

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Investigation and determination of appropriate method for refunding Universal Service Fund overcharges by Supra Telecommunications and Information Systems, Inc.	DOCKET NO. 041362-TI ORDER NO. PSC-05-0133-PAA-TI ISSUED: February 2, 2005
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The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman  
J. TERRY DEASON  
RUDOLPH "RUDY" BRADLEY  
CHARLES M. DAVIDSON  
LISA POLAK EDGAR

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING SETTLEMENT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On July 28, 2004, the Florida Public Service Commission (Commission) received a consumer complaint against Supra Telecommunications and Information Systems, Inc. (Supra) regarding the amount of the Universal Service Fund (USF) charge on his bill. Interexchange telecommunications companies (IXCs) are required by the Federal Communications Commission (FCC) to contribute to the federal USF. The amount of the contribution is based on the revenues collected for interstate telecommunications services.

Upon investigation of the complaint, Supra found that it had been improperly calculating its USF contribution since April 1, 2003. Supra's systems for both billing (the billing system) and calculating the USF charge (the USF system) accessed a module that tracked the minutes of use (MOU) for each customer (the MOU module). Each system calculated the revenue from the MOU information independently for its respective purpose.

In April 2003, Supra began offering what it referred to as an "unlimited" long distance calling plan for a flat fee. The customer could call anywhere within the United States and Canada for a flat fee, up to a maximum of 5,000 minutes. If a customer exceeded 5,000 MOU in

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a billing period, all minutes over 5,000 would be billed at a per-minute rate. Thus, Supra modified its billing system to conform to the new parameters. The 5,000-minute ceiling on the flat rate package required Supra to retain its MOU module so the billing system could accurately identify and bill for the additional minutes used.

The USF system, however, no longer needed to access the MOU module since the USF contribution is based on interstate revenue rather than on MOU. The USF system should have been modified to access the billing system to determine the appropriate USF contribution. Instead, it continued to access the MOU module and calculate the revenues on a per-minute basis. Thus, if the customer's usage for a given billing period would have resulted in higher charges under the old system than the current flat rate, the customer was overcharged for the USF fee. Likewise, if the customer's usage would have resulted in lower charges under the old system than the current flat rate, the customer was undercharged for the USF fee. Supra will issue refunds for those customers that were overcharged, as described in this recommendation. Supra will not bill those customers that it undercharged for the USF fee.

The FCC requires that all money collected from customers for the USF be remitted to the Universal Service Administrative Company (USAC). Supra stated that it complied with this requirement.

Supra audited its records to determine the amount of overcharges and undercharges on a per-customer basis for the period April 2003 to August 2004. Supra found that, in aggregate, it overcharged its customers in the amount of \$221,535.31. The Commission calculated the interest on these overcharges to be \$3,604.71.

The Commission has jurisdiction over this matter pursuant to Section 364.604, Florida Statutes. We believe that the terms of the settlement agreement represent a fair and reasonable resolution of this docket. Accordingly, we hereby accept the settlement offer.

Based on the foregoing, it is


ORDERED by the Florida Public Service Commission that Supra Telecommunications and Information Systems, Inc.'s refund proposal summarized in the body of this Order is hereby approved. It is further

ORDERED that Supra Telecommunications and Information Systems, Inc. should submit a report within 30 days of the issuance of the Consummating Order to the Commission stating, (1) how much money was refunded to its customers, (2) the number of customers due a refund, and (3) the amount of money due to those customers that cannot be located. It is further

ORDERED that Supra Telecommunications and Information Systems, Inc. remit any amounts due to customers that cannot be located to the Commission for deposit in the State of Florida General Revenue Fund. It is further

ORDERED that upon receipt of Supra Telecommunications and Information Systems, Inc.'s report and staff review, this docket should be closed administratively.

By ORDER of the Florida Public Service Commission this 2nd day of February, 2005.

  
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BLANCA S. BAYO, Director  
Division of the Commission Clerk  
and Administrative Services

( S E A L )

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on February 23, 2005.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.