

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 - FPSC

DATE: AUGUST 5, 1999

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

FROM: DIVISION OF LEGAL SERVICES (C.FORDHAM) ^{2-FF}
DIVISION OF COMMUNICATIONS (T.E.JOHNSON) *ref B D*

RE: DOCKET NO. 990758-TC - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST FEROB CORPORATION 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\990758.RCM

CASE BACKGROUND

- January 21, 1999 - Ferob Corporation's 1998 regulatory assessment fee return reported 9 pay telephones in operation, but did not report any gross intrastate revenue. Staff has forwarded their return to the Division of Auditing and Financial Analysis for further investigation.
- February 23, 1999 - Staff performed a routine service evaluation on a pay telephone station operated by Ferob Corporation and found the apparent violations as presented in Attachment A (Page 4).
- March 17, 1999 - Staff received a Service Violation Correction Form from Ferob Corporation signifying that all apparent violations were corrected.

DOCUMENT NUMBER-DATE

09301 AUG-5 99

FPSC-RECORDS/REPORTING

- April 19, 1999 - Staff reevaluated the pay telephone station and found the same apparent violations as presented in Attachment A.
- June 14, 1999 - Staff opened this docket to investigate whether Ferob Corporation should be required to show cause why it should not be fined or have its certificate canceled.
- July 26, 1999 - Ferob Corporation 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 Ferob Corporation (Ferob) 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 Ferob of the apparent violations.

Staff performed a reevaluation of the same pay telephone stations on April 19, 1999. Although Ferob 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 station exhibited the same apparent violations, staff opened this docket to investigate whether Ferob should be required to show cause why it should not be fined \$400 or have its certificate canceled, pursuant to Section 364.285(1), Florida Statutes.

On July 26, 1999, Ferob 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 20, 1999, Ferob submitted its offer to settle provided as Attachment B. In its settlement offer, Ferob agreed to do the following:

- Ferob will voluntarily pay \$400 to the General Revenue Fund.
- Ferob will ensure that all pay telephones are in compliance.
- In the future, Ferob will contact staff if questions concerning pay telephone violations arise.

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 \$400 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)

STAFF ANALYSIS: This docket should remain open pending the remittance of the \$400 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.

Pay Telephone Station Number	Rule 25-24.515(9)(a), Florida Administrative Code			
	Address of Responsible Party for Refunds & Repairs Was Not Displayed	Legible and Correct Telephone Number Was Not Displayed	Correct Address of Pay Phone Location Was Not Displayed	Name of Provider Was Not Displayed
305-531-8160	X	X	X	X

FEROB CORPORATION
845 5th STREET
MIAMI BEACH, FL. 33139-6511

PUBLIC SERVICE COMMISSION

To Whom It May Concern:

I WISH TO SETTLE DOCKET #990758-TC WITH OUT ADMISSION OF WRONG DOING FOR THE
AMOUNT OF \$400.00. IN THE FUTURE I INSURE THAT MY PAY PHONES ARE IN COMPLIANCE
AND IN THE EVENT THAT I AM CITED FOR ANY VIOLATIONS IN WHICH I DO NOT UNDERSTAND
I WILL CALL FOR CLARIFICATION OF THE VIOLATION.
PLEASE TAKE THIS OFFER INTO CONSIDERATION.
IF YOU HAVE ANY QUESTIONS PLEASE CALL AT 305-672-5577.

SINCERELY,
Adrian Palma