

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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

RECEIVED-PPSC
MARCH 23 AM 10:41
RECORDS AND REPORTING

DATE: MARCH 23, 2000

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

FROM: DIVISION OF TELECOMMUNICATIONS (PRUITT) *YAL*
DIVISION OF LEGAL SERVICES (PEÑA/KEATING) *MP*
DIVISION OF AUDITING AND FINANCIAL ANALYSIS (LESTER) *PL 9*

RE: DOCKET NO. 991381-TX - APPLICATION FOR CERTIFICATE TO PROVIDE ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICE BY C.E.F. ANSWERING AND TELECOMMUNICATIONS SERVICE INC.

AGENDA: 04/04/00 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\991381.RCM

CASE BACKGROUND

On September 13, 1999, C.E.F. Answering and Telecommunications Service Inc. (CEF) filed an application to provide alternative local exchange telecommunications service (ALEC) in Florida. The staff of the Division of Telecommunications and the Division of Auditing and Financial Analysis contacted the company's officers on November 4, 5, December 22, 1999, January 5, 6, 10, and February 23, 2000, and either spoke with the company's officers or left messages for them requesting the completion of the application and submission of the required financial, managerial, and technical information.

On February 23, 2000, staff sent a certified letter (Attachment A) to Ms. Marie Rinchere, Vice President of CEF, requesting the completion of the application by March 13, 2000. The company did not respond to the certified letter.

DOCUMENT NUMBER-DATE

03650 MAR 23 B

PPSC-RECORDS/REPORTING

In this recommendation staff addresses the company's failure to provide this Commission with the information required for certification as an alternative local exchange telecommunications service provider.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission deny the application of C.E.F. Answering and Telecommunications Service Inc. for a certificate to provide alternative local exchange telecommunications service in Florida?

RECOMMENDATION: Yes. C.E.F. Answering and Telecommunications Service Inc. has not provided the Commission with a completed ALEC application. The application should therefore be denied without prejudice to file a new application that fully complies with Commission rules. (Pruitt, Lester)

STAFF ANALYSIS: Section 364.337(1), Florida Statutes, states in part:

The commission shall grant a certificate of authority to provide alternative local exchange service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area to be served.

Rule 25-24.810, Florida Administrative Code, Application for Certification, states in part:

An applicant for a certificate shall submit an application on Form PSC/CMU 8 (11/95), which is incorporated into this rule by reference.

Item 16 (A) of the application requires the company to provide documentation demonstrating the company's financial capability. Specifically, the company is requested to provide a balance sheet, an income statement, and a brief statement of financial capability. Staff uses this information to decide if the applicant has the financial capability to operate as an ALEC in Florida.

The company's application did not have any documentation of financial capability. Staff contacted the company several times

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regarding this deficiency and requested the company send in the necessary documentation. The company faxed to staff the personal financial statement of Yvon Rinchere, CEF's President, and a "Host Site Agreement." Staff informed CEF that this was insufficient and faxed the company an example of acceptable financial documentation. Staff has not received the necessary financial documentation.

Items 16 (B) and (C) of the application require the company to provide information demonstrating that the applicant has the managerial and technical capabilities to provide ALEC service in Florida. The company's application did not have any documentation of its managerial or technical capabilities. Staff contacted the company several times and faxed and mailed copies of the application regarding these deficiencies. Staff has not received the necessary managerial and technical information.

The company was also asked to sign the "Applicant Acknowledgment Statement" which shows the company's understanding concerning the payment of regulatory assessment fees, gross receipts tax, sales tax, and the application fee. Copies of the statement were faxed and mailed to CEF. Staff has not received the signed statement from the company.

Therefore, since CEF has failed to comply with the requirements of Section 364.337(1), Florida Statutes, and Rule 25-24.810, F.A.C., and has not responded to repeated requests for information, staff recommends that the Commission deny the application of C.E.F. Answering and Telecommunications Service Inc. for a certificate to provide alternative local telecommunications service in Florida. The denial would be without prejudice to file a new application that fully complies with the Florida Statutes and the Commission's certification rules.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed upon issuance of a Consummating Order unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the proposed agency action order. (Peña, Keating)

STAFF ANALYSIS: Whether staff's recommendation on Issue 1 is approved or denied, the result will be a proposed agency action order. If no timely protest to the proposed agency action is filed within 21 days of the date of issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

STATE OF FLORIDA



Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.

ATTACHMENT A
DOCKET NO. 991381-TX
March 23, 2000

DIVISION OF
TELECOMMUNICATIONS
WALTER D'HAESELEER
DIRECTOR
(850) 413-6600

Public Service Commission

February 23, 2000

CERTIFIED

Ms. Marie Rinchere
1513 NE 167th Street
North Miami Beach, FL 33162

RE: Docket No. 991381-TX, C.E.F. Answering and Telecommunications Service, Inc.

Dear Ms. Rinchere:

This is a follow-up to my previous requests for a complete Alternative Local Exchange Telecommunications application. The application you faxed to me was not complete and did not contain the required managerial and technical information.

Attached is another application. I have marked in red the information that is needed to process your application. Please use additional sheets as needed and return it to me by mail. Mr. Lester also needs additional financial information. Please call him at 850-413-6467.

When this information is received, we will continue processing your application. However, if we do not receive the information by March 13, 2000, we will assume that you no longer want to pursue certification and close the docket. If you have any questions you can reach me at 850-413-6127.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Pruitt".

Nancy Pruitt
Certification Section

c: AFA (Lester)
Legal (Peña)

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