

Because of the pending litigation, and therefore lack of closure on the transfers, Killearn Brokers has not been a company with whom CCI has had any relationship. However, contrary to what AT&T may have indicated, neither CCI, nor any court order has instituted any change in the relationship they previously had with AT&T. Any unfortunate difficulties that they might be experiencing, such as AT&T's refusal to grant credit's it owes, its denials that Killearn Brokers is an AT&T customer, and any other similar actions are not the result of any positions or actions taken by CCI. These are unilateral positions taken by AT&T itself, and are an unfortunate litigation tactic employed by AT&T to unfairly prejudice CCI in connection with its lawsuit.

Finally, although CCI does not have specific agreements with Killearn Brokers, especially since we only acquired AT&T term plan(s) to which they were already subscribed, we will continue to press our efforts to have this issue resolved to both parties mutual benefit, and will keep you advised of any results.

Sincerely,



Larry G. Shipp
President

/LGS

cc: Killearn Brokers Realty, Inc.
Florida Public Service Commission

Summary of Charges

BILLING INQUIRIES
TO PLACE AN ORDER
SERVICE FEES

CALL - 1 800 691-1131
CALL - 1 800 222-0400
CALL - 1 800 999-8000

Exhibit JAT - 1
(Page 19 of 34)

Account Number	Customer 800 Number(s)	Bill Date	Payment Due
131 015-0245 106	800 837-2258	Aug 10, 1986	Sep 4, 1986

Charges	Amount	Subtotal
MONTHLY SERVICE - AUG 10 Thru SEP 9 AT&T 800 READYLINE	20.00	20.00
AT&T TERM PLAN / PRICING PLAN ACTIVITY AT&T 800 READYLINE Domestic 20.00% CSTP II Option B Pricing Plan Applied to 0 0.00	0.00	0.00
TAXES ON TOTAL CURRENT CHARGES Federal Tax NY GRS RCPT TX SURCH 3.62%	0.62 14.99CR	14.37CR
CALLS DIRECTED TO: 212 736-9600		
DOMESTIC USAGE		0.00
OTHER CHARGES AND CREDITS		
SERVICES BILLED FROM 131-015-0245-106 SERVICE ORDER NO: 00006647 1. CREDIT FOR MISAPPLIED TERM PLAN PERIODIC TRUE UP CHARGE TOTAL OTHER CHARGES AND CREDITS (EXCL TAX)	455.96CR	455.96CR
TOTAL CURRENT CHARGES		455.96CR

SEE NEXT PAGE

June 21, 1996



Florida Public Service Commission
Consumer Complaint Department
Capital Circle Office Center Blvd.
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

To Whom It May Concern:

Killearn Brokers Realty, Inc. would like to enter a complaint against the following two companies:

Combined Companies, Inc.
7061 W. Commercial Blvd.
Suite 5K
Tamarac, FL 33319
1-800-245-1826

AT&T
P. O. Box 27-680
Kansas City, MO 64180-0680

We have a 1-800 number that we use for our business (1-800-527-6661), which we obtained through AT&T. We have always believed that our service was with AT&T. At some point and apparently without our knowledge, our service was switched to Combined Companies, Inc. which AT&T personnel say are their customer. They called CCI a reseller or an aggregator. AT&T further said that they had contracted with CCI to do their billing. We had no idea that our service was with someone other than AT&T, as all of our bills have come to us on AT&T billing forms with AT&T logo. No where on the invoice does it denote the company Combined Companies, Inc. (See attached billing form.)

When we obtained our 1-800 number, we believed that we would be charged a monthly service charge of \$20.00, so much per minute for each call received, plus appropriate taxes. At no time did we ever believe that we could be charged any other charges on this bill. This month we were billed an additional "True Up Charge" of \$3,959.03. We have talked with AT&T, who say they are not responsible for placing the charge on the bill and tell us to call Combined Companies, Inc.,

Page 2

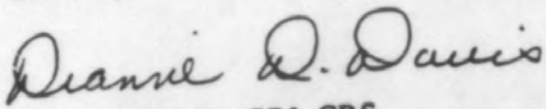
and Combined Companies, Inc., who say that AT&T is responsible and advises us to file a complaint with the FCC. (See the two attached faxes from Combined Companies, Inc.)

There is apparently a dispute between AT&T and Combined Companies, Inc. concerning a shortfall on Combined Companies, Inc.'s contract with AT&T. I am appalled that these companies have let their business dealings get so out of hand, and that they are trying to discredit each other and pass on their apparent losses to the consumer.

We would like you to know that we are disputing these charges with the two companies and do not intend to pay the "AT&T Term Plan Periodic True Up Charge." We are paying the amount of \$79.48, which AT&T says is our actual bill this month. We would like for you to look into this matter for us, and advise us what is going on and how we should handle the matter. We are also filing a complaint with the FCC.

We are totally confused as to what is really going on here, and feel that our 1-800 service has been misrepresented to us.. Your earliest response would be greatly appreciated.

Sincerely,



Dianne D. Davis, GRI, CRS
Broker/Co-Owner

CC: AT&T
Combined Companies, Inc.

Enclosures: AT&T Readyline Invoice
AT&T 800 Readyline Summary of Charges
Letter to Combined Companies, Inc.
Faxed letter from Combined Companies dated June 17, 1996
Faxed letter from Combined Companies dated May 23, 1996

June 21, 1996

AT&T
Customer Service Complaint Department/Business Accounts
P. O. Box 27-680
Kansas City, MO 64180-0680

RE: AT&T 800 Readyline
Account No. 131 026-1233 633
Bill date: June 10, 1996

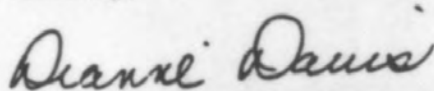
To Whom It May Concern:

We are hereby disputing the charge of \$3959.03 plus the taxes and charges associated with this charge (total \$4349.12) that has appeared on our bill. We are submitting to AT&T, the amount calculated by Loretta Alpouth, Supervisor, AT&T, to be our current bill which is \$79.48. We are not submitting the "True Up Charge." We would appreciate the True Up Charge and related charges being removed from our bill immediately.

Please see the attached letters to Combined Companies, Inc; The FCC; and the Florida Public Service Commission regarding our stand on this matter.

Please notified us as soon as possible that these charges have been removed.

Sincerely,



Dianne D. Davis, GRI, CRS
Broker/Co-Owner

CC: FCC
Florida Public Service Commission
Combined Companies, Inc.

Enclosures: AT&S 800 Readyline Invoice, AT&T 800 Readyline Summary of Charges,
Faxed letters from Combined Companies dated June 17, and May 23, 1996, Copies of letters to
the Florida Public Service Commission and the FCC

June 20, 1996

Combined Companies, Inc.
7061 W. Commercial Blvd.
Suite 5K
Tamarac, FL 33319

RE: AT&T 800 Readyline
Account No. 131 026-1223 633
Bill date: June 10, 1996

To Whom It May Concern:

We are hereby disputing the charge of \$3959.03 plus the taxes and charges associated with this charge (total \$4349.12) that has appeared on our bill.

- 1) We were not aware that our service has changed from AT&T to Combined Companies. This is not indicated anywhere on our current AT&T bill.
- 2) The bill is on an AT&T bill, including the AT&T logo, again leading us to believe that we are being billed by AT&T.
- 3) This charge as well as the billing change appears to be fraud and misrepresentation.
- 4) We have contacted AT&T and followed their instructions to call Combined Companies.
- 5) We followed Combined Companies phone instructions and received two faxed letters that are attached as a part of this complaint.
- 6) We frequently receive calls from people that offer good deals and guarantee that we will still be with AT&T, which may have been the case with Combined Companies. We have no way of knowing if these companies are part of the AT&T Corporation, and feel this type of solicitation should be more closely regulated.
- 7) We pay our bills directly to AT&T.

