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State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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MAY 19 2006

-M-E-M-O-R-A-N-D-U-M- COMMISSION CLERK

DATE: May 15, 2006

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Dale R. Buys, Regulatory Analyst III, Division of Competitive Markets & Enforcement *DRB*

RE: Docket No. 060373-TI – Compliance Investigation of Mercury Telco Group, Inc. for apparent violation of Rule 25-24.475, F.A.C., Company Operations and Customer Relations.

Please file the attached copies of three letters from Commission staff in the above referenced docket file. The letters are dated, August 10, 2005, December 30, 2005, and March 30, 2006.

DRB/
Attachments

- MP _____
- OM _____
- TR _____
- CR _____
- CL _____
- PC _____
- CA _____
- CR _____
- GA _____
- EC 1
- TH _____

DOCUMENT NUMBER-DATE

04329 MAY 16 06

COMMISSIONERS:
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J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
LISA POLAK EDGAR

STATE OF FLORIDA



DIVISION OF COMPETITIVE MARKETS &
ENFORCEMENT
BETH W. SALAK
DIRECTOR
(850) 413-6600

Public Service Commission

August 10, 2005

CERTIFIED MAIL: 7004 1160 0004 5749 7302
VIA FACSIMILE: (954) 428-8902

Mr. Joseph A. Gordon
Mercury Telco Group, Inc.
1215 W. Newport Center Drive
Deerfield Beach, FL 33442-7738

Re: Inquiry into the provision of intrastate telecommunications services in Florida and four customer complaints - Request Nos. 624838T, 638970T, 646319T & 660508T.

Dear Mr. Gordon:

The Florida Public Service Commission (Commission) received four customer complaints regarding prepaid phonecards in which Mercury Telco Group, Inc. (Mercury) appears to be the service provider. An investigation into the complaint from Mr. Carlos Bavila, Request No. 660508T, revealed that ANEW Broadband, Inc. (ANEW) is assigned four of the telephone numbers listed on the *X Phonecard Florida* prepaid phonecard phone card. Those numbers are: 305-396-2006, 305-396-2007, 561-953-5107, and 561-953-5108. ANEW informed me that it provides only the local access numbers for the *X Phonecard Florida* prepaid phonecard and leases those telephone numbers to Mercury. Hence, it appears that Mercury is the service provider for the *X Phonecard Florida* prepaid phonecard. In addition, the Commission received a customer complaint from Ms. Patricia Vanoni, Request No. 638970T, regarding a prepaid phone card labeled *La Esmeralda Prepaid Phone Card*. The back of this phone card lists Mercury Teleservices as the service provider. It appears that Mercury is also the service provider for the *La Esmeralda Prepaid Phone Card*.

The Commission considers the provision of calling card services to be an intrastate interexchange telecommunications service, and as the service provider, Mercury is responsible for the operation of the prepaid phonecards and responding to customer complaints received by the Commission. Commission records do not list Mercury Telco Group, Inc., Mercury Communications, or Mercury Teleservices as registering as an intrastate interexchange company (IXC) and filing a tariff. If Mercury is providing intrastate interexchange services in Florida, it should register as an interexchange company and file a tariff with the Commission.

Rule 25-24.470, Florida Administrative Code, (F.A.C.), Registration Required, requires that a company file an initial tariff containing the rates, terms, and conditions of service and provide the company's current contact information to the Division of the Commission Clerk and Administrative

Mr. Joseph A. Gordon
Page 2
August 10, 2005

Services prior to providing intrastate interexchange telephone service. Please visit the Commission's website at www.floridapsc.com for a description of the requirements for registering and filing a tariff.

In addition to the two complaints mentioned above, the Commission received two more customer complaints regarding prepaid phonecards for which Mercury is apparently providing intrastate service. Copies of all four customer complaints are enclosed and listed in Table 1.

