

State of Florida



Public Service Commission  
CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

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COMMISSION CLERK

**DATE:** NOVEMBER 20, 2002

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

**FROM:** DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT (ISLER) *Pji MD*  
OFFICE OF THE GENERAL COUNSEL (TEITZMAN *W. WOK* DODSON; KNIGHT; ELLIOTT) *AKC*

**RE:** CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF IXC  
CERTIFICATES FOR VIOLATION OF RULE 25-4.0161, F.A.C.,  
REGULATORY ASSESSMENT FEES; TELECOMMUNICATIONS COMPANIES.

**AGENDA:** 12/02/02 - REGULAR AGENDA - INTERESTED PERSONS MAY  
PARTICIPATE

**CRITICAL DATES:** NONE

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\CMP\WP\020701.RCM

CASE BACKGROUND

This recommendation deals with settlement proposals from interexchange carriers (IXCs) as a result of dockets being established for nonpayment of the Regulatory Assessment Fees (RAFs). Staff is recommending that the Commission accept settlement offers between \$100 and \$500.

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.337, Florida Statutes. The following docket numbers are addressed by this recommendation.

DOCUMENT NUMBER-DATE

12703 NOV 20 02

FPSC-COMMISSION CLERK

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI,  
020680-TI, 020715-TI, 020673-TI, 020690-TI  
DATE: NOVEMBER 20, 2002

**ISSUE 1 - ATTACHMENT A - 1<sup>st</sup> Time IXC Offenders - Nonpayment of RAFs  
- \$100 Settlements**

DOCKET NO. 020701-TI - O1 Communications of Florida, LLC  
DOCKET NO. 020729-TI - Eureka Telecom, LLC  
DOCKET NO. 020734-TI - Summit Telco, L.L.C.  
DOCKET NO. 020750-TI - Quick Tel, Inc.  
DOCKET NO. 020755-TI - NTERA, Inc.

**ISSUE 2 - ATTACHMENT B - 1<sup>st</sup> Time IXC Offenders - Nonpayment of RAFs  
- \$250 Settlements**

DOCKET NO. 020680-TI - TELCOM.NET, INC.  
DOCKET NO. 020715-TI - NATEL, L.L.C.

**ISSUE 3 - ATTACHMENT C - 2<sup>nd</sup> Time IXC Offenders - Nonpayment of RAFs  
- \$500 Settlements**

DOCKET NO. 020673-TI - QAI, INC. D/B/A LONG DISTANCE BILLING  
DOCKET NO. 020690-TI - LONG DISTANCE AMERICA, INC.

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI, 020680-TI, 020715-TI, 020673-TI, 020690-TI  
DATE: NOVEMBER 20, 2002

**ISSUE 1 - ATTACHMENT A - 1<sup>st</sup> Time IXC Offenders - Nonpayment of RAFs - \$100 Settlements**

**ISSUE 1:** Should the Commission accept the settlement offer proposed by each company listed on Attachment A to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

**RECOMMENDATION:** Yes. The Commission should accept each company's respective settlement proposal, as listed on Attachment A. Any contribution should be received by the Commission within fourteen (14) calendar days from the 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 General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment A fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment A, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier services in Florida. (Isler; Teitzman; Dodson; W. Knight)

**STAFF ANALYSIS:** Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, 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.

After the individual dockets were established, the companies listed on Attachment A contacted the Commission and subsequently paid the past due amounts, including statutory penalty and interest charges, and proposed settlements. Each company listed on Attachment A offered to pay a \$100 contribution and proposed to pay future RAFs on a timely basis. These settlement amounts are consistent with amounts accepted for recent, similar violations. Pursuant to Section 364.336, Florida Statutes, cancellation of an entity's certificate does not relieve the obligation to pay

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Regulatory Assessment Fees, including statutory penalty and interest charges, if the certificate was active during any portion of the calendar year, including the year of cancellation.

Accordingly, staff believes the Commission should accept each company's respective settlement proposal, as listed on Attachment A. Any contribution should be received by the Commission within fourteen (14) calendar days from the 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 General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment A fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment A, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier services in Florida.

