

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-

REC'D - FPSC
APR 11 AM 9:31
COMMISSION CLERK

DATE: April 11, 2002
TO: DIRECTOR, DIVISION OF THE COMMISSION CLERK & ADMINISTRATIVE SERVICES (BAYÓ)
FROM: DIVISION OF COMPETITIVE MARKETS AND ENFORCEMENT (BUYS) & OFFICE OF THE GENERAL COUNSEL (TEITZMAN) *PA*
RE: DOCKET NO. 011653-TI - COMPLIANCE INVESTIGATION OF WORLDTEQ CORPORATION FOR APPARENT VIOLATION OF RULE 25-24.470, F.A.C., CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY REQUIRED.
AGENDA: 04/23/02 - REGULAR AGENDA - FINAL ORDER - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\011653R.RCM

CASE BACKGROUND

- September 21, 2001 - Staff investigated a complaint from a Florida consumer regarding improper billing from WorldTeq Corporation (WorldTeq) and discovered that WorldTeq has not obtained a Certificate of Public Convenience and Necessity (Certificate) from the Florida Public Service Commission (Commission) to provide intrastate interexchange company (IXC) telecommunications service in Florida.
- September 26, 2001 - Staff sent WorldTeq a certified letter addressed to Mr. Bruce Bertman, President and CEO, WorldTeq, informing him about the Commission's requirement to obtain an IXC Certificate prior to providing intrastate IXC telecommunications service in Florida (Attachment A).

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

DOCKET NO. 011653-TI

DATE: April 11, 2002

- October 24, 2001 - Staff received a facsimile from WorldTeq (Attachment B) in which Mr. Bertman stated his company has already started the application and filing process and will make sure it is done in an expeditious manner.
- November 5, 2001 - Staff sent Mr. Bertman a second certified letter (Attachment C) confirming a telephone conversation that took place on October 23, 2001, and reiterating the fact that providing intrastate IXC telecommunications service without first obtaining a certificate is an apparent violation of Rule 25-24.470, Florida Administrative Code, Certificate of Public Convenience and Necessity Required.
- December 17, 2001 - The company failed to submit an application to the Commission. Consequently, staff opened this docket to investigate the company's apparent violation of Rule 25-24.470, Florida Administrative Code, Certificate of Public Convenience and Necessity Required.
- February 5, 2002 - This docket was deferred at the February, 5, 2002, Agenda Conference.
- February 18, 2002 - WorldTeq submitted its application for an IXC certificate and Docket No. 020132-TI was opened.
- April 2, 2002 - In Docket No. 020132-TI, the Commission voted to approve WorldTeq's application for an IXC certificate.

The Florida Public Service Commission is vested with jurisdiction in this matter pursuant to Sections 364.285, 364.33, and 364.337, Florida Statutes. Accordingly, staff believes the following recommendation is appropriate.

DOCKET NO. 011653-TI
DATE: April 11, 2002

DISCUSSION OF ISSUES

ISSUE 1: Should Docket No. 011653-TI be closed?

RECOMMENDATION: Yes. Docket No. 011653-TI should be closed upon issuance of the Commission's Final Order since WorldTeq has obtained an IXC certificate and there are no further issues that need to be addressed by the Commission. **(Buys, Teitzman)**

STAFF ANALYSIS: WorldTeq is a reseller of intrastate IXC telecommunications services and apparently did not realize that the Commission requires resellers to obtain a certificate. During discussions and correspondence with staff, the company agreed to obtain an IXC certificate and indicated it would do so expeditiously. Staff opened this docket after WorldTeq failed to submit its application within a reasonable amount of time.

On February 4, 2002, WorldTeq contacted staff and explained that the company did, in fact, undertake the necessary actions to obtain a certificate in December 2001, but mistakenly sent its application to the Florida Department of State, Division of Corporations. Staff was unaware of WorldTeq's actions until contacted by the company. Subsequently, in its letter dated February 15, 2002, (Attachment D), WorldTeq recounted the mitigating circumstances that caused its application to be submitted later than anticipated.

WorldTeq submitted its application for an IXC certificate on February 18, 2002. At the April 2, 2002, Agenda Conference, in Docket No. 020132-TI, the Commission voted to approve WorldTeq's application for a certificate. Hence, WorldTeq has obtained an IXC certificate and complied with Rule 25-24.470, Florida Administrative Code, Certificate of Public Convenience and Necessity Required. In addition, the company resolved the consumer complaint that prompted staff's initial investigation into this matter.