AT&T 800 READYLINE®



Exhibit JAT - 1
(Page 24 of 34)

BILLING INQUIRIES
TO PLACE AN ORDER
SERVICE PROBLEMS

CALL - 1 800 691-1131
CALL - 1 800 222-9400
CALL - 1 800 222-3000

Invoice

Account Number	Customer 800 Number(s)	Bill Date	Payment Due
131 026-1223 633	800 527-6661	Jun 10, 1996	Jul 4, 1996

Total Amount of Last Bill	111.37	
Payments Applied Through JUN 10	111.37	CREDIT
Balance	0.00	
Current Charges	4,428.60	
AMOUNT DUE		\$ 4,428.60

THANK YOU FOR YOUR PROMPT PAYMENT

REMITTANCE SECTION. PLEASE TEAR AT PERFORATION AND MAIL PAYMENT.
PLEASE MAKE SURE THAT AT&T P.O. BOX ADDRESS IS SHOWING THROUGH THE ENVELOPE WINDOW.

To ensure proper credit, please detach this portion and return with remittance.

Remittance Document

004124 3 FN .780 RS 3000229

KILLEARN BROKERS
REALTY
3646 SHAMROCK W
TALLAHASSEE FL 32308-2642



Account Number: 131 026-1223 633

Bill Date: Jun 10, 1996

Address Correction:

(check-box)
Print new address
on reverse of form.

Please make checks payable to:

|||||
AT&T
P.O. BOX 27-680
KANSAS CITY, MO 64180-0680

Amount Due: \$ 4,428.60

Amount Enclosed:

13102612236332424000000442860000044286000000000009



BILLING INQUIRIES
TO PLACE AN ORDER
SERVICE PROBLEMS

CALL - 1 800 691-1131
CALL - 1 800 222-0400
CALL - 1 800 222-3000

Summary of Charges

Account Number	Customer 800 Number(s)	Bill Date	Payment Due
131 026-1223 633	800 527-6661	Jun 10, 1996	Jul 4, 1996

Charges	Amount	Subtotal
MONTHLY SERVICE - JUN 10 Thru JUL 9 AT&T 800 READYLINE®	20.00	20.00
AT&T TERM PLAN / PRICING PLAN ACTIVITY AT&T 800 READYLINE Domestic 20.00% CSTP II Option B Pricing Plan Applied to 0 66.02	13.21CR	13.21CR
TAXES ON TOTAL CURRENT CHARGES Federal Tax 2.23 State Tax - FL 289.46 Local Tax - FL 1.86 FL GRS RCPT TX SURCH 2.56% 63.54 FL INTRASTATE GR RCT SURCH 39.67		396.76
CALLS DIRECTED TO: 904 893-6100		
DOMESTIC USAGE In-state usage 19.90 In-state Local Toll usage 6.00 Out-of-state usage 40.12		66.02
OTHER CHARGES AND CREDITS		
1. AT&T TERM PLAN PERIODIC TRUE UP CHARGE TOTAL OTHER CHARGES AND CREDITS (EXCL TAX)	3,959.03	3,959.03
<i>ATTN K. Taylor 1-800-245-1826</i>		
TOTAL CURRENT CHARGES		4,428.68

Mr. Bobie Truck

Exhibit JAT - 1
(Page 26 of 34)

June 17, 1996

Combined Companies, Inc.

- We have been receiving inquiries from customers about additional charges, called true up charges, appearing on their most recent AT&T bills for 800 services. These charges are being placed on your bills by AT&T directly. We have no control over AT&T's billing procedures and are not at fault for these charges being placed on your bill.

If AT&T has told you we are at fault, they are misleading you. We did attempt to stop AT&T when we informed them, in writing, several weeks ago, that they should not bill for True Up Charges and that doing so was improper.

If you are handling these AT&T invoices for the first time for your company or simply haven't scanned your previous AT&T 800 service billings, please refer to the "Summary of Charges" page of your AT&T invoice. You will note an entry - "CSTP II Option B Pricing Plan." Pursuant to policies adopted by the Federal Communications Commission, Washington D.C., our company administers the plan by which your company receives substantial additional discounts on its 800 charges. AT&T does not want smaller end-users such as your company getting these additional discounts.

We have demonstrated to the satisfaction of the U.S. District Court for New Jersey that AT&T's conduct has violated federal law in regard to our company's efforts to obtain even larger discounts (e.g. 28%) for companies like yours. The U.S. Court of Appeals for the 3rd Circuit has told us to get a ruling from the FCC as well. We are in the process of doing so, but in the meantime, AT&T continues its relentless attack on our continued existence. The billing you have received and AT&T's placing blame for it on us is part of that attack.

AT&T will continue to pressure you in its efforts to have you become angry with us. We have been to the FCC and are working with its staff on the proper procedures to obtain a rapid clarification of the matters that affect what AT&T is doing. So WE WANT YOU TO CONTACT THE FCC. Please tell them how you have been billed by AT&T and what you've been told by AT&T about that billing. ASK THE FCC TO ACT IMMEDIATELY. FAX YOUR LETTER ADDRESSED TO THE FCC TO FAX NUMBER 800-338-0409 and we will collect as many as come in and DELIVER THEM TO THE FCC personnel with whom we are dealing.

WE HAVE BEEN ATTEMPTING SINCE JANUARY, 1995 TO GET YOUR COMPANY THE 28% LARGER DISCOUNT WE BELIEVE ITS ENTITLED TO AND CONTINUE TO MAKE THAT EFFORT. HELP YOURSELF BY DEMANDING ACTION BY THE FCC. SEND YOUR LETTERS TODAY.

Combined Companies, Inc.

May 23, 1996

Ms. Andrea Anton
AT&T
4450 Rosewood Drive
Room 5388
Pleasanton, CA 94583

Delivered Via Facsimile

Dear Andrea,

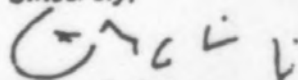
First, thank you for returning my call, and as well, giving me a "heads-up" on what AT&T is planning to do with regard to Combined Companies, Inc.'s (CCI) supposed shortfall on its CSTP II plans(s) (Nos. 2829, and 3124).

As I mentioned to you today, and previously advised you via letter on April 25, 1996 (copy enclosed), CCI was entitled, under its agreements, and the tariffs governing those agreements, to restructure its plans - which it did in a timely and appropriate manner. Therefore, pursuant to AT&T's on tariffs, THERE IS NO SHORTFALL ASSOCIATED WITH THE PLANS IN QUESTION. I have, also, addressed this very issue in a letter to Mr. Carl Williams, AT&T District Manager, on May 17, 1996.

Please be advised that CCI views AT&T proposed charge back to CCI, and/or its customers, as a serious mistake; and therefore, if enacted, an intentional and willful breach of AT&T's contractual obligations to CCI. I therefore urge AT&T to investigate this issue further, prior to taking this highly inappropriate unilateral action.

In closing, and as mentioned today, CCI has not received its RVPP Reports for any of its other plans (other than 2829) this month. And therefore respectfully advises AT&T that it has not received anything approaching formal notice of any pending shortfall on plan 3124. Also, I am not sure that CCI will have any "input" in the process of how it wants this invalid shortfall "allocated", since CCI absolutely believes it does not owe it! However, I will advise you if we have a position on that issue by Tuesday, May 28, 1996 - which you agreed was OK.

