



Public Service Commission

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COMMISSION CLERK

DATE: JANUARY 8, 2004

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

FROM: DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT (ISLER) *pji*
OFFICE OF THE GENERAL COUNSEL (MCKAY) *VSIM BIC*

RE: DOCKET NO. 031008-TC - CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF PATS CERTIFICATE NO. 7318 ISSUED TO PARAMOUNT INTERNATIONAL TELECOMMUNICATIONS, INC. D/B/A R NETWORK FOR VIOLATION OF RULE 25-24.0161, F.A.C., REGULATORY ASSESSMENT FEES; TELECOMMUNICATIONS COMPANIES.

AGENDA: 01/20/04 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMP\WP\031008.RCM

CASE BACKGROUND

- **02/17/00** - This company obtained Florida Public Service Commission Pay Telephone Company (PATS) Certificate No. 7318.
- **12/12/02** - The Division of the Commission Clerk & Administrative Services mailed the 2002 Regulatory Assessment Fee (RAF) return notice. Payment was due by January 30, 2003.
- **02/21/03** - The Office of the General Counsel mailed a delinquent notice via certified mail for nonpayment of the 2002 RAF. The US Postal Service subsequently returned the certified receipt showing the delinquent notice was signed for and delivered on February 24, 2003.

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- **03/19/03** - The Division of the Commission Clerk & Administrative Services notified staff that this company had not paid its 2002 RAF.
- **05/21/03** - Staff wrote the company and explained that the 2002 RAF had not been paid and that in order to avoid an enforcement docket from being established, the RAF needed to be paid by June 13, 2003.
- **06/05/03** - Staff received a telephone call from the company's regulatory consultant and requested that I fax a copy of staff's May 21, 2003 letter and the 2002 RAF return form. The information was faxed the same date.
- **07/25/03** - Staff called the company's regulatory consultant and asked how the company wished to proceed. The consultant advised staff that a decision had not been made.
- **09/26/03** - Staff received a telephone call from the company's regulatory consultant, who again requested any information concerning this company. The information was faxed on September 29, 2003.
- **10/28/03** - The company did not pay the past due amount; therefore, Docket No. 031008-TC was established for nonpayment of the 2002 RAF.
- **11/12/03** - The Commission received payment of the 2002 minimum RAF. The company reported revenues in the amount of \$8,000 for the period ended December 31, 2002.
- **12/05/03** - Staff called the company and left a voice mail message for the person completing the 2002 RAF return form and requested a return call.
- **12/16/03** - Staff received a voice mail message from the company. Staff returned the call the next day, December 17, 2003, and left a voice mail message.
- **12/31/03** - As of this date, the company has not proposed a settlement or requested cancellation of its certificate. In addition, the company does not have any outstanding consumer complaints.

The Commission is vested with jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.3375, Florida Statutes. Accordingly, staff believes the following recommendations are appropriate.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission impose a \$500 penalty or cancel Paramount International Telecommunications, Inc. d/b/a R Network's certificate for apparent violation of Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies, incorporated by Rule 25-24.505, Florida Administrative Code?

RECOMMENDATION: The Commission should impose a \$500 penalty or cancel the company's certificate with an effective date of December 31, 2003, if payment of the penalty is not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The penalty should be paid to the Florida Public Service Commission. If the Commission's Order is not protested and payment of the penalty is not received, the company's Certificate No. 7318 should be cancelled administratively. If Paramount International Telecommunications, Inc. d/b/a R Network's certificate is cancelled in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing pay telephone services in Florida. **(Isler; McKay)**

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 late payment charges as outlined in Section 350.113, Florida Statutes, for any delinquent amounts.

The Division of the Commission Clerk & Administrative Services' records showed that the company had not paid its 2002 RAF, plus statutory late payment charges; therefore, this docket was established. Staff had delayed opening a docket because the company's regulatory consulting company had contacted staff. The RAF return form was faxed on two separate dates before this docket

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was established to allow the consulting company time to pay the RAF. Payment was not received; therefore, this docket was established on October 28, 2003. On November 12, 2003, the Commission received payment of the past due RAF, including statutory late payment charges, however, the company did not propose a settlement or request cancellation of its certificate to resolve this docket. Staff has been unsuccessful in their attempts to speak to a company representative.

As of December 31, 2003, the company has not contacted staff to request cancellation of its certificate or propose a settlement. Therefore, it appears the company has failed to comply with Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees; Telecommunications Companies and has not requested cancellation of its certificate in compliance with Rule 25-24.514, Florida Administrative Code. This penalty amount is consistent with amounts imposed for recent, similar violations.

Accordingly, staff recommends that the Commission assess a \$500 penalty or cancel the company's certificate with an effective date of December 31, 2003, if payment of the penalty is not received by the Commission within fourteen (14) calendar days after the issuance of the Consummating Order. The penalty should be paid to the Florida Public Service Commission. If the Commission's Order is not protested and payment of the penalty is not received, the company's Certificate No. 7318 should be cancelled administratively. If Paramount International Telecommunications, Inc. d/b/a R Network's certificate is cancelled in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing pay telephone services in Florida.

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ISSUE 2: Should this docket 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. The docket should then be closed upon receipt of the penalty or cancellation of the certificate.
(McKay)

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, this docket should be closed upon receipt of the penalty or cancellation of the certificate.