

Tallott : *WJL*  
Vandiver: *ASFA PV*

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

MEMORANDUM

October 23, 1997

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9:45  
PSC - Records Reporting

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

FROM: DIVISION OF COMMUNICATIONS (BIEGALSKI) *KB*  
DIVISION OF ADMINISTRATION (LAKE) *KL*  
DIVISION OF LEGAL SERVICES (K. PEÑA) *UP mcb*

RE: DOCKET NO. 970876-TI - CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE NO. 4685 ISSUED TO UNIVERSAL TELECOM, INC. FOR VIOLATION OF RULE 25-4.0161, FLORIDA ADMINISTRATIVE CODE, REGULATORY ASSESSMENT FEES.

AGENDA: 11/04/97 REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:PSC/CMU/WP/970876TI.RCM

CASE BACKGROUND

- Universal Telecom, Inc. (Universal) obtained Florida Public Service Commission Interexchange Telecommunications certificate number 4685 on August 7, 1996.
- On July 14, 1997 a letter was received by the Division of Communications requesting cancellation of Universal's certificate.
- On August 21, 1997, staff mailed a certified letter informing Universal that the request for cancellation could not be granted until the delinquent regulatory assessment fees for 1996, including statutory penalties and interest, were paid.
- On September 19, 1997, Universal contacted staff and stated their intentions to pay the delinquent regulatory assessment fees for 1996, along with the statutory penalties and interest.

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- As of October 3, 1997, the delinquent regulatory assessment fees for 1996, along with statutory penalties and interest, have not been submitted.

#### DISCUSSION OF ISSUES

ISSUE 1: Should the Commission impose a \$500 fine or cancel Universal's Interexchange Telecommunications Certificate No. 4685 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(1), 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 number 4685 should be canceled. (Biegalski)

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.

As of October 3, 1997, Universal had not submitted the regulatory assessment fees for the year 1996, 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 number 4685 if the fine and the regulatory assessment fees, along with statutory penalties and interest, are not paid within the specified time.

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ISSUE 2: Should the Commission order all certificated interexchange companies (IXCs) to discontinue providing interexchange telecommunications service to Universal pursuant to Rule 25-24.4701(3), Florida Administrative Code, if certificate number 4685 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 Universal if Universal's certificate is canceled at the conclusion of the protest period for failure to submit the delinquent regulatory assessment fees, and pay the fines as required in Issue 1. The Order should state that any IXC providing service to Universal 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. (Biegalski)

STAFF ANALYSIS: Rule 25-24.4701(3), 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 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 Universal's certificate is canceled, any intrastate interexchange service offered by Universal would be in violation of Rule 25-24.4701(3), Florida Administrative Code. Since the Commission cannot readily identify which IXC provides service to Universal, the Commission should order all certificated IXCs to discontinue service to Universal if Universal 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 Universal 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.

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ISSUE 3: Should this docket be closed?

RECOMMENDATION: 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, or cancellation of the certificate, this docket should be closed. (K. Peña)

STAFF ANALYSIS: If the Commission adopts staff's recommendation in Issue 1, then Universal 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, or upon cancellation of the certificate.