Sincerely,



Larry G. Shipp
President

LGS

Enclosures

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



DIVISION OF CONSUMER AFFAIRS
BEVERLEE DeMELLO
DIRECTOR
(904) 413-6100
TOLL FREE

Exhibit JAT - 1
(Page 28 of 34)

Public Service Commission

June 24, 1996

Ms. Dianne D. Davis
Killearn Brokers Realty, Inc.
3646 Shamrock, West
Tallahassee, FL 32308-2642

Dear Ms. Davis:

Thank you for your recent letter concerning AT&T Communications of the Southern States.

We will look into the matter you outlined, advise the company to contact you to resolve the problem, and require the company to provide the Public Service Commission with a letter outlining its resolution of the matter.

If you have any further questions, I can be reached at 413-6100.

Sincerely,

A handwritten signature in cursive script that reads "Ruth W. McHargue".

Ruth W. McHargue
Senior Consumer Complaint Analyst
Division of Consumer Affairs

RWM:ewe

6/21/96

Combined Companies
7061 W. Commercial Blvd.
Suite 5K
Tamarac, FL 33319

Re: AT&T 800 Readyline
Account 131 026-1223 633
Bill date: June 10, 1996

To Whom it may concern:

We are hereby disputing the charge of \$3959.03 plus the taxes and charges associated with this charge (total \$4349.12) that has appeared on our bill.

- 1) We were not even aware that our service has changed from AT&T to Combined Companies. (this is not indicated anywhere on our current AT&T bill).
- 2) The bill is on an AT&T bill including the AT&T logo, again letting us believe that we are with AT&T.
- 3) We feel that this charge as well as the carrier change is **FRAUD** and **MISREPRESENTATION**.
- 4) We have contacted AT&T and followed their instructions to call Combined Companies.
- 5) We followed Combined Companies phone instructions and received the faxes that are attached as a part of this complaint.
- 6) We constantly have received calls from people that offer good deals and guarantee that we are still with AT&T, which may have been the case. This type solicitation should be regulated and stopped now.
- 7) We pay our bills to AT&T.

8) We are submitting to AT&T, P. O. Box 27-680, Kansas City, MO 64180-0680, our current bill, which was calculated by Loretta Alpouth, Supervisor, AT&T, to be \$79.48. We are not submitting the "True Up Charge"

9) We would appreciate the "True Up Charge" and related charges to be removed from our bill now.

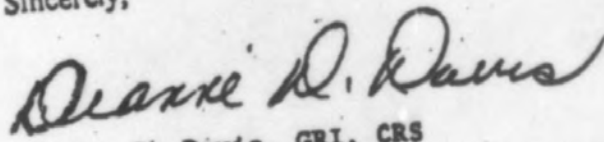
10) We are as of today changing our carrier to AT&T (Even though we were never aware of being with anyone else)

11) We strongly feel that, because of the phone correspondence we have had with AT&T and the enclosed faxes we have received from Combined Companies, we are caught in the middle of a battle that should not even concern us, the consumer. Hopefully the public has protection through the FCC and PSC, to eliminate this type confusion. Hopefully the public has protection through the FCC and PSC, to eliminate this type confusion.

12) A copy of this is being sent to:

- A) FCC
Common Carrier Bureau
Consumer Complaint
Mail Stop 1600 A-2
Washington, DC 20554
- B) Florida Public Service Commission
Tallahassee, FL
- C) AT&T
P. O. Box 27-680
Kansas City, MO 64180-0680

Sincerely,



Dianne D. Davis, GRI, CRS
Broker/Co-Owner
Killearn Brokers Realty, Inc.

- Enclosures:
- AT&T 800 Readyline Invoice
 - AT&T 800 Readyline Summary of Charges
 - Faxed letter from Combined Companies dated June 17, 1996
 - Faxed letter from Combines Companies dated May 23, 1996

AT&T 800 READYLINE



BILLING INQUIRIES
TO PLACE AN ORDER
SERVICE PROBLEMS

CALL - 1 800 691-1111
CALL - 1 800 222-8400
CALL - 1 800 222-8000
Exhibit JAT - 1
(Page 31 of 34)

Invoice

Account Number	Customer 800 Number(s)	Bill Date	Payment Due
131 026-1223 833	800 827-8881	Jun 10, 1996	Jul 4, 1996

Total Amount of Last Bill	111.37	
Payments Applied Through JUN 10	111.37	CREDIT
Balance	0.00	
Current Charges	4,428.60	

AMOUNT DUE

4,428.60

THANK YOU FOR YOUR PROMPT PAYMENT

REMITTANCE SECTION: PLEASE TEAR AT PERFORATION AND MAIL PAYMENT.
PLEASE MAKE SURE THAT AT&T P.O. BOX ADDRESS IS SHOWING THROUGH THE ENVELOPE WINDOW.

To ensure proper credit, please detach this portion and return with remittance.

Remittance Document

004126 3 FN .760 RS 3000229

KILLEARN BROTHERS
REALTY
3646 SHAMROCK W
TALLAHASSEE FL 32308-2642



Account Number: 131 026-1223 833
Bill Date: Jun 10, 1996

Address Correction:
 (check-box)
Print new address
on reverse of form.

Please make checks payable to:
AT&T
P.O. BOX 27-680
KANSAS CITY, MO 64100-0680

Amount Due: 4,428.60
Amount Enclosed:

13102612236332424000000442860000044286000000000007



Exhibit JAT - 1
 (Page 32 of 34)
 BILLING INQUIRIES CALL - 1 800 691-1151
 TO PLACE AN ORDER CALL - 1 800 222-9400
 SERVICE PROBLEMS CALL - 1 800 222-8000

Summary of Charges

Account Number	Customer 800 Number	Bill Date	Payment Due
131 026-1223 633	800 827-8881	Jun 10, 1986	Jul 4, 1986

Charges	Amount	Subtotal
MONTHLY SERVICE - JUN 10 Thru JUL 9 AT&T 800 READYLINE 20.00 AT&T TERM PLAN / PRICING PLAN ACTIVITY AT&T 800 READYLINE Domestic 28.86% CSTP II Option B Pricing Plan Applied to 0 66.02 18.21CR TAXES ON TOTAL CURRENT CHARGES Federal Tax 2.23 State Tax - FL 289.46 Local Tax - FL 1.86 FL GRS RCPT TX SURCH 2.86% 43.84 FL INTRASTATE OR RCT SURCH 29.67 296.76 CALLS DIRECTED TO: 904 893-6100 DOMESTIC USAGE In-state usage 19.90 In-state Local Toll usage 6.00 Out-of-state usage 40.12 66.02 OTHER CHARGES AND CREDITS 1. AT&T TERM PLAN PERIODIC TRUE UP CHARGE 3,959.03 TOTAL OTHER CHARGES AND CREDITS (EXCL TAX) 3,959.03 3,959.03 AT&T Ben Taylor 1-800-245-1826		
TOTAL CURRENT CHARGES		

Mr. Debbie Truch

June 17, 1996

Combined Companies, Inc.

We have been receiving inquiries from customers about additional charges, called true up charges, appearing on their most recent AT&T bills for 800 services. These charges are being placed on your bills by AT&T directly. We have no control over AT&T's billing procedures and are not at fault for these charges being placed on your bill.

If AT&T has told you we are at fault, they are misleading you. We did attempt to stop AT&T when we informed them, in writing, several weeks ago, that they should not bill for True Up Charges and that doing so was improper.