Table 1

Request No.	Complainant	Phonecard Name	Access Number	PIN
624838T	Marino Brito	SUGAR!	1-888-376-9164	859 129 9085
638970T	Patricia Vanoni	La Esmeralda	786-924-6871	857 1641 413
646319T	Jacob Mandelblum	Paradise 1800	1-866-840-9245	940 179 9448
660508T	Carlos Bavila	X Phonecard Florida	786-419-4001	906 169 0699

Rule 25-24.475(5), F.A.C., Company Operations and Customer Relations, requires that each IXC shall respond to Commission inquiries within 15 days. Accordingly, please investigate the customer complaints and provide me with a written response by **August 31, 2005**, confirming that Mercury contacted each of the customers listed in Table 1 in response to their complaints and listing any resolution efforts. Also please submit a completed registration form and tariff to the Commission by the requested date.

Please be aware that by Section 364.285, Florida Statutes, the Commission is authorized to impose upon any entity subject to its jurisdiction a penalty of not more than \$25,000 per day for each offense, if such entity is found to have refused to comply with or to have willfully violated any lawful rule or order of the Commission, or any provision of Chapter 364. By failing to respond to inquiries regarding the customer complaints, or register as an IXC and file a tariff, Mercury is potentially at risk of being penalized by the Commission. Please contact me should you have any questions or require assistance in this matter.


Sincerely,



Dale R. Buys
Regulatory Analyst
Bureau of Service Quality

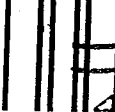
Tel: (850) 413-6536
Fax: (850) 413-6537
Email: dbuys@psc.state.fl.us

Enclosures (4)

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 		A. Received by (Please Print Clearly)	B. Date of Delivery 8/15/05
		C. Signature X <i>[Signature]</i>	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
1		<input type="checkbox"/> Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> Address below: <input type="checkbox"/> No	
 Mr. Joseph A. Gordon Mercury Telco Group, Inc. 1215 West Newport Center Drive Deerfield Beach, FL 33442-7738		<input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise	
2. A		4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
7 7004 1160 0004 5749 7302			
PS Form 3811, March 2001		Domestic Return Receipt	
		102595-01-M-1424	


UNITED STATES POSTAL SERVICE

WEST PALM BEACH, FL
PM
15 AUG 2005




First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-101

• Sender: Please print your name, address, and ZIP+4 in this box •


 Mr. Dale Buys
 Bureau of Service Quality
 Florida Public Service Commission
 2540 Shumard Oak Blvd
 Tallahassee, FL 32399-0850

COMPETITIVE SERVICES
DIVISION OF
2005 AUG 17 AM 10:03

[Signature]
1975

32399+0850 

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STATE OF FLORIDA



DIVISION OF COMPETITIVE MARKETS &
ENFORCEMENT
BETH W. SALAK
DIRECTOR
(850) 413-6600

Public Service Commission

December 30, 2005

Mr. Tony Gordon
Mercury Telco Group, Inc.
1215 W Newport Center Drive
Deerfield Beach, FL 33442

Certified Mail 7004 1160 0004 5751 8908

Re: Docket No. 050646-TI

Dear Mr. Gordon:

This letter is in regard to Mercury Telco Group, Inc.'s (Mercury) registration with the Commission as an intrastate interexchange telecommunications company (IXC) and customer complaints about Mercury's pre-paid calling card services.

In reviewing Mercury's tariff, staff found minor edits that will need to be addressed before the document is acceptable. Please contact me via telephone to discuss the minor tariff changes. My phone number is provided below. If I am not available when you call, please leave a voice message and I will return your call as soon as possible.

Regarding the complaints, you had indicated that the customers would be contacted and their complaints resolved. To-date, staff has not received your response that the customers have been contacted and the complaints resolved. Furthermore, the Commission has received two more customer complaints since Mercury filed its IXC registration, which now makes a total of six. In addition, two additional customer complaints received after August 10, 2005, are attached. Each complaint provides the customers' names, addresses, and contact numbers. Before staff can complete the registration process, you will need to submit a written response describing how each complaint was resolved. For your convenience, a copy of staff's August 10, 2005, letter regarding four customer complaints is attached.

