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FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center • 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

MEMORANDUM

July 24, 1997

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (PRUITT) *np*
DIVISION OF LEGAL SERVICES (K. PENNA) *UP MB*

RE: DOCKET NO. 970672-TI - CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE NO. 3975 ISSUED TO FIRST FEDERATED COMMUNICATIONS SERVICES, INC. FOR VIOLATION OF RULES 25-24.480(2) AND 25-4.0161, FLORIDA ADMINISTRATIVE CODE, RECORDS AND REPORTS; RULES INCORPORATED AND REGULATORY ASSESSMENT FEES

AGENDA: 08/05/97 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\CMU\WP\970672.RCM

CASE BACKGROUND

On April 28, 1995, the Commission granted Interexchange Telecommunications Certificate No. 3975 to First Federated Communications Services, Inc. (First) Mail sent to First on March 28, 1997, was returned to the Division of Records and Reporting marked, "Refused, Return to Sender, Notify Sender of New Address." (Attachment A, page 6) On May 12, 1997, staff sent a certified letter to First at the new address indicated by the Post Office. The company has not responded. (Attachment B, page 7)

On May 30, 1997, Communications staff attempted unsuccessfully to reach First by calling the telephone number listed in the Master Commission Directory. A recording referred staff to a number which

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appeared to be a private home. Directory Assistance had no listing for the company.

On June 3, 1997 Communications staff learned that First had not submitted the 1996 regulatory assessment fee, along with statutory penalties and interest charges.

In this recommendation, staff addresses First's failure to provide this Commission with the information required in Rule 25-24.480, Florida Administrative Code, and to pay the 1996 regulatory assessment fee, with penalties and interest, required in Rule 25-4.0161, Florida Administrative Code.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission impose a \$500 fine or cancel First's Interexchange Telecommunications Certificate No. 3975 for apparent violations of Rule 25-24.480(2), Florida Administrative Code, Records and Reports?

RECOMMENDATION: Yes. The Commission should impose a \$500 fine or cancel the company's certificate if the fine and information required by Rule 25-24.480(2), Florida Administrative Code, are not received by the Commission within 5 business days after the conclusion of the 21 day protest period. The fine should be paid to the Florida Public Service Commission and forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285, Florida Statutes. If the Commission's Order is not protested and the required information and fine are not received Certificate No. 3997 should be canceled. (PRUITT)

STAFF ANALYSIS: Pursuant to Section 364.285, Florida Statutes, the Commission may impose a fine or cancel a certificate if a company refuses to comply with Commission rules. Rule 25-24.474, Florida Administrative Code, establishes the requirements for cancellation of an interexchange telephone company (IXC) certificate. The rule provides for the Commission to cancel a certificate on its own motion for violation of Commission Rules and Orders.

Pursuant to Rule 25-24.480 (2), Florida Administrative Code, each company is allowed 10 days after a change occurs to file

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updated information indicating any changes in the certificate holder's address (including street name and address, post office box, city), telephone number, and any changes in the name and address of the individual who is serving as primary liaison with the Commission. The envelope marked "refused, return to sender" was dated March 28, 1997. It has been well over 10 days and First has not provided staff with its correct mailing address and phone number nor has it requested cancellation of its certificate in compliance with Rule 25-24.474(2), Florida Administrative Code.

In addition, staff has determined that the Office of the Secretary of State revoked the company's authority to operate in Florida as of August 25, 1995, for failure to file its annual report. (Attachment C, page 8)

Therefore, staff recommends that the Commission assess a \$500 fine for failure to comply with the Commission's rules or cancel King's certificate if the fine is not paid and the information is not received within the specified time.

Issue 2: Should the Commission impose a \$500 fine or cancel First's Interexchange Telecommunications Certificate No. 3975 for apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees?