If you are handling these AT&T invoices for the first time for your company or simply haven't scanned your previous AT&T 800 service billings, please refer to the "Summary of Charges" page of your AT&T invoice. You will note an entry - "CSTP II Option B Pricing Plan." Pursuant to policies adopted by the Federal Communications Commission, Washington D.C., our company administers the plan by which your company receives substantial additional discounts on its 800 charges. AT&T does not want smaller end-users such as your company getting these additional discounts.

We have demonstrated to the satisfaction of the U.S. District Court for New Jersey that AT&T's conduct has violated federal law in regard to our company's efforts to obtain even larger discounts (e.g. 28%) for companies like yours. The U.S. Court of Appeals for the 3rd Circuit has told us to get a ruling from the FCC as well. We are in the process of doing so, but in the meantime, AT&T continues its relentless attack on our continued existence. The billing you have received and AT&T's placing blame for it on us is part of that attack.

AT&T will continue to pressure you in its efforts to have you become angry with us. We have been to the FCC and are working with its staff on the proper procedures to obtain a rapid clarification of the matters that affect what AT&T is doing. So WE WANT YOU TO CONTACT THE FCC. Please tell them how you have been billed by AT&T and what you've been told by AT&T about that billing. ASK THE FCC TO ACT IMMEDIATELY. FAX YOUR LETTER ADDRESSED TO THE FCC TO FAX NUMBER 800-338-0409 and we will collect as many as come in and DELIVER THEM TO THE FCC personnel with whom we are dealing.

WE HAVE BEEN ATTEMPTING SINCE JANUARY, 1995 TO GET YOUR COMPANY THE 28% LARGER DISCOUNT WE BELIEVE ITS ENTITLED TO AND CONTINUE TO MAKE THAT EFFORT. HELP YOURSELF BY DEMANDING ACTION BY THE FCC. SEND YOUR LETTERS TODAY.

Combined Companies, Inc.

May 23, 1996

Ms. Andrea Anton
AT&T
4450 Rosewood Drive
Room 5388
Pleasanton, CA 94588

Delivered Via Facsimile

Dear Andrea,

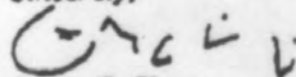
First, thank you for returning my call, and as well, giving me a "heads-up" on what AT&T is planning to do with regard to Combined Companies, Inc.'s (CCI) supposed shortfall on its CSTP II plans(s) (Nos. 2829, and 3124).

As I mentioned to you today, and previously advised you via letter on April 25, 1996 (copy enclosed), CCI was entitled, under its agreements, and the tariffs governing those agreements, to restructure its plans - which it did in a timely and appropriate manner. Therefore, pursuant to AT&T's on tariffs, THERE IS NO SHORTFALL ASSOCIATED WITH THE PLANS IN QUESTION. I have, also, addressed this very issue in a letter to Mr. Carl Williams, AT&T District Manager, on May 17, 1996.

Please be advised that CCI views AT&T proposed charge back to CCI and/or its customers, as a serious mistake; and therefore, if enacted, an intentional and willful breach of AT&T's contractual obligations to CCI. I therefore urge AT&T to investigate this issue further, prior to taking this highly inappropriate unilateral action.

In closing, and as mentioned today, CCI has not received its RYPP Reports for any of its other plans (other than 2829) this month. And therefore respectfully advises AT&T that it has not received anything approaching formal notice of any pending shortfall on plan 3124. Also, I am not sure that CCI will have any "input" in the process of how it wants this invalid shortfall "allocated", since CCI absolutely believes it does not owe it! However, I will advise you if we have a position on that issue by Tuesday, May 28, 1996 - which you agreed was OK.

Sincerely,


Larry G. Shipp
President

/LGS

Enclosures

EXHIBIT NO. JAT - 2

WITNESS: James Alan Taylor

PROFFERED BY: The Florida Public Service Commission

TITLE: Complaint Report of Richard Hagin

Name HAGIN, T. RICHARD
Address GETZEN AND HAGIN, PA
P.O. BOX 248
City/Zip BUSHNELL 33513 County SUM
Account Number _____
Company Contact _____

Company AT&T COMMUNICATIONS OF THE SOUTHERN
Attn. SANDY HINTON 1294091
Consumer's Telephone # (352)-793-2714
Can Be Reached (352)-793-2714
Note _____
Limited Response N

Request No. 1294091
By SAS Time 5:12 PM Date 06/17/96
To CO Time FAX Date 06/18/96
Type B Form Phone
Category n1-09
Infraction _____
Closed by SAS Date 11/15/96
Reply Received L

PLEASE INVESTIGATE THE INFORMATION OUTLINED IN THE ATTACHED CORRESPONDENCE AND PROVIDE ME WITH A DETAILED WRITTEN REPORT INCLUDING APPLICABLE CREDITS AFTER YOUR CONTACT WITH THE CUSTOMER.

07-26 Final report received (The report stated that Mr. Hagin is a customer of Combined Companies, Inc. (CCI)), and the shortfall charges were billed to the customer after CCI declined the offer to be billed directly for the shortfall charges.)
*There is no company under CCI or Combined Companies, Inc.
11-15 I discussed the CCI concerns with Nancy, and she suggested to closeout and send Division of Communications a copy.
11-15 I called Ms. Hinton (AT&T) around 10:15 a.m. to verify if the 800 is interstate, and she said yes.
11-15 Closed (I called Mr. Hagin at 10:23 a.m., and left information on his answering machine. I explained that I had been trying to resolve the problem with AT&T without results. However, AT&T is referring the customer to contact CCI, and I was told that the 800 number is an interstate number. Interstate problems fall under the authority of the Federal Communications Commission, and I provided the toll free number 1/888-225-5322. I also explained that I will provide a copy of the information to our Division of Communications, and I left my telephone number for him to call if he has any questions.)

CONSUMER REQUEST

FLORIDA PUBLIC SERVICE COMMISSION

2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL. 32399-0850
904-413-6100

PLEASE RETURN THIS FORM WITH REPORT OF ACTION

Shirley Stokes

DUE: 07/03/96

Exhibit JAT 1 - 2
(Page 1 of 10)



Sandy Hinton
Staff Associate
Law and Government Affairs

Room 8081, Promenade I
1200 Peachtree St
Atlanta, GA 30309
(404) 810-4867
(404) 810-7076 - FAX

July 25, 1996

Shirley Stokes
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0876

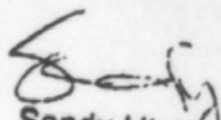
RE: Hagin T., Richard
1294091

Dear Ms. Stokes:

The attached letter was sent to Mr. Hagin to explain the results of our investigation.

Please call me if you have any questions.

Sincerely,


Sandy Hinton



Customer Service and Support Center
Specialized Markets

Room 2B
5000 Hadley Rd
So. Plainfield, NJ 07060
1 800 251-9108
FAX: 908 688-3464

June 27, 1996

Thank you for your recent inquiry regarding the "Periodic True-Up Charges" that appeared on your telephone bill. AT&T realizes that this charge may come as a surprise. Please allow us a moment to explain the entire situation to you.

AT&T's records reflect that you are a customer of Combined Companies, Inc (CCI) and not a direct customer of AT&T. Companies like CCI routinely purchase service from AT&T, and other carriers, at volume discounts which they then resell to businesses like yours under terms and prices with which AT&T is not familiar. In other words, CCI is a customer of AT&T, while your company is a customer of CCI (or of an intermediate reseller to which CCI may provide service).

AT&T files tariffs with the Federal Communications Commission (FCC) that spell out customer requirements and commitments. In the case of the service CCI has purchased from AT&T, CCI is liable for shortfall charges if it does not meet its annual revenue commitment, which is what has happened. (You should know, however, that CCI disputes these charges.)