Based on the fact that the latest customer complaint was filed on November 4, 2005, it appears that Mercury continues to sell pre-paid calling card services. It is incumbent upon Mercury to cooperate with staff and complete the registration process.

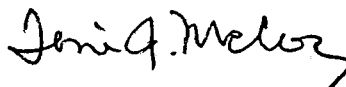
Mercury is subject to the Commission's rules regarding IXC operations. Should Mercury fail to take action to complete the registration process, and fail to resolve the outstanding customer complaints, staff will prepare a recommendation for the Commission's consideration to take the following action:

Mr. Tony Gordon
Page 2
December 30, 2005

1. Deny Mercury's tariff and IXC registration.
2. Impose a penalty in the amount of \$10,000 for each outstanding customer complaint that remains unresolved (in this case \$60,000).
3. Order Mercury to cease and desist providing intrastate telecommunications services in Florida and order underlying carriers to stop selling wholesale interexchange services to Mercury.

Staff believes that Mercury has been afforded ample opportunity to resolve the customer complaints and respond to staff's phone calls and e-mails regarding tariff deficiencies. Nevertheless, staff is providing Mercury one last opportunity to resolve these matters. Please submit, in writing, the information requested in this letter, and contact me via telephone to resolve the tariff deficiencies, no later than January 18, 2006. If you have any questions, please contact me at 850/413-6532.

Sincerely,



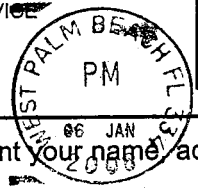
Toni J. McCoy
Regulatory Analyst/Certification Section
Division of Competitive Markets & Enforcement

Cc: Dale Buys, CMP (Enforcement Section)

tms 2041

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
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<p>1. Article Addressed to:</p> <p>Mr. Tony Gordon Mercury Telco Group, Inc. 1215 West Newport Center Drive Deerfield Beach, FL 33442</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p> <p>3. Service Type <input type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. 7004 1160 0004 5751 8908</p>	
<p>PS Form 3811, March 2001 Domestic Return Receipt 102595-01-M-1424</p>	

UNITED STATES POSTAL SERVICE



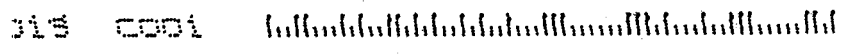
First-Class Mail
Postage & Fees Paid
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Permit No. G-10

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Ms. Toni McCoy
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

DIVISION OF COMPETITIVE SERVICES

2006 JAN -9 AM 10:43



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STATE OF FLORIDA



DIVISION OF COMPETITIVE MARKETS &
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BETH W. SALAK
DIRECTOR
(850) 413-6600

Public Service Commission

March 30, 2006

Mr. Tony Gordon, CEO
Mercury Telco Group, Inc.
1215 W. Newport Center Drive
Deerfield Beach, FL 33442

CERTIFIED MAIL: 7004 1160 0004 5749 7401

Re: FINAL NOTICE OF DELINQUENT RESPONSES TO CONSUMER COMPLAINTS.

Dear Mr. Gordon:

The Florida Public Service Commission received eight consumer complaints (two just recently) regarding the prepaid calling card services provided by Mercury Telco Group, Inc., a.k.a. Mercury Teleservices (Mercury) through its prepaid calling cards. On at least three occasions from August 10, 2005, through December 30, 2005, staff notified Mercury of the complaints and requested that it contact its customers to resolve their complaints and provide staff with a written response. As of the date of this letter, Mercury has not provided staff with any response regarding the customer complaints.

Rule 25-24.475(5), Florida Administrative Code, (F.A.C.), Company Operations and Customer Relations, requires that each IXC shall respond to Commission inquiries within 15 days. By failing to provide staff with a response to each of the customer complaints, Mercury appears to be in violation of Rule 25-24.475(5), F.A.C.

