



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 31, 2001

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

FROM: DIVISION OF LEGAL SERVICES (W. KNIGHT) *WJK*
DIVISION OF COMPETITIVE SERVICES (M. WATTS) *MWA*

RE: DOCKET NO. 010134-TX - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST NETWORK MULTI-FAMILY SECURITY CORPORATION D/B/A PRIORITY LINK FOR APPARENT VIOLATION OF SECTION 364.183(1), F.S., ACCESS TO COMPANY RECORDS.

AGENDA: 06/12/01 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\010134AS.RCM

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CASE BACKGROUND

- April 2, 1997 - Network Multi-Family Security Corporation d/b/a Priority Link (Priority Link) obtained Florida Public Service Commission Alternative Local Exchange Company (ALEC) Certificate No. 4761.
- July 6, 2000 - Priority Link was 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.
- January 3, 2001 - Priority Link reported no revenue for 2000.
- January 30, 2001 - After receiving no response to its July 6, 2000, certified letter, staff opened this docket to initiate show cause proceedings against Priority Link for apparent

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violation of Section 364.183(1), Florida Statutes, Access to Company Records.

- April 25, 2001 - The Commission issued Order No. PSC-01-1017-SC-TX ordering Priority Link to show cause why it should not be fined or have its certificate canceled for apparent violation of Section 364.183(1), Florida Statutes, Access to Company Records.
- May 16, 2001 - Staff received an offer to settle this docket from Priority Link (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 accept the settlement offer proposed by Network Multi-Family Security Corporation d/b/a Priority Link to resolve the apparent violation of Section 364.183(1), Florida Statutes, Access to Company Records?

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 of Florida General Revenue Fund. If the company fails to pay in accordance with the terms of the Commission Order, certificate number 4761 should be canceled administratively. **(W. Knight/M. Watts)**

STAFF ANALYSIS: Staff sent a certified letter requesting information contained in company records to Priority Link on July 6, 2000, and requested a written response by August 10, 2000. Staff did not receive the requested information from Priority Link in apparent violation of Section 364.183(1), Florida Statutes, Access to Company Records. Therefore, on January 30, 2001, staff opened this docket to require Priority Link to show cause why it should not be fined or have certificate number 4761 canceled, pursuant to Section 364.285, Florida Statutes. On April 25, 2001, Show Cause Order No. PSC-01-1017-SC-TX was issued requiring the company to show cause why it should not be fined or have its certificate canceled for violation of Section 364.183(1), Florida Statutes.

On May 16, 2001, staff received Priority Link's settlement offer (Attachment A, page 6). In its settlement offer, Priority Link explained that it does not know whether the company received the questionnaire and misplaced it or whether it received it but did not understand that a response was required. It also did not provide the proper contact information to the Commission. To settle this docket, Priority Link proposed the following:

- A monetary settlement of \$3,500; and
- To ensure that the company contact information filed with the Commission is correct.

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The proposed settlement amount of \$3,500 is consistent with the Commission's approval of the settlement offered in Docket No. 000239-TI, Initiation of Show Cause Proceedings Against Atlantic.Net Broadband, Inc. for Apparent Violation of Section 364.183(1), F.S., Access to Company Records.

Staff believes the terms of the settlement agreement as summarized in this recommendation are fair and reasonable. Therefore staff recommends that the Commission 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 of Florida General Revenue Fund. If the company fails to pay in accordance with the terms of the Commission Order, certificate number 4761 should be canceled administratively.

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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 \$3,500 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 Commission Order, certificate number 4761 should be canceled administratively, and this docket should be closed. **(W. Knight)**

STAFF ANALYSIS: With the approval of Issue 1, this docket should remain open pending the remittance of the \$3,500 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 Commission Order, certificate number 4761 should be canceled administratively, and this docket should be closed.



May 11, 2001

VIA CMRRR

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

Re: Docket No. 010134-TX
Order No. PSC-01-1017-SC-TX
Issued: April 25, 2001

Dear Sir or Madam:

We are in receipt of the Order to Show Cause dated April 25, 2001.

As I explained to Ms. Melinda Watts of your office during our telephone conversation yesterday, we have been unable to find a copy of the Florida Public Service Commission ("PSC") letter that your office states was sent to our company on July 6, 2000. Therefore, I cannot definitely state whether our company received this letter and it was misplaced, or if we read it, but did not understand that a response was required. Regardless of this, it appears that we did not file the required response. In order to settle this matter, we would like to offer a settlement amount and explain how we could prevent this type of problem from occurring in the future.

In regards to the maximum fine that may be assessed against Network for its failure to file responses to the PSC, Network offers to pay \$3,500.00 to the commission in order to settle this matter. Additionally, in order to ensure that Network receives all future correspondence and requests for information from your office, we want to provide you with updated contact information. All information sent to this address should be delivered to our company in a more accurate and timely manner. In the future, please direct all notices to:

Mr. Stephen D. Parker, Network Multi-Family Security Corporation d/b/a Priority Link
14275 Midway Road, Suite 440
Addison, TX 75001
(972) 490-9902 (Phone)
(972) 419-3170 (Facsimile)

If a more formal, specific response is required to the Order to Show Cause, Network wishes to do so within the required time frame. Please let us know if that will be necessary. My direct telephone number is (972) 419-3009. Please contact me at your earliest convenience in order to discuss this matter in more detail.

APP _____
CAF _____
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COM _____
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LEG _____
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SEC _____
SER _____
OTH _____

Sincerely,

Lizsette J. Wygle
PACE Registered Paralegal

cc: Mr. Stephen D. Parker, General Counsel

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