The tariff provides that shortfall charges should be billed initially on a prorated basis to all locations on CCI's plans. Although AT&T offered to bill CCI directly, CCI declined the suggestion. The shortfall charges were then billed to CCI's customers to comply with the tariff requirement. These charges will soon be transferred to a bill directed to CCI itself. Until CCI pays these charges, the discounts otherwise received under AT&T's tariffs will be applied to offset the shortfall charges. As a result, these discounts likely will not appear on the bills prepared by AT&T, at least for an interim period.

AT&T understands that CCI has issued letters to some of its customers urging them to contact the FCC on this matter by sending a fax to 800-338-0409. Of course, you should feel free to contact whomever you wish about this matter. You should know, however, that the number CCI has furnished is not the FCC's. Instead, it appears this number terminates at a CCI fax machine.

AT&T apologizes for any hardship or inconvenience this episode may have caused for you or your business. If you have any questions about this matter, we suggest you contact your carrier, CCI, directly.

CCI's address is 7081 West Commercial Boulevard, Suite 5K, Tampa, Florida 33318. The telephone number is 305-728-2684, and the fax number is 305-728-2707.

State of Florida

Commissioners:
SU'SAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA



DIVISION OF CONSUMER AFFAIRS
BEVERLEE DeWITT
DIRECTOR
(904) 413-6100
TOLL FREE 1-800-342-3552

Exhibit JAT - 2
(Page 4 of 10)

Public Service Commission

June 18, 1996

Mr. T. Richard Hagin
Getzen and Hagin, PA
P. O. Box 248
Bushnell, Florida 33513

Dear Mr. Hagin:

Thank you for your recent letter concerning AT&T Communications of the Southern States.

We will look into the matter you outlined, advise the company to contact you to resolve the problem, and require the company to provide the Public Service Commission with a letter outlining its resolution of the matter.

If you have any further questions, I can be reached at 1-800-342-3552.

Sincerely,

A handwritten signature in cursive script that reads "Shirley A. Stokes".

Shirley A. Stokes
Senior Consumer Complaint Analyst
Division of Consumer Affairs

SAS:ewe

T. RICHARD HAGIN
LAWYER
PHONE: 352-793-2714
FAX: 352-793-8114

129409I
AT&T

FAX

TO: FLORIDA PUBLIC SERVICE COMMISSION	FROM: T. RICHARD HAGIN
COMPANY FLA Public Serv. Comm	DATE: June 17, 1996
FAX NUMBER: 800-511-0809	TOTAL NO. OF PAGES INCLUDING COVER 6
PHONE NUMBER: 800-342-3552	SENDER'S REFERENCE NUMBER
BT AT & T "TRUE UP CHARGES"	YOUR REFERENCE NUMBER: AT & T ACCOUNT #131-105-2546-974

- URGENT
 FOR REVIEW
 PLEASE COMMENT
 PLEASE REPLY
 PLEASE RECYCLE

NOTES/COMMENTS:

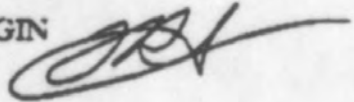
Gentlemen

I received a bill from AT & T for \$1878.04 today for "true up charges" I have never heard of these charges and never agreed to pay any such charges.

I contacted AT & T and they told me it was a charge from 800 Discount Reseller Services a/k/a Combined Companies, Inc. When I contacted 800 Discount they said these were improper charges by AT & T and that I was not responsible for these charges.

I attach a fax from Combined Companies, Inc., explaining the matter and my letter to the FCC., along with my phone bill for the above account 131-105-2546-974 (800-835-4878)

I would appreciate the Florida Public Service Commission looking into this unconscionable action against the Florida consumers.

T. RICHARD HAGIN 

P. O. BOX 248
BUSHNELL, FLORIDA 33513-0248

LAW OFFICES OF
GETZEN AND HAGIN, P.A.

132 BUSHNELL PLAZA
POST OFFICE BOX 248
BUSHNELL, FLORIDA 33513-0248

352.793.2714
OR
800.835.4878

FAX 352.793.8114

FILE NO. 1-31

June 17, 1996

Exhibit JAT - 2
(Page 6 of 10)

J. C. GETZEN, JR.
(1904 - 1970)
T. RICHARD HAGIN

*Practice Limited to
Personal Injury and Wrongful Death*

FEDERAL COMMUNICATIONS COMMISSION
% Combined Companies, Inc. a/k/a 800 Discount Reseller Service
THIS LETTER IS BEING FAXED JUNE 17, 1996, TO 800-338-0409

Re: Overcharge by AT & T---"Periodic True Up Charge"

Gentlemen:

I received a phone bill from AT & T today for \$1878.04 for an alleged "True Up" Charge. I had never heard of this before and knew that I had never agreed to any such charge so I called AT & T at 800-6911131 on June 17, 1996, at 9:35 A.M. and spoke to Gloria.

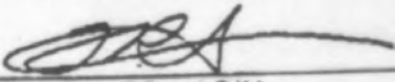
Gloria, customer services rep for AT & T told me that I would have to call 800 Discount Reseller Services since I had a contract with them and they (800 Discount) was the one who had imposed the charge and AT & T had nothing to do with it. I told Gloria that I was expecting AT & T to correct this billing and deduct the \$1878.04 from my bill. Gloria got very insulting and aggressive and told me that I would have to call 800 Discount and she gave me an 800 number (800-245-1826) to call as she said that 800 Discount Reseller Service had imposed the charge and they (800 Discount) could explain it to me. I then called 800 Discount and talked to Operator #104 who told me that "You are not responsible for that "true up charge" that is an error by AT & T and you should deduct it from your AT & T bill and pay any other charges and we (800 Discount) will send you a fax today explaining the situation" ---which they did under the name of Combined Companies, Inc.

It appears that the consumer is being victimized and is caught up in a dispute between AT & T and Combined Companies, Inc.

I urge you to immediately direct AT & T and Combined Companies, Inc. to delete these "AT & T Term Plan Periodic True Up Charges" from my AT & T Account #131-105-2546-974.

Sincerely yours,

GETZEN AND HAGIN, P.A.

By: 
T. RICHARD HAGIN

TRH/dhh

JUN 17 1996 11:23AM

WINDOCK&CONSERVE

N: 4589 T. 1/1

Exhibit JAT - 2
(Page 7 of 10)

J. Richard Higgins

June 17, 1996

Combined Companies, Inc.

We have been receiving inquiries from customers about additional charges, called true up charges, appearing on their most recent AT&T bills for 800 services. These charges are being placed on your bills by AT&T directly. We have no control over AT&T's billing procedures and are not at fault for these charges being placed on your bill.

If AT&T has told you we are at fault, they are misleading you. We did attempt to stop AT&T when we informed them, in writing, several weeks ago, that they should not bill for True Up Charges and that doing so was improper.

If you are handling these AT&T invoices for the first time for your company or simply haven't scanned your previous AT&T 800 service billings, please refer to the "Summary of Charges" page of your AT&T invoice. You will note an entry - "CSTP II Option B Pricing Plan." Pursuant to policies adopted by the Federal Communications Commission, Washington, D.C., our company administers the plan by which your company receives substantial additional discounts on its 800 charges. AT&T does not want smaller end-users such as your company getting these additional discounts.

We have demonstrated to the satisfaction of the U.S. District Court for New Jersey that AT&T's conduct has violated federal law in regard to our company's efforts to obtain even larger discounts (e.g. 28%) for companies like yours. The U.S. Court of Appeals for the 3rd Circuit has told us to get a ruling from the FCC as well. We are in the process of doing so, but in the meantime, AT&T continues its relentless attack on our continued existence. The billing you have received and AT&T's placing blame for it on us is part of that attack.