Accordingly, staff recommends that Docket No. 011653-TI should be closed upon issuance of the Commission's Final Order since WorldTeq has obtained an IXC certificate and there are no further issues that need to be addressed by the Commission.

STATE OF FLORIDA

COMMISSIONERS:
E. LEON JACOBS, JR., CHAIRMAN
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI



DIVISION OF COMPETITIVE SERVICES
WALTER D'HAESELEER
(850) 413-6600

Public Service Commission

September 26, 2001

CERTIFIED

Mr. Bruce Bertman
President and CEO
A1 Internet.com, Inc.
15200 Shady Grove Road, Suite 350
Rockville, MD 20850

Re: Customer complaint and official inquiry into Certification of WorldTeq.

Dear Mr. Bertman:

The Florida Public Service Commission (FPSC) has received a customer complaint from Julia Williams against WorldTeq for improper billing. Our research indicates that WorldTeq is a wholly owned subsidiary of A1 Internet.com, Inc. Therefore, I am addressing these issues to you and your company. Ms. Williams claims that your company has billed her for "NON-RBOC" charges that were not disclosed to her when she decided to switch her long distance service provider to WorldTeq. She is disputing \$175 in "NON-RBOC" charges. She has provided the FPSC staff with a copy of her LOA, a bill, and a collection notice. I have enclosed a copy of her complaint for your review. Please suspend any collection proceedings until this complaint is resolved. Also, please investigate Ms. Williams complaint and provide me with a written report detailing your company's findings and proposed resolution no later than October 12, 2001. In your report, please include when Ms. Williams' service was pic'd to WorldTeq, when the "NON-RBOC" charges were applied, and from which carriers WorldTeq purchases network time.

Based on the information provided in Ms. Williams complaint and on your web site www.worldteq.com, it appears that your company is providing intrastate interexchange telephone service in Florida. The information indicates that WorldTeq is providing "1+ dialing" service in which a change in the customer's presubscribed interexchange carrier is required.

In addition, FPSC records indicate that neither WorldTeq nor A1 Internet.com, Inc. has obtained a Certificate of Public Convenience and Necessity to provide intrastate interexchange telecommunications services in Florida. Rule 25-24.470, Florida Administrative Code, Certificate of Public Convenience and Necessity Required, states:

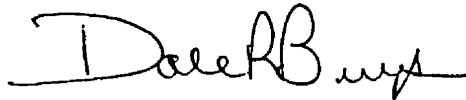
Mr. Bruce Bertman
Page 2
September 26, 2001

No person shall provide intrastate interexchange telephone service without first obtaining a certificate of public convenience and necessity from the Commission. Services may not be provided, nor may deposits or payment for services be collected, until the effective date of a certificate, if granted. However, acquisition of equipment and facilities, advertising and other promotional activities may begin prior to the effective date of the certificate at the applicant's risk that it may not be granted. In any customer contacts or advertisements prior to certification, the applicant must advise the customer that certification has not and may never be granted.

If WorldTeq is providing intrastate interexchange telephone service without a Certificate of Public Convenience and Necessity, it is in apparent violation of Rule 25-24.470, Florida Administrative Code. To correct this matter, your company should submit an application to obtain a Certificate. You can obtain the necessary application form, plus all the supporting instructions and rules, on the FPSC website, www.floridapsc.com. Please mail the completed form to the Division of Commission Clerk and Administrative Services.

Mr Bertman, please provide me with a written response either confirming that your company will apply for a Certificate, or if you believe that your company does not require a Certificate, an explanation supporting your position by October 12, 2001. Should you have any questions, please call me at (850) 413-6536, or email me at dbuys@psc.state.fl.us.

Sincerely,



Dale R. Buys
Regulatory Analyst
Bureau of Service Quality

Enclosure: CATS Request No. 406566T

cc: Jackie Gilchrist



Fax Cover

To: Dale Buys From: Bruce Bertman
Fax: 850.413.6537 Pages: 2
Phone: 850.413.6536 Date: 10/24/2001
Re: Copy of Response Letter CC:

Urgent For Review Please Comment Please Reply Please Recycle

• Comments:

Mr. Buys,

I have attached a copy of the letter that was sent to your office on the 15th of October. I am sorry you have not received it yet but you should receive the original soon. Hopefully this will close out this issue for Julia Williams.

We have already started the filing process and will make sure this is done in an expeditious manner. We were not under the impression we were required to file in Florida.

If there is ever anything else I can do, please do not hesitate to let me know.

