

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: MARCH 18, 1999

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

FROM: DIVISION OF TELECOMMUNICATIONS (ISLER) *Dij*  
DIVISION OF LEGAL SERVICES (K. PEÑA) *ymf MCP*

RE: DOCKET NO. 981375-TC - CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF PATS CERTIFICATE NO. 5041 ISSUED TO PAY-TEL SERVICES INC., FOR VIOLATION OF RULES 25-4.0161, F.A.C., REGULATORY ASSESSMENT FEES; TELECOMMUNICATIONS COMPANIES, AND 25-4.043, F.A.C., RESPONSE TO COMMISSION STAFF INQUIRIES.

AGENDA: 03/30/99 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\981375.RCM

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RECORDS AND REPORTING

CASE BACKGROUND

Pay-Tel Services Inc. obtained Florida Public Service Commission Pay Telephone Certificate No. 5041 on January 7, 1997.

The Division of Administration mailed the 1997 regulatory assessment fee (RAF) notice by certified mail. The United States Postal Service (USPS) returned the receipt, which showed the RAF notice was signed for and delivered on December 13, 1997.

The Division of Administration advised staff by memorandum that this company had not paid its 1997 RAF, plus the 1997 statutory penalty and interest charges.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Staff mailed the company a letter concerning service evaluation violations on December 18, 1997 and requested a response by January 2, 1998. When the company did not respond by January 9, 1998, a certified letter was mailed, which requested a response by January 26, 1998. The USPS returned the receipt which showed that the letter was signed for and delivered on January 20, 1998.

After the docket was opened, Mr. Luis Alfaro, Vice President, called staff and stated he wanted to keep his certificate, would pay the past due charges, respond to staff's inquiry, and would make a settlement offer. The company proposed to pay future regulatory assessment fees by the due date of each year, respond to staff inquiries on a timely basis, and offered a \$2,500 settlement to resolve this case. Mr. Alfaro proposed to pay \$500 by the first week in April 1999, and the balance to be paid in \$100 monthly installments until paid in full. Therefore, staff believes the following recommendations are appropriate.

#### **DISCUSSION OF ISSUES**

**ISSUE 1:** Should the Commission accept the settlement offer proposed by Pay-Tel Services Inc., to resolve the apparent violations of Rules 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies, and 25-4.043, F.A.C., Response to Commission Staff Inquiries?

**RECOMMENDATION:** Yes. The Commission should accept the company's settlement offer. The first \$500 contribution should be paid by the company by Friday, April 9, 1999, and the remainder should be paid by the company in \$100 installments so that the money is received no later than the last working day of each month until paid. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. (Isler)

**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.

The Division of Administration notified staff by memorandum that the company had not submitted the 1997 regulatory assessment fees, along with the 1997 statutory penalty and interest charges.

Staff mailed the company a letter concerning service evaluation violations on December 18, 1997 and requested a response by January 2, 1998. When the company did not respond by January 9, 1998, a certified letter was mailed, which requested a response by January 26, 1998. The USPS returned the receipt which showed that the letter was signed for and delivered on January 20, 1998.

After the docket was opened, Mr. Luis Alfaro, Vice President, called staff and stated he wanted to keep his certificate, would pay the past due charges, respond to staff's inquiry, and would make a settlement offer. The company proposed to pay future regulatory assessment fees by the due date of each year, respond to staff inquiries on a timely basis, and offered a \$2,500 settlement to resolve this case. Mr. Alfaro proposed to pay \$500 by the first week in April 1999, and the balance to be paid in \$100 monthly installments until paid in full.

Accordingly, staff believes the terms of the settlement agreement as summarized in this recommendation should be accepted. Any contribution should be paid by the company within five business days from the effective date of the Commission Order. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes.

**ISSUE 2:** Should this docket be closed?

**RECOMMENDATION:** No, if the Commission approves staff's recommendation in Issue 1, this docket should remain open pending staff's verification of the installment contribution. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. Staff should be given administrative authority to close the docket upon verification that all installment payments have been made. (K. Peña)

**STAFF ANALYSIS:** If the Commission approves staff's recommendation in Issue 1, this docket should remain open pending staff's verification of the installment contribution. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. Staff should be given administrative authority to close the docket upon verification that all installment payments have been made.