

State of Florida

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850



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RECEIVED-FPSC
AUG -5 AM 10:13
RECORDS AND REPORTING

DATE: AUGUST 5, 1999

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

FROM: DIVISION OF LEGAL SERVICES (C.FORDHAM) *CF*
DIVISION OF COMMUNICATIONS (T.E.JOHNSON) *TEJ*

RE: DOCKET NO. 990818-TC - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST FLORIDA PAY PHONE SYSTEMS, INC. FOR APPARENT VIOLATION OF RULE 25-24.515, F.A.C., PAY TELEPHONE SERVICE

AGENDA: 08/17/99 - REGULAR AGENDA - SHOW CAUSE - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\990818.RCM

CASE BACKGROUND

- January 22, 1999 - Florida Pay Phone Systems, Inc.'s 1998 regulatory assessment fee return reported gross intrastate revenues of \$579,809.57 and 247 pay telephones in operation.
- February 23, 1999 - Staff performed routine service evaluation on pay telephones operated by Florida Pay Phone Systems, Inc. and found the apparent violations as presented in Attachment A. (Page 5)
- March 22, 1999 - Staff received Service Violation Correction Form from Florida Pay Phone Systems, Inc. signifying that all apparent violations were corrected.

DOCUMENT NUMBER-DATE

09296 AUG-5 99

FPSC-RECORDS/REPORTING

DOCKET NO. 990818-PC

DATE: AUGUST 5, 1999

- April 19, 1999 - Staff reevaluated the pay telephone stations and found the same apparent violations as presented in Attachment A.
- April 24, 1999 - Staff opened this docket to investigate whether Florida Pay Phone Systems, Inc. should be required to show cause why it should not be fined or have its certificate canceled.
- July 22, 1999 - Florida Pay Phone Systems, Inc. submitted an offer to settle this case. (Attachment B, Page 6)

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Florida Pay Phone Systems, Inc. to resolve the apparent violations of Rule 25-24.515, Florida Administrative Code, Pay Telephone Service?

RECOMMENDATION: Yes. The Commission should accept the company's settlement proposal. Any contribution should be received by the Commission within ten business days from the issuance date of the Commission Order and should identify the docket number and company name. 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. (T.E.Johnson)

STAFF ANALYSIS: Staff performed service evaluations of pay telephone stations operated by Florida Pay Phone Systems, Inc. on February 23, 1999. Through written correspondence, staff notified Florida Pay Phone Systems, Inc. of the apparent violations.

Staff performed a reevaluation of the same pay telephone stations on April 19, 1999. Although Florida Pay Phone Systems, Inc. reported that all violations had been corrected, the table provided as Attachment A depicts the apparent rule violations that were still present in the reevaluations.

Based on the showings of the reevaluations that the pay telephone stations exhibited the same apparent violations, staff opened this docket to investigate whether Florida Pay Phone Systems, Inc. should be required to show cause why it should not be fined \$300 or have its certificate canceled, pursuant to Section 364.285, Florida Statutes.

DOCKET NO. 990818-~~YC~~

DATE: AUGUST 5, 1999

On July 22, 1999, Florida Pay Phone Systems, Inc. contacted staff to discuss the method for settlement of this case and request a deferral of its item from the July 27, 1999, Agenda Conference. On July 22, 1999, Florida Pay Phone Systems, Inc. submitted its offer to settle provided as Attachment B. In its settlement offer, Florida Pay Phone Systems, Inc. agreed to do the following:

- Florida Pay Phone Systems, Inc. will voluntarily pay \$300 to the General Revenue Fund.
- Florida Pay Phone Systems, Inc. will conduct an investigation of its pay telephones to ensure compliance with Commission rules.
- In the future, Florida Pay Phone Systems, Inc. will contact staff before returning service evaluation forms, if there is not a clear understanding of violations.

Staff supports Florida Pay Phone Systems, Inc.'s investigation of its pay telephones. By performing an investigation, Florida Pay Phone Systems, Inc. demonstrates its willingness to meet the objectives of the Commission's rules.

Moreover, the company has been very cooperative in resolving all issues. Any contribution should be received by the Commission within ten business days from the issuance date of the Commission Order and should identify the docket number and company name. 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 believes the terms of the settlement agreement as summarized in this recommendation are fair and reasonable.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. With the approval of Issue 1, this docket should remain open pending the remittance of the \$300 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of the settlement offer, the monetary settlement will be forwarded to the Comptroller's office for collection, and this docket will be closed. **(C. Fordham)**

DOCKET NO. 990818-4C
DATE: AUGUST 5, 1999

STAFF ANALYSIS: This docket should remain open pending the remittance of the \$300 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of its settlement offer, the monetary settlement will be forwarded to the Comptroller's office for collection, and this docket closed.

DOCKET NO. 990818-TC
DATE: AUGUST 5, 1999

ATTACHMENT A

Pay Telephone Station Number	25-24.515(8), Florida Administrative Code
954-202-9928	X
954-351-8041	X
954-938-9052	X



FLORIDA PAY PHONE SYSTEMS, INC.

July 23 1999

Ms. Elaine Johnson
Florida Public Service Commission
2940 Shumard Oaks Blvd.
Tallahassee Fl. 32399-0850

RE: Docket Number 990818-TC

Dear Ms. Johnson

Pursuant to our conversation yesterday we wish to offer a settlement of \$300 for the above referenced docket.

As we discussed the case back ground states that * March 22 1999 - Staff received service violation correction form from Florida Pay Phone Systems Inc. signifying that all apparent violations were corrected. When my actual response was. The pay phones with violation 9 when we tested gave free access to repair/service.

I am not saying the violations were incorrect but there was no "willful intent" not to fix the problem which we could not duplicate.

I do appreciate the help time and direction you afforded me yesterday by phone and we agree to conduct an investigation of our pay phones in order to make sure we are in compliance. In the event we receive any future notifications of violations we agree to contact the appropriate staff should we not fully understand the violations described. Thank you.

Sincerely,

Howard Mack
Florida Pay Phone Systems Inc.