RECOMMENDATION: Yes. The Commission should impose a \$500 fine or cancel the company's certificate if the fine and the regulatory assessment fees, including statutory penalties and interest, are not received by the Commission within 5 business days after the conclusion of the 21 day protest period. The fine should be paid to the Florida Public Service Commission and forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285, Florida Statutes. If the Commission's Order is not protested and the fine and the regulatory assessment fees, including statutory penalties and interest, are not received Certificate No. 3997 should be canceled. (PRUITT)

STAFF ANALYSIS: Rule 25-4.0161, Florida Administrative Code, requires the payment of regulatory assessment fees by January 30 of the subsequent year for telecommunications companies, and provides for penalties and interest as outlined in Section 350.113, Florida Statutes, for any delinquent amounts.

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The Division of Administration sent First a delinquent notice on February 28, 1997, for the 1996 regulatory assessment fee. (Attachment D, page 9) On June 3, 1997, staff of the Division of Communications learned that King had not submitted the 1996 regulatory assessment fee, along with statutory penalties and interest charges. Therefore, the company has failed to comply with Rule 25-4.0161, Florida Administrative Code.

Accordingly, staff recommends that the Commission assess a \$500 fine for failure to comply with Commission rules or cancel Certificate No. 3975 if the fine and the regulatory assessment fees, along with statutory penalties and interest, are not paid within the specified time.

ISSUE 3: Should the Commission order all certificated interexchange companies to discontinue providing interexchange telecommunications service to First pursuant to Rule 25-24.4701(3), Florida Administrative Code, if Certificate No. 3975 is canceled?

RECOMMENDATION: Yes. Pursuant to Rule 25-24.4701(3), Florida Administrative Code, the Commission should order all certificated interexchange companies to discontinue providing interexchange telecommunications service to First if First's certificate is canceled at the conclusion of the protest period for failure to provide the information, submit the delinquent regulatory assessment fees, and pay the fines as required in Issues 1 and 2. The Order should state that any IXC providing service to First must contact the Commission at the conclusion of the protest period as set forth in the Order to determine whether the certificate has been canceled. (PRUITT)

STAFF ANALYSIS: Rule 25-24.4701, Florida Administrative Code, states in part:

(3) The Commission, upon making a determination that a customer of an interexchange company is unlawfully reselling or rebilling intrastate interexchange service may issue an order that directs the customer to cease and desist reselling or rebilling such service and simultaneously directs the interexchange company to discontinue

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providing such service to such customer and/or to cease providing service to such customer at additional locations within Florida, provided that such discontinuance or limitation of service is technically feasible within the context of existing facilities and technology.

If First's certificate is canceled, any intrastate interexchange service offered by First would be in violation of Rule 25-24.4701(3), Florida Administrative Code. Since the Commission cannot readily identify which IXCs provide service to First the Commission should order all certificated IXCs to discontinue service to First if First fails to comply with the terms of the Commission's Order resulting from these recommendations. The Order should state that any IXC providing service to First must contact the Commission at the conclusion of the protest period as set forth in the Order to determine whether the certificate has been canceled.

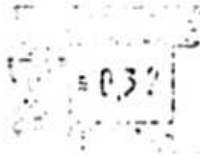
ISSUE 4: Should this docket be closed?

RECOMMENDATION: Yes. If no person whose substantial interests are affected files a protest within 21 days of the issuance date of the Order, the Order will become final. Upon payment of the fines and fees, and receipt of the required information, or cancellation of the certificate, this docket should be closed. (PENA)

STAFF ANALYSIS: If the Commission adopts staff's recommendation in Issues 1 and 2, then First will have 21 days from the issuance date of the Order to file a timely protest to the Commission's Proposed Agency Action. If no protest is filed, the docket should be closed upon payment of the fines and fees and receipt of the required information, or upon cancellation of the certificate.