AT&T will continue to pressure you in its efforts to have you become angry with us. We have been to the FCC and are working with its staff on the proper procedures to obtain a rapid clarification of the matters that affect what AT&T is doing. **SO WE WANT YOU TO CONTACT THE FCC.** Please tell them how you have been billed by AT&T and what you've been told by AT&T about that billing. **ASK THE FCC TO ACT IMMEDIATELY. FAX YOUR LETTER ADDRESSED TO THE FCC TO FAX NUMBER 800-338-0409 and we will collect as many as come in and DELIVER THEM TO THE FCC personnel with whom we are dealing.**

WE HAVE BEEN ATTEMPTING SINCE JANUARY, 1995 TO GET YOUR COMPANY THE 28% LARGER DISCOUNT WE BELIEVE ITS ENTITLED TO AND CONTINUE TO MAKE THAT EFFORT. HELP YOURSELF BY DEMANDING ACTION BY THE FCC. SEND YOUR LETTERS TODAY.



Invoice

BILLING INQUIRIES
TO PLACE AN ORDER
SERVICE PROBLEMS

CALL - 1 800 691-1131
CALL - 1 800 222-0400
CALL - 1 800 222-3000

Account Number	Customer 800 Number(s)	Bill Date	Payment Due
131 105-2546 974	800 835-4878	Jun 7, 1996	Jul 1, 1996

Total Amount of Last Bill	56.07	
Payments Applied Through JUN 7	56.07	CREDIT
Balance	0.00	
Current Charges	1,878.04	
AMOUNT DUE		\$ 1,878.04

THANK YOU FOR YOUR PROMPT PAYMENT

Rec 6-17-96

REMITTANCE SECTION. PLEASE TEAR AT PERFORATION AND MAIL PAYMENT.
PLEASE MAKE SURE THAT AT&T P.O. BOX ADDRESS IS SHOWING THROUGH THE ENVELOPE WINDOW.

To ensure proper credit, please detach this portion and return with remittance.

Remittance Document

026008 2 FP .504 RP 2001686

T RICHARD HAGIN
PO B90X 248
BUSHNELL FL 33513



Account Number: 131 105-2546 974

Bill Date: Jun 7, 1996

Address Correction:

Please make checks payable to:



AT&T
P.O. BOX 27-680
KANSAS CITY, MO 64180-0680

Amount Due: \$ 1,878.04

Amount Enclosed:

(check-box)
Print new address
on reverse of form.

131105254697423845000001878040000187804000000000006

AT&T 800 READYLINE®



BILLING INQUIRIES
TO PLACE AN ORDER
SERVICE PROBLEMS

CALL - 1 800 691-1151
CALL - 1 800 222-0400
CALL - 1 800 222-8000

Summary of Charges		Bill Date	Payment Due
Account Number	Customer 800 Number(s)	Jun 7, 1996	Jul 1, 1996
131 105-2546 974	800 835-4878		
Charges		Amount	Subtotal
MONTHLY SERVICE - JUN 7 Thru JUL 6 AT&T 800 READYLINES		20.00	20.00
AT&T TERM PLAN / PRICING PLAN ACTIVITY		0.00	0.00
AT&T 800 READYLINE Domestic 20.00% CSTP II Option B Pricing Plan Applied to 0 0.00		0.00	0.00
AT&T 800 READYLINE Canada 20.00% CSTP II Option B Pricing Plan Applied to 0 0.00		0.62 122.82 51.11 12.66	167.23
TAXES ON TOTAL CURRENT CHARGES			
Federal Tax			0.00
State Tax - FL			0.00
FL GRS RCPT TX SURCH 2.56%			
FL INTRASTATE GR RCT SURCH			
CALLS DIRECTED TO: 352 793-2714			
DOMESTIC USAGE			
INTERNATIONAL USAGE			
OTHER CHARGES AND CREDITS		1,690.81	1,690.81
1. AT&T TERM PLAN PERIODIC TRUE UP CHARGE			
TOTAL OTHER CHARGES AND CREDITS (EXCL TAX)			
TOTAL CURRENT CHARGES			1,878.64

SEE NEXT PAGE



Account Number	Bill Date	Payment Due Date
131 105-2546 974	JUN 07 1996	JUL 01 1996

Exhibit JAT - 2
(Page 10 of 10)

Summary Of AT&T Usage By 800 Number

SUMMARY OF AT&T 800 READYLINE NUMBERS TO FL FOR PERIOD ENDING 06/06
SLBACCOUNT 131 105-2546 974 ROUTING ARRANGEMENT 352 793-2714

800 NUMBERS	NUMBER OF COMPLETED CALLS	TIME CHARGED	GROSS USAGE CHARGE	TOTAL DISCOUNTS	NET USAGE CHARGE
800 835-4878					
INTERSTATE	0	0:00:00	0 0.00	0 0.00	0 0.00
INTRASTATE	0	0:00:00	0 0.00	0 0.00	0 0.00
CANADA	0	0:00:00	0 0.00	0 0.00	0 0.00
TOTAL	0	0:00:00	0 0.00	0 0.00	0 0.00
SUBTOTAL:			0 0.00	0 0.00	0 0.00

EXHIBIT NO. JAT - 3

WITNESS: James Alan Taylor

PROFFERED BY: The Florida Public Service Commission

TITLE: Letter to AT&T Requesting Information.

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



DIVISION OF COMMUNICATIONS
WALTER D'HAESELEER
DIRECTOR
(904) 413-6600

Public Service Commission

July 1, 1996

Ms. Doris Franklin
AT&T of the Southern States
101 North Monroe Street, Suite 700
Tallahassee, Florida 32301-1549

Dear Ms. Franklin:

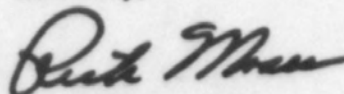
Attached are two complaints recently received by the Commission. Each complainant claims AT&T as their carrier but asserts AT&T has inappropriately billed them a substantial surcharge. Please therefore respond to the following questions by July 16, 1996.

1. Does AT&T provide AT&T 800 Readyline service to these customers? If yes, provide a tariff cite for the AT&T Term Plan Periodic True Up Charge assessed each customer and specify whether any portion of the true up relates to intrastate service. Also provide documentation that each subscriber requested the service. If no, identify AT&T's customer(s) and specify why complainants should be responsible for the true up charges.
2. Please explain why AT&T should not be held fully responsible for each bill since AT&T is the only carrier identified on the bill and the billing inquiry number, the ordering number and the service number all answer AT&T.
3. If AT&T believes an uncertificated intermediary claims these customers, please explain why AT&T is not in violation of Rule 25-24.4701 which prohibits the resale of regulated services by uncertificated entities.
4. Please provide any additional information pertinent to these complaints and specify what, if any, action AT&T will take in response to these complaints.

Ms. Doris Franklin
July 1, 1996
Page 2

Feel free to contact me if you have any questions.

Sincerely,



Rick Moses
Engineer Supervisor
Bureau of Service Evaluation

Attachments: Complaints
Record 1825

EXHIBIT NO. JAT - 4

WITNESS: James Alan Taylor

PROFFERED BY: The Florida Public Service Commission

TITLE: AT&T's Response to Staff's Request for Information



Doris Franklin
Manager-Regulatory Affairs

Suite 700
101 N. Monroe Street
Tallahassee, FL 32301
904 425-6349

July 26, 1996

Mr. Rick Moses
Division of Communications
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Dear Mr. Moses:

Re: Combined Companies, Inc.

