

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-

RECORDS AND REPORTING
AUG - 5 AM 10:12
REC'D - PSC

DATE: AUGUST 5, 1999

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

FROM: DIVISION OF LEGAL SERVICES (B.KEATING) *BR*
DIVISION OF COMMUNICATIONS (T.E.JOHNSON) *ref UB D*

RE: DOCKET NO. 990760-TC - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST PAYPHONE CONNECTION, 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\990760.RCM

CASE BACKGROUND

- January 28, 1999 - Payphone Connection, Inc.'s 1998 regulatory assessment fee return reported gross intrastate revenues of \$5,398.16 and 24 pay telephones in operation.
- February 23, 1999 - Staff performed routine service evaluations on pay telephone stations operated by Payphone Connection, Inc. and found the apparent violations as presented in Attachment A (Page 4).
- March 23, 1999 - Staff received a Service Violation Correction Form from Payphone Connection, Inc. signifying that all apparent violations were corrected.

DOCUMENT NUMBER-DATE

09299 AUG-5 99

PSC-RECORDS/REPORTING

DOCKET NO. 990760-IC
DATE: AUGUST 5, 1999

- April 19, 1999 - Staff reevaluated the pay telephone stations and found the same apparent violations as presented in Attachment A.
- June 14, 1999 - Staff opened this docket to investigate whether Payphone Connection, Inc. should be required to show cause why it should not be fined or have its certificate canceled.
- July 26, 1999 - Payphone Connection, Inc. submitted an offer to settle this case. (Attachment B, Page 5)

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Payphone Connection, Inc. (Payphone) 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 on February 23, 1999. Through written correspondence, staff notified Payphone of the apparent violations.

Staff performed a reevaluation of the same pay telephone stations on April 19, 1999. Although Payphone reported that all violations had been corrected, the table provided as Attachment A depicts the apparent rule violations that were a repeat of violations observed during the initial evaluations.

Based on the showings of the reevaluations that the pay telephone stations exhibited the same apparent violations, staff opened this docket to investigate whether Payphone should be required to show cause why it should not be fined \$600 or have its certificate canceled, pursuant to Section 364.285(1), Florida Statutes.

DOCKET NO. 990760-TC
DATE: AUGUST 5, 1999

On July 26, 1999, Payphone contacted staff to discuss the method for settlement of this case. On July 26, 1999, Payphone submitted its offer to settle provided as Attachment B. In its settlement offer, Payphone agreed to do the following:

- Payphone will voluntarily pay \$600 to the General Revenue Fund.
- Payphone will implement a policy of employee follow-up following a contractor's service to any pay phones that have a violation.

Staff supports Payphone's implementation of follow-up to all pay phone sites. By doing a follow-up, Payphone demonstrates its willingness to meet the objectives of the Commission's rules.

Moreover, the company has been forthright in its assertion that the cited violations were valid and 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 \$600 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. (B.KEATING)

STAFF ANALYSIS: This docket should remain open pending the remittance of the \$600 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. 990760-1C
DATE: AUGUST 5, 1999

ATTACHMENT A

Pay Telephone Station Number	Rule 25-24.515(9) (a), Florida Administrative Code	
	Name Of Provider Is Not Displayed	Local Coin Rate Is Not Posted
305-531-8188	X	X
305-674-8276	X	X
305-674-8286	X	X

PAYPHONE CONNECTION, INC.

July 26, 1999

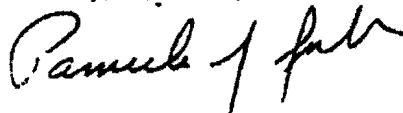
Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Attention: Ray Kennedy

Dear Sir:

We received notification of he violations on our payphones. We had three locations that the Name of the Provider was not displayed and the local rate was not posted. We dispatched a contractor to perform the necessary service on our telephones. We later found that the contractor had not preformed the service after telling us that he had. We are implementing a policy of having an employee do a follow up visit to any sites that have been sited for a violation.

We have agreed to pay the fine of \$600.00. Our company takes pride in trying to provide quality service. Your Consideration will be appreciated.

Sincerely,



Pamela J Juhr

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