

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: JANUARY 24, 2002

TO: DIRECTOR, DIVISION OF THE COMMISSION CLERK &
ADMINISTRATIVE SERVICES (BAYÓ)

FROM: DIVISION OF REGULATORY OVERSIGHT (T.WILLIAMS) RWJ
DIVISION OF LEGAL SERVICES (ELLIOTT) JAE BK

RE: DOCKET NO. 010951-TX - APPLICATION FOR CERTIFICATE TO
PROVIDE ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS
SERVICE BY FLORIDA PHONE SERVICE, INC.

AGENDA: 02/05/02 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

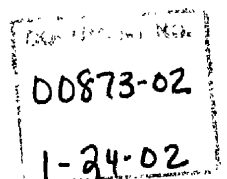
FILE NAME AND LOCATION: S:\PSC\RGO\WP\010951.RCM

CASE BACKGROUND

On December 2, 1999, the Commission granted Florida Phone Service, Inc. Certificate of Authority No. 7237 to provide alternative local exchange telecommunications service in Florida.

The Division of Administration mailed the company a 1999 Regulatory Assessment Fee (RAF) notice. Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual RAF of \$50 if the certificate was active during any portion of a calendar year. Pursuant to Rule 25-4.0161(2), Florida Administrative Code, the form and applicable fees are due to the Florida Public Service Commission by January 30 of the subsequent year. When payment had not been received by the due date, the Division mailed a delinquent notice to the company.

On January 26, 2001, the Commission received Florida Phone Service's 1999 RAF payment, including statutory penalties and



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interest charges. However, Florida Phone Service, Inc. was past due in its payment of the 2000 RAFs.

Therefore, in Docket No. 001492-TX, the Commission issued Order No. PSC-01-0643-PAA-TX, on March 15, 2001, for apparent violation of Section 364.336, Florida Statutes, and Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies. Florida Phone Service, Inc. was ordered to pay the past due 2000 RAFs, statutory penalties, interest charges, and a \$500 fine. Failure to comply with the Order would result in the cancellation of the certificate. On April 9, 2001, Certificate of Authority No. 7237 was canceled.

On July 9, 2001, Florida Phone Service, Inc. paid the 2000 RAF with penalty and interest and paid the \$500 fine. They also filed a new application to provide alternative local exchange telecommunications service in Florida.

At present, Florida Phone Service, Inc. offers basic prepaid dialtone service to 194 residential customers and a price list is on file with this Commission.

The Commission is vested with jurisdiction in this matter pursuant to Sections 364.335 and 364.337, Florida Statutes.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission grant Florida Phone Service, Inc. a certificate to provide alternative local exchange company telecommunications service within the State of Florida as provided by Section 364.337(1), Florida Statutes?

RECOMMENDATION: Yes. Florida Phone Service, Inc. should be granted Florida Public Service Commission Certificate No. 7905. (Williams)

STAFF ANALYSIS: Section 364.337(1), Florida Statutes provides that the Commission shall grant a certificate to provide alternative local exchange service to any applicant demonstrating sufficient technical, financial, and managerial capability. Florida Phone Service, Inc. filed an application with this Commission on July 9, 2001, to offer alternative local exchange company telecommunications service in Florida. A review of the application indicates that the company appears to meet the requirements of Section 364.337(1), Florida Statutes. The company also issued a statement as part of its application that reads in part:

...please be advised that I have taken steps to insure that we remain in compliance with the Florida Public Service Commission. The measures that I have taken should ensure that this will not occur again.

Even though the Commission canceled Florida Phone Service, Inc.'s certificate on April 9, 2001, due to its failure to pay the 2000 RAF and failure to respond to Order PSC-01-0643-PAA-TX, Mr. Aous Uweyda, President of Florida Phone Service, Inc., advised staff that he is now more familiar with Commission Rules and Regulations, and that he is more personally involved with the day-to-day operations of the company and assures these oversights would not occur again. Staff accepts the company's representation that failure to pay the 2000 RAFs was an oversight and the company's assurance that it will remain in compliance. Therefore, staff recommends that the Commission grant Florida Phone Service, Inc. a certificate to provide alternative local exchange telecommunications service. ✓

Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee of \$50

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if the certificate is active during any portion of the calendar year. A Regulatory Assessment Fee Return notice will be mailed each December to Florida Phone Service, Inc. for payment in January.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes. If no person whose substantial interests are affected by the Commission's decision in Issue 1 files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a Consummating Order. (Elliott)

STAFF ANALYSIS: If no timely protest to the proposed agency action in Issue 1 is filed within 21 days of the date of issuance of the order, this docket should be closed upon the issuance of the Consummating Order.