This is in response to your July 1, 1996, letter regarding complaints received from Killearn Brokers Realty, Inc. and Road Runner Travel Resort. AT&T's records reflect that these companies are customers of Combined Companies, Inc. (CCI) and not customers of AT&T. As you know, companies like CCI routinely purchase service from AT&T and other facilities-based carriers at volume discounts, and utilize the networks of such carriers to, in turn, provide service to their own customers under terms and prices which they set by tariff or otherwise. In other words, CCI is a customer of AT&T, and Killearn Brokers Realty and Road Runner Travel Resort are customers of CCI.

AT&T files tariffs with the Federal Communications Commission (FCC) that spell out customer requirements and commitments. (A copy of the pertinent tariff page from Tariff F.C.C. No. 2 is enclosed.) Pursuant to the tariff provisions which apply to the 800 service that CCI purchases from AT&T, CCI directs AT&T to forward bills directly to the locations on its plans. Also pursuant to the tariff, CCI is liable to AT&T for shortfall charges if it does not meet a certain revenue commitment each year. The charges referred to in your letter are shortfall charges billed because the annual revenue commitment was not met. The tariff provides that such shortfall

Mr. Rick Moses
July 26, 1996
Page two

Exhibit JAT - 4
(Page 2 of 3)

charges are to be billed initially to all of the locations on a customer's plan on a prorated basis. This is precisely what was done, resulting in the charges on the bills of Killearn Brokers Realty, Inc. and Road Runner Travel Resort. Ultimately, however, it is CCI (as AT&T's customer) which is liable to AT&T for payment of these charges. These charges will soon be transferred to a bill directed to CCI itself. Until CCI pays these charges, the discounts otherwise received under AT&T's tariffs will be applied to offset the shortfall charges. As a result, these discounts likely will not appear on the bills prepared by AT&T, at least for an interim period.

Rule 25-24.4701, Florida Administrative Code, specifically requires "each certificated carrier" to place certain language in its intrastate tariff. Such language must state that "customers reselling or rebilling such services must have a Certificate of Public Convenience and Necessity as an interexchange carrier from the Florida Public Service Commission." AT&T Communications of the Southern States, Inc. has complied with that requirement. The language required by the rule is contained in AT&T's intrastate tariffs, and has been included in such tariffs for some time. Additionally, AT&T has procedures to notify potential reseller customers of this requirement.

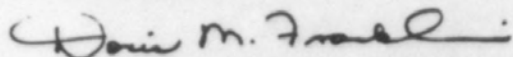
Also, the above referenced rule requires "each certificated interexchange company" to implement procedures to "identify and report those customers whom it believes are reselling or rebilling interexchange telecommunications service on an intrastate basis in Florida." Additionally, that subsection provides that "each certificated interexchange company" will provide a list of such customers' names and addresses to the Commission within thirty days of a written request by the Staff. AT&T Communications of the Southern States, Inc., which is the certificated carrier providing interexchange telecommunications services in Florida, has provided such a list in the past and stands ready to do so in the future.

One of the documents included with your July 1 letter was a letter dated June 17 which CCI apparently sent to many of its customers regarding the shortfall charges on their bills. This letter contained many false statements, and in order to set the record straight AT&T found it necessary to send its own letter (dated June 27, copy enclosed) to end users inquiring about these charges. The letter not only explains the charges, but also the relationship between AT&T, CCI, and end users.

Mr. Rick Moses
July 27, 1996
Page three

Hopefully, this responds to your concerns regarding this matter. Please call me if you have any additional questions.

Yours very truly,



Doris M. Franklin

Enclosures

EXHIBIT NO. JAT - 5

WITNESS: James Alan Taylor

PROFFERED BY: The Florida Public Service Commission

TITLE: Staff's August 1, 1996 letter to CCI

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



DIVISION OF COMMUNICATIONS
WALTER D'HAESELEER
DIRECTOR Exhibit JAT - 5
(904) 413-6600 (Page 1 of 4)

Public Service Commission

August 1, 1996

Mr. Larry G. Shipp
President
Combined Companies, Inc.
7061 West Commerical Blvd., Suite 5K
Tamarac, FL 33319

Certified

Dear Mr. Shipp:

I am enclosing a copy of two complaints the Commission received concerning your company, along with AT&T's response. Rule 25-24.470 (1), Florida Administrative Code, states, in pertinent part, "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 service be collected, until the effective date of a certificate, if granted."

Based on this, it appears Combined Companies, Inc., is in violation of the above rule. Please remove all charges from both customers' billings and provide a full report by August 16, 1996.

It appears you may be providing one or more of the following interexchange telecommunication services (IXC):

- (FBC) **Facilities based carrier** - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
- (OSP) **Operator Service Provider** - company provides or plans to provide alternative operator services for pay phone, hospital, hospitality industry, public lodging or confinement facility locations; or clearinghouse services to bill such calls.

- (RES) **Reseller** - company has or plans to have one or more switches but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- (SWR) **Switchless rebiller** - company has no switch or transmission facilities but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount but generally below the rate end users would pay for unaggregated traffic.
- (MLDA) **Multi-Location discount aggregator** - any person or entity that contracts with unaffiliated entities to aggregate traffic to obtain discounts from any interexchange company.

First, without a Certificate of Public Convenience and Necessity from this Commission to operate as an interexchange telecommunication company, Combined Companies, Inc. cannot charge or collect any type of upfront fees (connection or sign up fees); nor can Combined Companies, Inc. hold itself out as a provider of telecommunications services; nor can Combined Companies, Inc. bill in its name for any intrastate telecommunication services. This includes the multi-location discount aggregator plans offered by certain underlying carriers, such as AT&T.

If Combined Companies, Inc. contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers, such as AT&T, Combined Companies, Inc. would need to be certificated in Florida, to meet the directives as stated in Commission Rule 25-24.470(2), F.A.C., Certificate of Public Convenience and Necessity Required.

It is recognized that the customer may receive all billing from the MLDA, or billing may continue from the primary IXC, or the MLDA may submit a separate bill for a share of the customer's savings from the discounted rate. However, the MLDA's use of a discount rebate schedule, which allows it to keep a portion of the volume discount acquired from the

Mr. Larry Shipp
Page 3
August 1, 1996

Exhibit JAT - 5
(Page 3 of 4)

IXC, constitutes an indirect payment to the MLDA from the customer. Further, the largest carriers such as AT&T, Sprint, and MCI consider the end user subscribers to be joint customers of the IXC and the MLDA.

Second, registration with the Secretary of State, Division of Corporations to conduct business in Florida is required. You may contact them at (904) 487-6051 for further information on registration/qualification.

Third, any deposits taken from other companies for telecommunications services in Florida should be refunded.

Fourth, since Combined Companies, Inc. is not certificated to conduct intrastate telecommunication service in Florida, Combined Companies, Inc. cannot bill or collect for any intrastate telecommunication services performed in Florida. Therefore, please complete the enclosed application and return by **September 3, 1996**.

Failure to respond in a timely manner may result in legal action. Further, if it is ultimately determined that Combined Companies, Inc. has violated either Sections 364.33 and 364.335, Florida Statutes or Rule 25-24.470, Certificate of Public Convenience and Necessity Required, Florida Administrative Code, it could be subject to a fine of up to \$25,000.00 for each offense pursuant to Section 364.285, Penalties, Florida Statutes, for every day it was in violation.

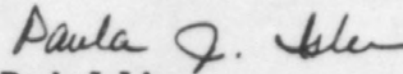
Further, if you fail to respond to this letter and it is determined that Rule 25-24.4701 (3), Provision of Regulated Telecommunications Service to Uncertificated Resellers Prohibited, Florida Administrative Code, has been violated, a recommendation will be made to the Commission to order all certificated interexchange telecommunication companies in Florida to discontinue providing intrastate telecommunication service to Combined Companies, Inc.

