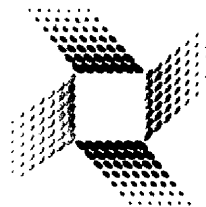


✓ R & R
M Watts



RADIANT

ORIGINAL Refund

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION

01 JUL -5 AM 9:33
MAIL ROOM

CK4951
#7-2001
MIC

June 30, 2001

Melinda Watts
State of Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, Florida 32399-0850

DEPOSIT DATE
D087 JUL 06 2001

Re: Settlement on proposal for Docket Number 001329-TI

TJ230

Dear Ms. Watts:

In regards to settle Docket No. 001329-TI, Radiant Telecom, Inc. proposes the following to the Florida Public Service Commission:

- 1) Radiant has revised its point of sale displays to conform to Rule 25-24.920, Florida Administrative Code (F.A.C.) and Standards for Prepaid Calling Services and Consumer Disclosure. Radiant will submit the revised displays to Florida Public Service Commission (FPSC) staff for examination.
 - We've deleted the statement "that rates are subject to change."
- 2) Radiant agrees to refund, with interest, all overcharges on prepaid calling cards sold in Florida. Overcharges will be calculated for all cards.

The following breakdown is as follows:

The refund calculations for the three-minute increment and variable service fee for overcharges. Based on the calculations, Radiant had overcharged consumers a total of \$6,525.01 on intrastate calls due to billing in three-minute increments versus a one-minute increment, as required by Rule Nos. 25-24.920(7) and (9), F.A.C. The variable service fee overcharges of \$10,973.72 reflect the entire amount that was charged on all intrastate calls.

APP	_____	Maintenance fees were deducted weekly or monthly beginning with the first use of a card
CAF	_____	and were not associated with the type of calls made on the card. The total amount of maintenance
CMP	_____	fees charged on prepaid phone cards that were sold in Florida between January 1999 and October
COM	_____	2000 was \$1,328,771.00. Since the maintenance fees were not associated strictly with the
CTR	_____	intrastate calls within the purview of the Commission's jurisdiction, Radiant has offered an
ECR	_____	amount based on the following formula (Attachment A, page 11):
LEG	_____	
OPC	_____	
PAI	_____	
RGO	_____	
SEC	_____	
SER	_____	
OTH	_____	

$$\text{Refund} = \frac{\# \text{ intrastate calls} \times \text{total maintenance fees charged}}{\# \text{ Of total calls}}$$

DOCUMENT NUMBER-DATE

08253 JUL -50

This formula allocates a percentage of the maintenance fees to intrastate calls equal to the ratio of intrastate calls to total calls. The use of the ratio of the number of intrastate calls to total calls made should approximate the portion of the cost that would be refundable on intrastate phone service. Staff believes that this refund calculation best approximates the appropriate refund based on the information provided.

Enclosed is a check for \$35,379.88, Payable to the Florida Public Service Commission. Since the customers cannot be located or identified, the money will be payable to the Florida Public Service Commission General Fund.

- 3) Radiant has completed all Regulatory Assessment forms for all years and has paid all interest and penalties.
- 4) Pursuant to Rules 25.24.4890(2)(a) and (b), F.A.C. Records and Reports; Rules incorporated. Radiant will provide the PSC with any changes in required file information and keep it updated in accordance with the rule.
- 5) Radiant has updated its tariff to include prepaid calling services.. The updated tariff accurately reflects the maximum charges for each card and otherwise conforms to Commission rules. Mr. Jeff Bates has the updated tariff
- 6) Pursuant to Rule 25-24.043, F.A.C., Response to Commission Staff Inquiries. Radiant agrees to timely respond to inquiries from FPSC staff.
 - Radiant has set up a procedure for handling all customer complaints and inquiries.
- 7) Radiant has provided FPSC staff with a list of names and addresses where its prepaid phone calling cards are sold in Florida
 - Radiant will keep the Florida Public Service Commission up to date.
- 8) Radiant agrees to make a voluntary contribution of \$7,500 to be made payable to the Florida Public Service Commission.
 - We hereby offer \$7,500 to settle Docket # 001329-TI and hereby waive our objection to the administrative cancellation of our certificate In the event our offer is accepted and we fail to comply with the terms in which we have offered.

Should you have any questions or concerns, please feel free to contact me at: 305-914-3364.

Sincerely,


Kenneth Jacobi
Vice President Regulatory Affairs