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI, 020680-TI, 020715-TI, 020673-TI, 020690-TI  
DATE: NOVEMBER 20, 2002

**ISSUE 2 - ATTACHMENT B - 1<sup>st</sup> Time IXC Offenders - Nonpayment of RAFs - \$250 Settlements**

**ISSUE 2:** Should the Commission accept the settlement offer proposed by each company listed on Attachment B to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

**RECOMMENDATION:** Yes. The Commission should accept each company's respective settlement proposal, as listed on Attachment B. Any contribution should be received by the Commission within fourteen (14) calendar days from the 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 General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment B fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment B, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier services in Florida. (Isler; Elliott; Dodson)

**STAFF ANALYSIS:** Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, 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.

After the individual dockets were established, the companies listed on Attachment B contacted the Commission and subsequently paid the past due amounts, including statutory penalty and interest charges, and proposed settlements. Each company listed on Attachment B offered to pay a \$250 contribution and proposed to pay future RAFs on a timely basis. These settlement amounts are consistent with amounts accepted for recent, similar violations. Pursuant to Section 364.336, Florida Statutes, cancellation of an entity's certificate does not relieve the obligation to pay

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI, 020680-TI, 020715-TI, 020673-TI, 020690-TI  
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Regulatory Assessment Fees, including statutory penalty and interest charges, if the certificate was active during any portion of the calendar year, including the year of cancellation.

Accordingly, staff believes the Commission should accept each company's respective settlement proposal, as listed on Attachment B. Any contribution should be received by the Commission within fourteen (14) calendar days from the 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 General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment B fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment B, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier services in Florida.

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI, 020680-TI, 020715-TI, 020673-TI, 020690-TI  
DATE: NOVEMBER 20, 2002

**ISSUE 3 - ATTACHMENT C - 2<sup>nd</sup> Time IXC Offenders - Nonpayment of RAFs - \$500 Settlements**

**ISSUE 3:** Should the Commission accept the settlement offer proposed by each company listed on Attachment C to resolve the apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.480, Florida Administrative Code?

**RECOMMENDATION:** Yes. The Commission should accept each company's respective settlement proposal, as listed on Attachment C. Any contribution should be received by the Commission within fourteen (14) calendar days from the 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 General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment C fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment C, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier services in Florida. (Isler; Dodson)

**STAFF ANALYSIS:** Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, 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.

After the individual dockets were established, the companies listed on Attachment C contacted the Commission and subsequently paid the past due amounts, including statutory penalty and interest charges, and proposed settlements. This is the second enforcement docket established for each company listed on Attachment C for the same rule violation. Each company listed on Attachment C offered to pay a \$500 contribution and proposed to pay future RAFs on a timely basis. These settlement amounts are consistent with amounts accepted for recent, similar violations. Pursuant to Section

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI, 020680-TI, 020715-TI, 020673-TI, 020690-TI  
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364.336, Florida Statutes, cancellation of an entity's certificate does not relieve the obligation to pay Regulatory Assessment Fees, including statutory penalty and interest charges, if the certificate was active during any portion of the calendar year, including the year of cancellation.

Accordingly, staff believes the Commission should accept each company's respective settlement proposal, as listed on Attachment C. Any contribution should be received by the Commission within fourteen (14) calendar days from the 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 General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. If any of the companies listed on Attachment C fails to pay in accordance with the terms of the Commission Order, that company's respective certificate should be cancelled administratively. If a company's certificate, as listed on Attachment C, is cancelled in accordance with the Commission's Order from this recommendation, the respective company should be required to immediately cease and desist providing interexchange carrier services in Florida.



DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI, 020680-TI, 020715-TI, 020673-TI, 020690-TI  
DATE: NOVEMBER 20, 2002

**ISSUE 4:** Should these dockets be closed?

**RECOMMENDATION:** If the Commission approves staff's recommendation on Issues 1, 2, and 3, the docket for each company listed on the attachments should be closed upon receipt of the specified contribution or cancellation of the certificates. (Teitzman; Dodson; W. Knight; Elliott)

**STAFF ANALYSIS:** If the Commission approves staff's recommendation on Issues 1, 2, and 3, the docket for each company listed on the attachments should be closed upon receipt of the specified contribution or cancellation of the certificates.

