

OS0200-TX

lease or ownership obligations.” (Emphasis in original.) Matrix provided no such written explanation, and thus its application is deficient on its face. By failing to provide this information, Matrix has not made the necessary showing that it has “sufficient . . . financial . . . capability to provide [alternative local exchange] service in the geographic area proposed to be served,” as required by statute. Fla. Stat. § 364.337.

2. Even if the Commission could overlook the facial deficiencies in the Matrix application – which it may not – Verizon has ample evidence that Matrix is not capable of meeting its lease obligations with respect to facilities and services that it may obtain from Verizon for use in providing service to customers in Florida. Specifically, Matrix ordered services from Verizon’s affiliates in California and Indiana and has defaulted on payments for those services in an amount exceeding [PROPRIETARY] [REDACTED] [PROPRIETARY]. As a result, Verizon affiliates were forced to disconnect all access services to Matrix in those states.

3. In addition, Matrix is a wholly-owned subsidiary of Platinum Equity, which also owns a telecommunications reseller called Claricom Networks, LLC (“Claricom”). According to the Matrix website (www.matrixvalue.com), Claricom does business under the name of Matrix Telecom. Claricom ordered services from Verizon affiliates in thirteen states and, like Matrix, has a dismal payment history, defaulting on more than [PROPRIETARY] [REDACTED] [PROPRIETARY] in debts. Verizon affiliates were forced to disconnect services to Claricom in Massachusetts, New Jersey, Pennsylvania New York, and Washington, DC.

4. Given the past payment history of Matrix and Claricom db/a Matrix, Verizon has ample reason to believe that, if this Commission grants Matrix a certificate

REDACTED

consumers that Matrix would serve. Therefore, the Commission should deny the Application as deficient on its face.

IV. THE PAST PAYMENT HISTORY OF MATRIX AND ITS AFFILIATES DEMONSTRATES THAT MATRIX IS NOT FINANCIALLY CAPABLE OF MEETING ITS FINANCIAL OBLIGATIONS IN FLORIDA NECESSARY TO SERVE CUSTOMERS.

11. Even if the Commission could overlook the facial deficiencies in the Matrix application – which it may not – Matrix has demonstrated in other jurisdictions that it is not capable of meeting its lease obligations with respect to facilities and services that it has ordered from Verizon for use in providing service to its customers. As set forth above, Matrix ordered access services from Verizon’s affiliates in California and Indiana and has defaulted on payments for those services in an amount exceeding **[PROPRIETARY]** **[REDACTED]** **[PROPRIETARY]**. As result of Matrix’s repeated failure to meet its payment obligations, Verizon affiliates were forced to disconnect service to Matrix – and thus to Matrix’s customers – in those states. Copies of the relevant default letters are attached hereto as Proprietary Attachment 1. Neither Matrix, nor its parent company Platinum Equity, opposed the disconnection of the access services.

12. As explained above, Claricom d/b/a Matrix Telecom also has a dismal payment history with Verizon affiliates, defaulting on more than **[PROPRIETARY]** **[REDACTED]** **[PROPRIETARY]** in payments for resold services. As a result, Verizon affiliates were forced to disconnect services to Claricom. Copies of the relevant default letters are attached hereto as Proprietary Attachment 2. Again, neither Claricom nor its parent company took any action to oppose the disconnection of service or to make alternative arrangements for Claricom customers, thus leaving 862 Claricom end users without telephone service.