



September 25, 2003

Ms. Blanca Bayó, Director
Division of the Commission Clerk
& Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

via Overnight Mail

Re: FPSC Docket No. 030872-TI -- Investigation and determination of appropriate method for refunding overcharges assessed on intrastate calls made using one plus and calling card services provided by Florida Digital Network, Inc. d/b/a FDN Communications

Dear Ms. Bayó:

I write on behalf of Florida Digital Network, Inc. d/b/a FDN Communications ("FDN") in fulfillment of instructions of the Commission staff to detail FDN's proposal for refund in the captioned docket.

This matter began last year, when after conducting routine testing, the Commission staff discovered that the call duration of certain test calls were not reported on test bills within Commission parameters. After an investigation, FDN confirmed that its biller had a software glitch which caused minor errors in accessing call duration. After FDN corrected the glitch, staff retested the FDN services and verified that the error was cured. Hence, FDN agreed with the Commission staff to refund in accordance with the information and provisions below.

The enumerated information below is updated and corresponds to the enumerated questions staff asked FDN by letter dated January 31 and which FDN responded to by letter dated February 24.

1. The software glitch commenced for 1 + and calling card calls on May 1, 2001.
2. FDN estimates 2,236,470 1 + calls were affected.
3. Some customers have multiple accounts, but approximately 35,916 1 + accounts were affected. Of those, 21,897 are still open and 14,019 are closed.

L O C A L

L O N G D I S T A N C E

390 North Orange Avenue Suite 2000 Orlando, FL 32801
407.835.0300 Fax 407.815.0309 www.fdn.com

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4. The total principal at issue is \$13,418.82, and of this \$10,205.52 pertains to open accounts and \$3,213.29 pertains to closed accounts.
5. FDN estimates 24,227 calling card calls were affected.
6. Approximately 516 calling cards/accounts were affected. Of these, 375 are open accounts and 141 are closed.
7. The total principal at issue is \$1,453.60, and of this \$730.30 pertains to open accounts and \$723.30 pertains to closed accounts.
8. The billing system error was corrected on January 27, 2003.
9. The customer bills should no longer reflect the billing system error as of March 1, 2003's bills.

Since the dollar amounts involved are not substantial, FDN proposes to structure the applicable refunds such that credits are posted all in one cycle to affected open accounts and closed accounts with a balance. FDN proposes to do this within sixty (60) days after a Commission Order accepting this proposal becomes final. For sums due any closed accounts (beyond any balance on the closed account) which do not exceed \$.99 FDN would propose to not issue refund checks since the cost of issuing and administering such checks exceed the amount to refund to the former customer. FDN would propose to pay the total of such amounts in a lump sum to the General Revenue Fund. For sums due any closed accounts (beyond any balance on the closed account) for \$1.00 and above, FDN would propose to pay such via check to the customer's last known address. The Commission would deem checks not cashed sixty (60) days after issuance as unclaimed property and paid as such in a lump sum to the General Revenue Fund.

FDN will file just one refund report with the Commission or staff. That will be a final refund report due 180 days after a final Commission order as aforesaid. The report will affirm account information, amounts credited, checks issued, and amounts unclaimed and paid to the General Revenue Fund.

An original and seven (7) copies of this letter are enclosed for filing in the above-captioned docket. If you have any questions, please contact me at 407-835-0460.

Sincerely,



Matthew Feil
General Counsel
FDN Communications