



Public Service Commission

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01 APR 18 PM 3:33
RECORDS AND REPORTING

DATE: APRIL 19, 2001

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

FROM: DIVISION OF LEGAL SERVICES (CHRISTENSEN) ✓ *JK*
DIVISION OF COMPETITIVE SERVICES (K. CRAIG) (K) *JK*

RE: DOCKET NO. 010130-TX - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST HAYES TELECOMMUNICATIONS SERVICES, INC. FOR APPARENT VIOLATION OF SECTION 364.183(1), F.S., ACCESS TO COMPANY RECORDS.

AGENDA: 05/01/01 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\LEG\WP\010130.RCM

CASE BACKGROUND

- June 21, 1995 - Hayes Telecommunications Services, Inc. (Hayes) obtained Florida Public Service Commission Alternative Local Exchange Company Certificate Number 4032.
- July 6, 2000 - Staff mailed a certified letter requesting information necessary for inclusion in the 2000 local competition report required of the Commission by Section 364.386, Florida Statutes. Staff requested a response by August 10, 2000.
- July 7, 2000 - A representative from Hayes signed for and received the certified letter.
- January 30, 2001 - After receiving no response to its July 6, 2000 certified letter, staff opened this docket to investigate whether Hayes should be required to show cause why it should

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not be fined \$10,000 or have its certificate canceled for apparent violation of Section 364.183(1), Florida Statutes, Access to Company Records.

- March 6, 2001 - Commission Order No. PSC-01-0522-SC-TX was issued to show cause Hayes for apparent violation of Section 364.183(1), Florida Statutes, Access to Company Records.
- March 26, 2001 - Hayes contacted staff seeking information about this docket and inquiring about the method for resolving issues in this docket.
- March 27, 2001 - Staff received a letter from Hayes proposing a settlement offer of \$3,500 to resolve the case. (Attachment A, page 6)

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.183, 364.285, 364.337, and 364.386, Florida Statutes. Accordingly, staff believes the following recommendations are appropriate.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Hayes Telecommunications Services, Inc. (Hayes) to resolve the apparent violation of Section 364.183(1), Florida Statutes, Access to Company Records?

RECOMMENDATION: Yes. Staff recommends that the Commission accept Hayes' settlement proposal of a \$3,500 voluntary contribution and assurance that the company will implement measures to ensure future compliance. The voluntary contribution should be received by the Commission within ten business days of the issuance date of an Order approving the settlement offer and should include the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State of Florida General Revenue Fund pursuant to Section 364.285, Florida Statutes. Staff further recommends that should the company fail to pay the voluntary contribution in accordance with the terms of an Order approving settlement, staff should be authorized to administratively cancel Certificate Number 4032. **(K. Craig)**

STAFF ANALYSIS: By Order No. PSC-01-0522-SC-TX, issued March 6, 2001, Hayes was ordered to show cause in writing why it should not be fined \$10,000, or have its certificate canceled, for its apparent violation of Section 364.183(1), Florida Statutes, Access to Company Records. Hayes contacted staff on March 26, 2001, to inquire about the method for resolving issues in this docket. On March 27, 2001, Hayes sent a letter to staff including a settlement offer (Attachment A, page 6). In its response to Order No. PSC-01-0522-SC-TX, Hayes proposed the following settlement offer:

- A voluntary contribution of \$3,500.
- Make organizational modifications to comply with future requests and any other reporting duties that may arise.
- Future correspondence from the Commission will be handled with the utmost care.

Staff believes that the terms of the settlement are fair and reasonable, and staff supports the settlement offer proposed by Hayes.

Based on the foregoing, staff recommends that the Commission accept Hayes' settlement proposal of a \$3,500 voluntary contribution and assurance that the company will implement measures

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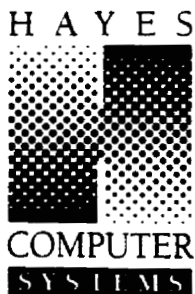
to ensure future compliance. The voluntary contribution should be received by the Commission within ten business days of the issuance date of an Order approving the settlement offer and should include the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State of Florida General Revenue Fund pursuant to Section 364.285, Florida Statutes. Staff further recommends that should the company fail to pay the voluntary contribution in accordance with the terms of an Order approving settlement, staff should be authorized to administratively cancel Certificate Number 4032.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. If the Commission approves staff's recommendation on Issue 1, this docket should remain open pending remittance of the \$3,500 voluntary contribution. Upon staff's verification of receipt of the voluntary contribution, or failure to pay the contribution and subsequent cancellation of Certificate Number 4032, this docket should be administratively closed.
(Christensen)

STAFF ANALYSIS: This docket should remain open pending remittance of the \$3,500 voluntary contribution. Upon staff's verification of receipt of the voluntary contribution, or failure to pay the contribution and subsequent cancellation of Certificate Number 4032, this docket should be administratively closed.



RECEIVED FPSC
01 MAR 27 PM 1:24
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REPORTING

March 26, 2001

Kriston Craig
Florida Public Service Commission
2540 Shumard Oak BLVD
Tallahassee, FL 32399-0850

RE: Docket Number 010130-TX

Ms. Craig:

In response to order PSC-01-0522-SC-TX, we acknowledge the failure on our part to comply and provide the information requested by the Public Service Commission. A careful review of our procedures and internal policies has been performed and we are confident that we have instilled the organizational modifications and responsibility to comply with future requests and any other reporting duties that may arise. Future correspondence from the Public Service Commission will be considered and handled with the utmost care.

In regard to the outstanding Docket regarding Hayes Telecommunications' failure to comply, we will take the steps required to satisfy the FPSC. Per our phone conversation, we understand that the Florida Public Service Commission will consider offers from the offending company to settle outstanding orders with monetary fines for infractions of this nature. Hayes Telecommunications, Inc. respectfully requests and offers a settlement of \$3500.00 in conjunction with our assurance of the aforementioned internal changes, in exchange for resolution of the outstanding order, docket and the fines and penalties contained therein.

I can be reached via telephone at 850.297.0551x114 if the Commission has any questions or concerns.

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Respectfully,

J. Bradford Hood
Hayes Telecommunication Services, Inc.

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