



ORIGINAL

April 20, 2005

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Blanca S. Bayo
Director of the Commission Clerk
and Administrative Services
Public Service Commission
State of Florida
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

040062-TI
COMMISSION
CLERK
APR 27 AM 10:08

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Attn: Kay Flynn, Chief, Bureau of Records

To all who are concerned:

In accordance with section 3(vi) of the Settlement Agreement in Docket No. 040062-TI, Order No. PSC-05-0197-CO-TI, submitted herewith is the initial formal report of New Century Telecom, Inc.

(a) The status of NCT's progress in implementing the settlement is as follows: The voluntary contributions have been timely paid as provided in section 6 of the Settlement Agreement; negotiations for live verifications of new customer orders as required by section 3(vii) continue, but in the meantime, no marketing of new customers has taken place and no marketing shall commence until satisfactory arrangements have been concluded; no transfers or acquisitions of customers have occurred (section 3(viii); the Settlement Agreement and a verification compliance program as required by section 3(ii) and (iii), respectively, have been put into place and have been reviewed by the owner, sole officer and director and all employees; the Company has received no complaints of having switched any customer without being properly verified (section 3(v)); and the Company has a records system to record material infractions as required by section 3(iv), but no such infractions have occurred.

(b) No information or instances of any infractions or allegations of infractions of the settlement have come to management's attention and it is believed that no such infractions have occurred.

(c) No complaints have been received about NCT's compliance with the settlement.

Should there be any questions, please contact our regulatory counsel, Charles H. Helein, The Helein Law Group LLLP, 8180 Greensboro Drive, Suite 700, McLean, VA 22102.

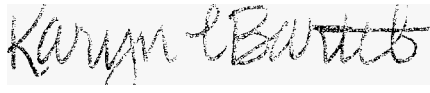
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DOCUMENT NUMBER-0,

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FPSC-COMMISSION CLI

Respectfully submitted,

A handwritten signature in black ink that reads "Karyn Bartel". The signature is written in a cursive style and is placed on a light gray rectangular background.

New Century Telecom, Inc
Karyn Bartel
President

cc: Charles H. Helein