This correspondence represents an interpretation by the staff of the Florida Public Service Commission regarding the statutes and rules which appear to apply to your circumstances. It is provided for your convenience and is not a formal decision by the Commission. Any formal determination of your substantial interests regarding matters within the jurisdiction of this Commission will be made pursuant to the provisions of Chapter 120, Florida Statutes and Chapter 25-22, Florida Administrative Code.

Mr. Larry Shipp
Page 4
August 1, 1996

If you have any questions, I may be reached at (904) 413-6502.

Sincerely,



- Paula J. Isler
Research Assistant
Bureau of Service Evaluation

Enclosures
c: File #2005

EXHIBIT NO. JAT - 6

WITNESS: James Alan Taylor

PROFFERED BY: The Florida Public Service Commission

TITLE: CCI's September 12, 1996 Response to Staff

Combined Companies, Inc.

September 12, 1996

Ms. Paula J. Isler
Research Assistant
Bureau of Service Evaluation
Public Service Commission
2450 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Delivered Via Facsimile and US Mail

Dear Ms. Isler:

As discussed August 19, 1996, please find following our response to your letter of August 1, 1996, regarding two complaints received by your offices from Florida customers, which are directly related to an on-going legal struggle between Combined Companies, Inc. and AT&T.

First, let me address the specific statements and conclusions formed within your letter, that in our opinion, are factually incorrect:

1. Combined Companies, Inc. (CCI) is not "providing intrastate interexchange telephone service" within the state of Florida, or in any other state. Additionally, CCI is not "collecting deposits" or "accepting payment" for any service billed under its name for any end-user in the state of Florida or any other state.
2. Notwithstanding anything AT&T might claim, CCI has taken no steps to alter the relationship between any end-user within any AT&T Term Plans with which we might be associated. For instance, AT&T's statement to certain of these end-users indicating that "you are a customer of Combined Companies, Inc" and "not a direct customer of AT&T", when referring to complaining customers, is simply not true. The relationship that existed, as between the customer and AT&T, prior to this "short-fall" episode is exactly the same as the relationship these customers previously had with AT&T. Which, I suggest could be best categorized as a "customers of convenience" relationship. When its convenient for them to be acknowledged as customers of AT&T (in those times when there are no problems), then they are customers of AT&T. However, if a problem exists (such as now with the disputed issue of short-fall), then they are someone else's customers (such as CCI's).

We know this to be the case since we have been trying since December 1994 to direct AT&T to accept our order to move these very same "customers" to deeper discount plans. But, AT&T has steadfastly and continually refused those orders.

Ms. Paula J. Isler
Florida Public Service Commission
September 12, 1996
Page 2

3. The short-fall charges were placed on end-user bills by AT&T directly. CCI never directed AT&T to place the charges on anyone's bill. And, as you might imagine, these charges are very much in dispute; as in our opinion, they should have never been posted to either CCI, or any other customer in the first place. The charges are not for actual usage provided any customer. And according to a Federal Judge are illusory. However, CCI did everything it could do, consistent without understanding of AT&T's procedures, policies, tariffs and agreements to avoid this problem from getting started in the first place.

4. Since CCI did not invoice, nor did we direct AT&T to invoice, these charges, we are unable to have them removed from customer's billing. However, with no apparent regard at all for the validity of the charges, or the problems that have been caused by them, we understand AT&T itself has removed the charges from customer's bills. This, of course, only further validates our position that this charges were always inappropriate (see AT&T invoice whereby charges are removed and labeled "Misapplied") Hopefully, this action is because they have come to the correct conclusion that the charges were inappropriate in the first place; since their tariff would mandate their collection from the customers it originally invoiced if otherwise.

5. AT&T would have us believe that somehow CCI has the power and influence to direct AT&T to do certain things, that it would otherwise not do. However, I'm confident that this notion, once scrutinized, will be revealed for what it is, as just another attempt by AT&T to avoid meeting its responsibilities to its customers. After all, if one is to believe the letter they sent to the thousand's of customer's, who complained about short-fall charges (which they inappropriately assessed, see AT&T letter dated June 27, 1996), you would conclude that AT&T has nothing to do with them. It's all CCI's fault. Well nothing could be further from the truth.

In closing, let me address how CCI came to be associated with AT&T (and the customers within Florida that are the subject of your most recent letter to our company).

* In late October 1994, CCI entered into discussions with several companies, to acquire their AT&T Term Plans as part of a master plan that would provided additional services, including deeper discounts, to numerous small to medium size AT&T customers. These plans, all held directly with AT&T, had collectively in excess of 15,000 customers, many of whom had been AT&T customers, and within the very same plans, for over five years.

* CCI submitted several orders in December 1994, and again in January 1995, to direct AT&T to transfer several of the plans to CCI. Although AT&T at first initially processed certain of CCI's

09/13/1996 13:52 3057262707

Exhibit JAT - 6
(Page 3 of 3)

Ms. Paula J. Isler
 Florida Public Service Commission
 September 12, 1996
 Page 3

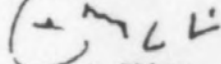
orders, it later declined to process any of the orders and revoked the orders that it had previously processed, thereby requiring CCI to go to court in an attempt to compel the transfer.

Thereafter, CCI was successful in obtaining two preliminary injunctions by the United States District Court, District of New Jersey. These injunctions required AT&T to move the plan(s) and the traffic as CCI had requested. This transfer would have not had any adverse effect on any customer within the plan, as each customer would continue to remain with AT&T and receive AT&T service, AT&T billing, and all discounts (plus additional discounts) which had previously been made available to these customers. AT&T appealed the judge's ruling, and the matter is now presently before the Federal Communications Commission (FCC).

Because of the pending litigation, and therefore lack of closure on the transfers, CCI has not had any contact, or developed any relationship, with any customer within any of these plans. However, and as mentioned earlier, contrary to what AT&T may have indicated, neither CCI, nor any court order has instituted any change in the relationship any customer has had with AT&T. Any unfortunate difficulties that these customers, including our company, are now experiencing, such as AT&T refusal to grant credits, its denials that these customers are even AT&T customers, and any other similar actions are not the result of any positions or actions taken by CCI. These are unilateral positions taken by AT&T itself, and are an unfortunate litigation tactic employed by AT&T to unfairly prejudice CCI in connection with its lawsuit.

Hopefully, this responds to your concerns regarding this matter. However, if additional information is required, please don't hesitate to contact me.

Sincerely,



Larry G. Shipp

/LGS

Enclosure(s)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings against Combined Companies, Inc. for violation of Rules 25-4.118, Interexchange Carrier Selection, and 25-24.470, F.A.C., Certificate of Public Convenience and Necessity Required.

DOCKET NO. 961458-TI

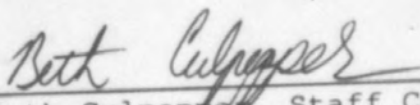
FILED: JULY 1, 1997

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Staff's Exhibit Nos. 1-6 and Testimony of James Alan Taylor in the above referenced docket, has been served via U.S. Mail, on this 1st day of July, 1997 to the following:

Combined Companies, Inc.
Larry Shipp
7061 West Commercial Blvd. #5K
Tamarac, Florida 33319

Jeff Sarrow, Esquire
300 South Pine Island Rd.
Suite 304
Plantation, Florida 33324


Beth Culpepper, Staff Counsel

The Florida Public Service Commission
Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
(904) 413-6199