

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-

DATE: MAY 17, 2001
TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (EAYO)
FROM: DIVISION OF LEGAL SERVICES (FORDHAM) C.P.F. AK
DIVISION OF CONSUMER AFFAIRS (LOWERY)
DIVISION OF COMPETITIVE SERVICES (K. CRAIG) KC
RE: DOCKET NO. 010194-TI - INITIATION OF SHOW CAUSE
PROCEEDINGS AGAINST QUINTELCO, INC. FOR APPARENT VIOLATION
OF RULE 25-22.032(5)(a), F.A.C., CUSTOMER COMPLAINTS.
AGENDA: 05/29/01 - REGULAR AGENDA - FINAL ACTION - INTERESTED
PERSONS MAY PARTICIPATE
CRITICAL DATES: NONE
SPECIAL INSTRUCTIONS: NONE
FILE NAME AND LOCATION: S:\PSC\LEG\WP\010194.RCM

CASE BACKGROUND

- October 22, 1997 - Quintelco, Inc. (Quintelco) obtained Florida Public Service Commission Interexchange (IXC) Telecommunications Certificate Number 5449.
April 10, 2000 to November 22, 2000 - The company failed to respond to four complaints filed with the Commission by the fifteen (15) working days due date established in Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints.
January 9, 2001 - Quintelco filed a Regulatory Assessment Fee Return, reporting \$0 intrastate revenues for 2000.
February 9, 2001 - Staff opened this docket to initiate show cause proceedings against Quintelco for apparent violation of

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Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints.

- March 2, 2001 - At Quintelco's request, staff faxed the company a list of the four consumer complaints filed with the Commission to which Quintelco had not responded.
- March 13, 2001 - Staff received a letter from Quintelco in which the company outlined the actions it had taken to respond to and settle the four past due consumer complaint cases.
- March 14, 2001 - Quintelco contacted staff seeking information about the method for resolving issues associated with the docket.
- March 29, 2001 - The Division of Consumer Affairs verified that Quintelco adequately addressed the complaints and has closed the four past due cases.
- May 3, 2001 - Staff received a letter from Quintelco in which the company stated no objection to an involuntary cancellation of its IXC Certificate No. 5449. (Attachment A, page 6)

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

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission cancel Quintelco's IXC Certificate No. 5449 for its apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints?

RECOMMENDATION: Yes. Staff recommends that the Commission should upon its own motion cancel Quintelco's IXC Certificate No. 5449 for its apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints. Quintelco has waived its right to object to the involuntary cancellation of its certificate, currently serves no customers in Florida, and has resolved all outstanding consumer complaints. Therefore, Certificate No. 5449 should be canceled effective on the issuance date of the Order.
(Fordham/K. Craig)

STAFF ANALYSIS: Pursuant to Section 364.285, Florida Statutes, the Commission may impose a fine or cancel a certificate if a company is found to have refused to comply with or to have willfully violated Commission rules. Rule 25-24.474, Florida Administrative Code, establishes the requirements for cancellation of an interexchange telecommunications company certificate. The rule provides for the Commission to cancel a certificate on its own motion for violation of Commission Rules and Orders. Quintelco has waived its right to object to the cancellation of its certificate, and thus, has declined to respond or contest the allegations against it in this proceeding.

Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints, states:

The staff member will notify the company of the complaint and request a response. The company shall provide its response to the complaint within fifteen (15) working days. The response shall explain the company's actions in the disputed matter and the extent to which those actions were consistent with applicable statutes and regulations. The response shall also describe all attempts to resolve the customer's complaint.

During the period April 10, 2000 through November 22, 2000, staff received four complaints against Quintelco's IXC operation in which written response from the company was required within fifteen working days from the Commission inquiry, pursuant to Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints. On February 9, 2001, after receiving no response from Quintelco

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involving the past due complaint cases, staff opened this docket to initiate show cause proceedings against Quintelco for its apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints.

On March 2, 2001, at Quintelco's request, staff faxed a list of the four complaint cases in which no response was received. On March 13, 2001, staff received a letter from Quintelco in which the company outlined the actions it had taken to respond to and settle the past due cases.

Quintelco contacted staff on March 14, 2001, to inquire about methods to settle this docket. On March 29, 2001, the Division of Consumer Affairs verified that Quintelco adequately addressed the complaints and subsequently closed the four past due cases. On May 3, 2001, Quintelco sent a letter offering no objection to the involuntary cancellation of its IXC certificate (Attachment A, page 6). In the letter, Quintelco noted that it is no longer providing telecommunication services in Florida, therefore serving no customers. As of May 7, 2001, staff has confirmed that there are no new complaints against Quintelco filed with the Commission.

Quintelco has waived its right to object to the involuntary cancellation of IXC Certificate No. 5449, rather than offering a monetary settlement in lieu of showing cause or paying a fine for the apparent violation of Rule 25-22.032(5)(a), Florida Administrative Code, Customer Complaints.

Therefore, staff recommends that the Commission should upon its own motion cancel Quintelco's IXC Certificate No. 5449 for its apparent violation of Rule 24-22.032(5)(a), Florida Administrative Code, Customer Complaints. Quintelco has waived its right to object to the involuntary cancellation of its certificate, currently serves no customers in Florida, and has resolved all outstanding consumer complaints. Therefore, Certificate No. 5449 should be canceled effective on the issuance date of the Order.

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ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. If staff's recommendation in Issue 1 is approved, Quintelco's IXC Certificate No. 5449 will be involuntarily canceled upon issuance of the Order and this docket should be closed. **(Fordham)**

STAFF ANALYSIS: If staff's recommendation in Issue 1 is approved, Quintelco's IXC Certificate No. 5449 will be involuntarily canceled upon issuance of the Order and this docket should be closed.

KLEIN, ZELMAN, ROTHERMEL & DICHTER, L.L.P.

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May 2, 2001

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VIA FEDERAL EXPRESS

Ms. Kristen Craig
Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Quintelco, Inc. - Docket No. 010194-TI - IXC Certificate No. 5449

Dear Ms. Craig:

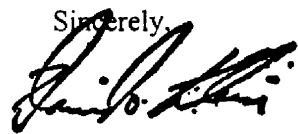
On behalf of Quintelco, Inc. ("Quintelco"), we hereby serve notice that Quintelco does not object to the involuntary cancellation of its IXC Certificate No. 5449. Please note that on March 21, 2001, this office, on behalf of Quintelco responded to the consumer complaints brought against Quintelco with the Florida Public Service Commission ("Commission"). Commission Staff Member, Ray Kennedy has advised this office that the Commission is currently awaiting to verify with Consumer Affairs that all of the complaints have been adequately addressed.

By the way of this correspondence, this office hereby notifies the Commission that Quintelco has ceased providing the deregulated service of voice mail to customers in the State of Florida. In no instance has Quintelco provided any type of regulated telecommunications services to customers in the State of Florida.

At your earliest convenience, please date stamp the copy of this cover letter and return to the above-referenced address in the enclosed postage prepaid self-addressed envelope.

Should you have any questions, or require additional information, please contact the undersigned at your convenience.

Sincerely,



David O. Klein

SECTION OF
COMPETITIVE SERVICES

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