State of Florida



Hublic 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 9, 2002

SSIC

TO:

DIRECTOR, DIVISION OF THE COMMISSION ADMINISTRATIVE SERVICES (BAYÓ)

CLERK 2 &

FROM:

DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT (ISLER) OFFICE OF THE GENERAL COUNSEL (TEITZMAN; DODSON; K. PEÑA; B. KEATING)

SHAS A

RE:

CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF IXC CERTIFICATE AND ALEC CERTIFICATE FOR VIOLATION OF RULE 25-4.0161, F.A.C., REGULATORY ASSESSMENT FEES; TELECOMMUNICATIONS COMPANIES.

DOCKET NO. 020287-TP - BROADSTREET COMMUNICATIONS, INC.

DOCKET NO. 020363-TP - COMPASS TELECOMMUNICATIONS

INCORPORATED

DOCKET NO. 020364-TP - METSTREAM COMMUNICATIONS, INC. DOCKET NO. 020368-TP - ARBROS COMMUNICATIONS LICENSING COMPANY S.E., LLC

AGENDA: 05/21/02 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\020287.RCM

CASE BACKGROUND

The companies listed on Attachment A were mailed the 2001 Regulatory Assessment Fee (RAF) return notice and payment was due by January 30, 2002. On February 20, 2002, the Office of the General Counsel mailed a delinquent notice for the 2001 RAF.

The Commission received correspondence from each of the companies listed on Attachment A, which requested cancellation of DOCUMENT NUMBER-DATE

05009 MAY-98

their respective certificates. Staff wrote each of the companies listed on Attachment A and explained that staff could not recommend a voluntary cancellation until each company complied with Rules 25-24.474 and 25-24.820, Florida Administrative Code. However, each of the companies listed on Attachment A have a past due amount and have not complied with these rules.

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.337, Florida Statutes. Accordingly, staff believes the following recommendations are appropriate.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission grant the companies listed on Attachment A a voluntary cancellation of their respective certificates?

RECOMMENDATION: No. The Commission should not grant the companies a voluntary cancellation of their respective certificates. The Commission should cancel each company's respective certificates on its own motion with an effective date as listed on Attachment A. The collection of the past due fees should be referred to the Office of the Comptroller for further collection efforts. If the certificates for each company as listed on Attachment A are cancelled in accordance with the Commission's Order from this recommendation, the respective companies should be required to immediately cease and desist providing interexchange carrier and alternative local exchange telecommunications services in Florida. (Isler)

STAFF ANALYSIS: Rule 25-4.0161, Florida Administrative Code, which implements Section 364.336, Florida Statutes, requires the payment of regulatory assessment fees by January 30 of the subsequent year for telecommunications companies, and provides for penalties and interest as outlined in Section 350.113, Florida Statutes, for any delinquent amounts.

Rule 25-24.474(2)(a), (b), (c), and (d), Florida Administrative Code, as applicable to an interexchange company, states:

- (2) If a certificated company desires to cancel its certificate, it shall request cancellation from the Commission in writing and shall provide the following with its request.
- (a) Statement of intent and date to pay Regulatory Assessment Fee.
- (b) Statement of why the certificate is proposed to be cancelled.
- (c) A statement of treatment of customer deposits and final bills.
- (d) Proof of individual customer notice regarding discontinuance of service.

Rule 25-24.820(2)(a), (b), (c), and (d), Florida Administrative Code, as applicable to an alternative local exchange company, states:

- (2) If a certificated company desires to cancel its certificate, it shall request cancellation from the Commission in writing and shall provide the following with its request. Cancellation of a certificate shall be ordered subject to the holder providing the required information.
- (a) A statement of intent and date certain to pay Regulatory Assessment Fee.
- (b) A statement of why the certificate is proposed to be cancelled.
- (c) A statement as to how customer deposits and final bills will be handled.
- (d) Proof of individual customer notice regarding discontinuance of service.

Although each of the companies listed on Attachment A requested cancellation of their respective IXC and ALEC certificates, the companies have past due RAFs.

