

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: FEBRUARY 20, 2003

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

FROM: DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT (PRUITT) *Y*
OFFICE OF THE GENERAL COUNSEL (TAYLOR) *BET MK*

RE: DOCKET NO. 020992-TI - APPLICATION FOR CERTIFICATE TO
PROVIDE INTEREXCHANGE TELECOMMUNICATIONS SERVICE BY NETEL,
INC.

AGENDA: 03/04/03 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\020992.RCM

CASE BACKGROUND

On May 18, 1995, this Commission granted NETEL, INC. (NETEL) Certificate No. 4001 to provide interexchange telecommunications service (IXC) in Florida. On June 13, 1998, this Commission granted NETEL Certificate No. 5639 to provide alternative local exchange service (ALEC) in Florida. On June 30, 2000, the ALEC certificate was canceled in Docket No. 991986-TX and on July 12, 2000, the IXC certificate was canceled in Docket No. 991530-TI due to the failure of the company to respond to Order No. PSC-00-0844-PAA-TX and Order No. PSC-99-2441-PAA-TI which required payment of past due Regulatory Assessment Fees (RAFs) with statutory penalties and interest, a fine, and an unpaid settlement offer.

On September 18, 2002, NETEL submitted an application for a new IXC certificate. On January 30, 2003, the Commission received the company's payment of \$848.91 for the 1999 and 2000 IXC RAFs plus the statutory late fees and the \$500 fine, and late fees and

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the \$100 settlement for the ALEC. The company also submitted a letter of explanation.

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 NETEL, INC. a certificate to provide interexchange telecommunications service within the State of Florida as provided by Section 364.337(3), Florida Statutes?

RECOMMENDATION: Yes. NETEL, INC. should be granted:

Florida Public Service Commission Certificate No. 8303.
(Pruitt)

STAFF ANALYSIS: Section 364.337(3), Florida Statutes, reads:

The commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served.

NETEL filed an application with this Commission on September 18, 2002, to offer intrastate interexchange telecommunications service in Florida. A review of the application indicates that the company appears to meet the requirements of Section 364.337(3), Florida Statutes.

NETEL's new application indicates that the company has undergone managerial and structural changes. The company has also hired a regulatory consulting firm to assist with future regulatory matters. A letter dated January 9, 2003 states, in part:

Prior to hiring the outside compliance management firm, the notices from the Commission regarding delinquent

reports were not properly handled, and "fell through the cracks". The situation has been rectified, and all future reports should be timely filed.

Although the Commission canceled NETEL's certificates in 2000, staff accepts the company's representation that these past difficulties were oversights which will not occur again. Therefore, staff recommends that the Commission grant NETEL, INC. a certificate to provide interexchange telecommunications service in Florida.

Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee of \$50 if the certificate is active during any portion of the calendar year. A Regulatory Assessment Fee Return notice will be mailed each December to NETEL for payment by January 30.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order. (Taylor)

STAFF ANALYSIS: At the conclusion of the protest period, if no protest is filed, this docket should be closed upon the issuance of a consummating order.