Best Regards,

Bruce Bertman

STATE OF FLORIDA

COMMISSIONERS:
E. LEON JACOBS, JR., CHAIRMAN
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI



DIVISION OF COMPETITIVE SERVICES
WALTER D'HAESELEER
(850) 413-6600

Public Service Commission

November 5, 2001

CERTIFIED

Mr. Bruce Bertman
President and CEO
A1 Internet.com, Inc.
15200 Shady Grove Road, Suite 350
Rockville, MD 20850

Re: Follow up letter to telephone conversation on October 23, 2001, regarding a response to customer complaint and inquiry into certification of WorldTeq.

Dear Mr. Bertman:

During our conversation on October 23, 2001, you stated that WorldTeq is a re-seller of St. Andrews Telecommunications services based in Lawrence, Kansas. However, St. Andrews Telecommunications is not listed under that name as having obtained a certificate to provide intrastate interexchange telecommunications services in Florida. To clarify this issue, please provide me with the name, address, and telephone number of the company from which WorldTeq purchases network time for resale.

We also discussed the fact that as a re-seller of intrastate interexchange telecommunications, WorldTeq (a subsidiary of A1 Internet.com, Inc.) requires a certificate of public convenience and necessity from the Florida Public Service Commission (FPSC). During our phone call, I directed you to the FPSC website where you can obtain the necessary information and forms needed to apply for a certificate. You indicated that your company will submit its application. By now, I trust that your company is in the process of applying for a certificate.

By operating without a certificate, A1 Internet.com, Inc. is in apparent violation of Rule 25-24.470, Florida Administrative Code, Certificate of Public Convenience and Necessity Required. To resolve this matter, please submit your company's application to the address listed in the application form by November 30, 2001.

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Attachment C

Mr. Bruce Bertman
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November 5, 2001

Should you have any questions, please call me at (850) 413-6536.

Sincerely,

A handwritten signature in black ink that reads "Dale R. Buys". The signature is written in a cursive style with a large initial "D".

✓ Dale R. Buys
Regulatory Analyst
Bureau of Service Quality

cc: Jackie Gilchrist (Division of Regulatory Oversight)
Florida Department of Revenue

DATE: April 11, 2002

February 15, 2002

ORIGINAL

VIA EXPRESS DELIVERY

Mr. Dale Buys
Division of Competitive Markets and Enforcement
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0866

Re: Docket No. 011653-TI

Dear Mr. Buys,

I am writing in regard to Docket Number 011653-TI, which was opened recently by the Florida Public Service Commission ("PSC" or "Commission") for an alleged violation. As we understand the alleged violation, it concerns the omission by WorldTeq Corporation ("WorldTeq") to register as a foreign corporation qualified to do business in Florida. By this letter, WorldTeq proposes to resolve and settle this matter by explaining the mitigating circumstances, and by so doing, demonstrating our good faith and best intent to resolve this matter promptly and completely.

In mid-December 2001, WorldTeq attempted to file the necessary forms and related paperwork with the Florida Department of State to qualify as a foreign corporation to do business in Florida. Concurrent with that effort, we applied for certification with the PSC, but this application was mistakenly included in the submission to the Department of State. As a result, the application intended for the PSC did not reach the Commission. In addition, because the filing with the Department of State included our application to the PSC, the Department of State rejected our filing.

In order to resolve the inadvertent series of events described above, WorldTeq is (1) resubmitting its filing to the Department of State to qualify as a foreign corporation to do business in Florida, and (2) resubmitting its application for certification with the PSC, as of today, Friday, February 15th, 2002. Enclosed please find a copy each of the original filings (December 3rd, faxed and December 10th, overnight delivery) and a copy each of the resubmitted filing to the Department of State and application to the PSC. (Please note that WorldTeq's registered agent in Florida will be CSC, located at 1201 Hays Street, in Tallahassee.)

We regret the delay and any inconvenience to the PSC caused by these events. We trust our intention to file the appropriate documents in a timely manner is obvious.

We thank you for your consideration and respectfully urge the Commission to accept our proposal and dismiss the case without further proceedings. Should you require or desire further information, please feel free to contact directly our outside corporate counsel, Elliott B. Adler, Esq., at 240-497-1400.

Sincerely,

Lori Samuelson
WorldTeq Corp., Inc.

Check enclosed with filing and
returnable to Fical for deposit.
Please do not write a copy of check
to for set back proof or deposit.

Initials of person who forwarded check:

LSM

[CCA note: Attached IXC
Application removed and
placed in new docket
020132-TI for processing.]

AUS _____
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