BroadStreet Communications, Inc. Docket No. 020287-TP

On December 17, 2001, the Commission received a letter from this company requesting cancellation of its certificates since it did not provide service in Florida. On December 18, staff e-mailed the company and faxed the company a letter on December 27 and explained that prior to granting a voluntary cancellation, the company must pay the 2001 RAF for each certificate. As of April 29, 2002, the past due amounts have not been paid and the company has not complied with Rules 25-24.474 and 25-24.820, Florida Administrative Code.

Compass Telecommunications Incorporated Docket No. 020363-TP

On March 6, 2002, the Commission received a letter from the company requesting cancellation of its certificates. Staff wrote the company on March $15^{\rm th}$ and advised the company to pay the 2001 RAF for both certificates, which was due January 30, 2002, and

either pay the 2002 RAF for both certificates or provide a date certain they would be paid. As of April 29, 2002, the past due amounts have not been paid and the company has not complied with Rules 25-24.474 and 25-24.820, Florida Administrative Code.

Metstream Communications, Inc. Docket No. 020364-TP

On January 30, 2002, the Commission received a letter from the company requesting cancellation of its certificates. Staff wrote the company on February 25th and advised the company to pay the 2001 RAF for both certificates, which was due January 30, 2002, and either pay the 2002 RAF for both certificates or provide a date certain they would be paid. As of April 29, 2002, the past due amounts have not been paid and the company has not complied with Rules 25-24.474 and 25-24.820, Florida Administrative Code.

ARBROS Communications Licensing Company S.E., LLC Docket No. 020368-TP

On March 8, 2002, the Commission received a letter from the company requesting cancellation of its certificates. Staff wrote the company on March 11th and advised the company to pay the 2001 RAF for both certificates, which were due January 30, 2002, and either pay the 2002 RAF for both certificates or provide a date certain they would be paid. As of April 29, 2002, the past due amounts have not been paid and the company has not complied with Rules 25-24.474 and 25-24.820, Florida Administrative Code.

Accordingly, staff believes the Commission should cancel each company's respective certificates on its own motion with an effective date as listed on Attachment A. The collection of the past due fees should be referred to the Office of the Comptroller for further collection efforts. If the certificates for each company as listed on Attachment A are cancelled in accordance with the Commission's Order from this recommendation, the respective companies should be required to immediately cease and desist providing interexchange carrier and alternative local exchange telecommunications services in Florida.

ISSUE 2: Should these dockets be closed?

RECOMMENDATION: The Order issued from this recommendation will become final upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest within 21 days of the issuance of the Proposed Agency Action Order. These dockets should then be closed upon issuance of a Consummating Order. A protest in one docket should not prevent the action in a separate docket from becoming final. (Teitzman; Dodson; K. Peña; B. Keating)

STAFF ANALYSIS: Whether staff's recommendation on Issue 1 is approved or denied, the result will be a Proposed Agency Action Order. If no timely protest to the Proposed Agency Action is filed within 21 days of the date of issuance of the Order, these dockets should be closed upon issuance of a Consummating Order. A protest in one docket should not prevent the action in a separate docket from becoming final.

ATTACHMENT A

DOCKET NOS. 020287-TP, 020363-TP, 020364-TP, 020368-TP DATE: MAY 9, 2002

	PROVIDER	CERT	•	EFFECTIVE DATE
DOCKET NO.	LAST REPORTED REVENUES & PERIOD COVERED	NO.	-	OF CANCELLATION
020287-TP	BroadStreet Communications, Inc.	7544	(IXC)	12/17/01
		7452	(ALEC)	12/17/01
	\$0 Revenues for Period Ended 12/31/00 (IXC)			•
	\$0 Revenues for Period Ended 12/31/00 (ALEC)			
020363-TP	Compass Telecommunications Inc.	5774	(IXC)	03/06/02
		5800	(ALEC)	03/06/02
	\$2,172 Revenues for Period Ended 12/31/00 (IXC)			
	\$0 Revenues for Period Ended 12/31/00 (ALEC)			
020364-TP	Metstream Communications, Inc.	7786	(IXC)	01/30/02
	•		(ALEC)	01/30/02
	No Previous Return Filed (IXC and ALEC)			, ,
020368-TP	ARBROS Communications Licensing Co.	7902	(IXC)	03/08/02
		7453	(ALEC)	03/08/02
	No Previous Return Filed (IXC)			-
	\$0 Revenues for Period Ended 12/31/00 (ALEC)			~