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI,  
 020680-TI, 020715-TI, 020673-TI, 020690-TI  
 DATE: NOVEMBER 20, 2002

Issue 1 - Attachment A - 1<sup>st</sup> Time IXC Offenders - Nonpayment of RAFs - \$100 Settlements

| <u>DOCKET NO.</u> | <u>PROVIDER<br/>LAST REPORTED REVENUES &amp;<br/>PERIOD ENDED</u>           | <u>CERT.<br/>NO.</u> | <u>RAFs</u> | <u>Penalty<br/>and<br/>Interest*</u> |
|-------------------|---|----------------------|-------------|--------------------------------------|
| 020701-TI         | O1 Communications of Florida, LLC<br>\$0 Revenues for Period Ended 12/31/01 | 7301                 | 2001        | 2001                                 |
| 020729-TI         | Eureka Telecom, LLC<br>\$0 Revenues for Period Ended 12/31/01               | 7654                 | 2001        | 2001                                 |
| 020734-TI         | Summit Telco, L.L.C.<br>\$644 Revenues for Period Ended 12/31/01            | 7717                 | 2001        | 2001                                 |
| 020750-TI         | Quick Tel, Inc.<br>\$0 Revenues for Period Ended 12/31/01                   | 7826                 | 2001        | 2001                                 |
| 020755-TI         | NTERA, Inc.<br>\$0 Revenues for Period Ended 12/31/01                       | 7926                 | 2001        | 2001                                 |

\*Years penalty and/or interest was not paid

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI,  
 020680-TI, 020715-TI, 020673-TI, 020690-TI  
 DATE: NOVEMBER 20, 2002

Issue 2 - Attachment B - 1<sup>st</sup> Time IXC Offenders - Nonpayment of RAFs - \$250 Settlements

| <u>DOCKET NO.</u> | <u>PROVIDER</u><br><u>LAST REPORTED REVENUES &amp;</u><br><u>PERIOD ENDED</u> | <u>CERT.</u><br><u>NO.</u> | <u>RAFs</u>  | <u>Penalty</u><br><u>and</u><br><u>Interest*</u> |
|-------------------|---|----------------------------|--------------|--|
| 020680-TI         | Telcom.Net, Inc.<br>\$0 Revenues for Period Ended 12/31/01                    | 5329                       | 2000<br>2001 | 2000<br>2001                                     |
| 020715-TI         | Natel, L.L.C.<br>\$654,350 Revenues for Period Ended 12/31/01                 | 7454                       | 2001         | 2000<br>2001                                     |

\*Years penalty and/or interest was not paid

DOCKET NOS. 020701-TI, 020729-TI, 020734-TI, 020750-TI, 020755-TI, 020680-TI, 020715-TI, 020673-TI, 020690-TI  
 DATE: NOVEMBER 20, 2002

Issue 3 - Attachment C - 2<sup>nd</sup> Time IXC Offenders - Nonpayment of RAFS - Accept \$500 Settlements

| <u>DOCKET NO.</u> | <u>PROVIDER<br/>LAST REPORTED REVENUES &amp;<br/>PERIOD ENDED</u>               | <u>CERT.<br/>NO.</u> | <u>RAFS</u> | <u>Penalty<br/>and<br/>Interest*</u> |
|-------------------|---|----------------------|-------------|--------------------------------------|
| 020673-TI         | QAI, Inc. d/b/a Long Distance Billing<br>\$0 Revenues for Period Ended 12/31/01 | 4414                 | 2001        | 2001                                 |
| 020690-TI         | Long Distance America, Inc.<br>\$0 Revenues for Period Ended 12/31/01           | 5759                 | 2001        | 1999<br>2001                         |

\*Years penalty and/or interest was not paid