Section 364.285, Florida Statutes, authorizes the Commission to impose upon any entity subject to its jurisdiction a penalty of not more than \$25,000 per day for each offense, if such entity is found to have refused to comply with or to have willfully violated any lawful rule or order of the Commission, or any provision of Chapter 364. By failing to respond to inquiries regarding the customer complaints Mercury is potentially at risk of being penalized by the Commission. Please understand that failing to respond to each complaint is considered to be a separate offense.

To resolve this matter, Mercury should investigate the enclosed customer complaints and send me a written response by **April 20, 2006**, confirming that Mercury contacted each of the customers and provided them with the appropriate refunds as a resolution to their complaints. The complaints are summarized in Table 1 on the following page.

Mr. Tony Gordon, CEO

Page 2

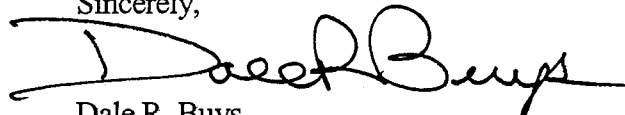
March 30, 2006

Table 1

Request No.	Complainant	Phonecard Name	Access Number	PIN
624838T	Marino Brito	SUGAR!	888-376-9164	859 129 9085
638970T	Patricia Vanoni	La Esmeralda	786-924-6871	857 1641 413
646319T	Jacob Mandelblum	Paradise 1800	866-840-9245	940 179 9448
660508T	Carlos Bavila	X Phonecard Florida	786-419-4001	906 169 0699
664571T	David Maxi	Destination Caribbean	786-924-6097	933 182 6343
674279T	Lyana Icaza	Buenas Nuevas	786-924-0964	519 7653 294
693382C	Jose Peyrellade	SUGAR!	888-376-9164	516 536 3268
		La Esmeralda	786-924-6871	935 828 7159
				902 905 5663
				778 002 0702
693399C	Sergio Brok	SUGAR!	888-376-9164	318 999 6609
				686 997 2449
				892 410 0758
		La Esmeralda	786-924-6871	275 585 7051
				212 205 5739
				340 104 3426

If staff does not receive Mercury's response to the complaints by the requested date staff will recommend that the Commission impose a monetary penalty on Mercury. Please contact me should you have any questions.

Sincerely,



Dale R. Buys
Regulatory Analyst III
Bureau of Telecommunications Service Quality,
Certification and Enforcement

Tel: (850) 413-6536

Fax: (850) 413-6537

Email: dbuys@psc.state.fl.us

Enclosures

TMS 2155

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Article Addressed to:

Mr. Tony Gordon, CEO
Mercury Telco Group, Inc.
1215 West Newport Center Drive
Deerfield Beach, FL 33442

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A. Received by (Please Print Clearly)	B. Date 11/11/01
C. Signature X	
<input type="checkbox"/> Agent <input type="checkbox"/> Addressee	
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input checked="" type="checkbox"/> No	

3. Service Type	
<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered	<input type="checkbox"/> Return Receipt for Merchandise
<input checked="" type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

2 7004 1160 0004 5749 7401

PS Form 3811, March 2001

Domestic Return Receipt

102595-01-M-1424

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Public Service Commission


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Tallahassee, Florida 32399-0830



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NSP

Mr. Tony Gordon, CEO
Mercury Telco Group, Inc.
1215 West Newport Center Drive
Deerfield Beach, FL 33442

-  RETURN TO SENDER
- INSUFFICIENT ADDRESS
 - NO SUCH NUMBER
 - UNCLAIMED / RETURNED TO SENDER
 - UNKNOWN / RETURNED TO SENDER
 - WRONG STREET
 - VACANT
 - NO RECEIPT/EAS
 - NOT DELIVERED / UNDELIVERABLE
- ROUTE NO. _____ DATE _____
CARRIER INITIALS _____