REASON FOR RETURN
FOE _____
Unclassified _____ Return J
Attempted Not known _____
Incorrect Address _____
No such street _____ number _____
Do not remain in this envelope



11329
First Federated Communications Services, Inc.
6041 South Syracuse Way, Suite 200
Englewood, CO 80111

F1R2041 801117001 1997 04/01/97
NOTIFY SENDER OF NEW ADDRESS
FIRST FEDERATED COMMUNICATIST 19
2200 S XANADU WAY STE 305
AURORA CO 80014-1574

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



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

Public Service Commission

May 12, 1997

CERTIFIED

Carol Mullins, General Counsel
First Federated Communications Services, Inc.
2280 South Xanadu Way, Suite 305
Aurora, CO 80014-1374

Dear Ms. Mullins:

We have received returned mail sent to your company's address on file with this Commission marked, "returned to sender, refused, and notify sender of new address." Rule 25-24.480, Florida Administrative Code, requires each company, 10 days after a change occurs, to file updated information indicating any change in the certificate holder's address, telephone number and any change in the name and address of the individual who is serving as primary liaison with the Commission. From the enclosed, it is apparent that it has been over 10 days and staff has not been provided your company's correct mailing address, phone number or liaison information.

Please submit the correct information as required in Rule 25-24.480 by May 27, 1997. Failure to respond will result in staff pursuing legal action.

If you have any questions you can contact me at (904) 413-6127 or by fax at (904) 413-6128.

Sincerely,

A handwritten signature in dark ink, appearing to read "Nancy Pruitt".

Nancy Pruitt
Research Assistant
Bureau of Service Evaluation

Enclosure
Record#2966

NANCY PRUITT

5/30/97 CORPORATE DETAIL RECORD SCREEN 2:56 PM
NUM: F94000005440 ST:CO INACTIVE/FOREIGN PROF FLD: 10/19/1994
LAST: REVOKED FOR ANNUAL REPORT FLD: 08/25/1995
FEI#: 84-1123958
NAME : FIRST FEDERATED COMMUNICATIONS SERVICES, INC.
PRINCIPAL: 6041 SOUTH SYRACUSE WAY
ADDRESS SUITE 200
ENGLEWOOD, CO 80111
RA NAME : SIMPSON, LARRY D
RA ADDR : 1102 NORTH GADSDEN STREET
TALLAHASSEE, FL 32303 US
ANN REP : * NONE FILED *

5/30/97 OFFICER/DIRECTOR DETAIL SCREEN 2:57 PM
CORP NUMBER: F94000005440 CORP NAME: FIRST FEDERATED COMMUNICATIONS SERVICES,
TITLE: P NAME: HOPKINS, BOB
6041 SOUTH SYRACUSE WAY, STE 200
ENGLEWOOD, CO
TITLE: V NAME: OLSON, HELEN
6041 SOUTH SYRACUSE WAY, STE 200
ENGLEWOOD, CO
TITLE: ST NAME: HOPKINS, KAREN
6041 SOUTH SYRACUSE WAY, STE 200
ENGLEWOOD, CO
TITLE: D NAME: LLEST, JOEL V
6041 SOUTH SYRACUSE WAY, STE 200
ENGLEWOOD, CO
TITLE: D NAME: MOODY, DAVE
6041 SOUTH SYRACUSE WAY, STE 200
ENGLEWOOD, CO

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



STEVE TRIBBLE, DIRECTOR
DIVISION OF ADMINISTRATION
(904) 413-6330

Public Service Commission

TI329

February 28, 1997

First Federated Communications Services, Inc.
6041 South Syracuse Way, Suite 200
Englewood, CO 80111

Delinquent Notice - Interexchange Company

According to the Commission's records, we have not received payment for your 1996 Regulatory Assessment Fee covering the period January 1, through December 31, 1996, which was due on January 30, 1997. If your RAF Filing and payment are not received in this office by March 14, 1997, your certificate may be canceled, and your account may be referred to the Commission's Division of Legal Services for appropriate action.

This is also to advise that pursuant to Florida Law, you shall add interest charges at 12% per annum, and a 5% penalty for each 30-day period or fraction thereof up to a maximum of 25%, in addition to the delinquent amount due. If you have paid your RAF, please provide us with your check number and the date that it was paid.

Should you have any questions, please contact Mr. Charles Byrne at (904) 413-6267.

c: Charles Byrne
Brenda Hawkins

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