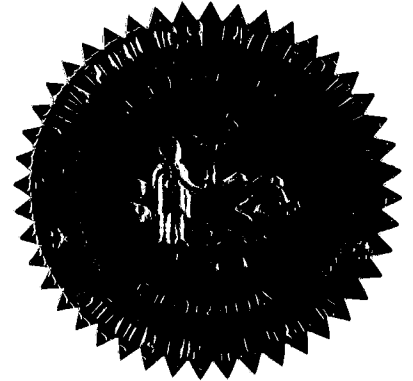


BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 060621-TX

In the Matter of:

COMPLIANCE INVESTIGATION OF BALDWIN
COUNTY INTERNET/DSSI SERVICE, L.L.C. FOR
APPARENT VIOLATION OF SECTION 364.183(1),
F.S., ACCESS TO COMPANY RECORDS.



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PROCEEDINGS: AGENDA CONFERENCE
ITEM NO. 10

BEFORE: CHAIRMAN LISA POLAK EDGAR
COMMISSIONER MATTHEW M. CARTER, II
COMMISSIONER KATRINA J. MCMURRIAN

DATE: Tuesday, February 13, 2007

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: LINDA BOLES, CRR, RPR
Official FPSC Reporter
(850) 413-6734

DOCUMENT NUMBER-DATE

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FLORIDA PUBLIC SERVICE COMMISSION

FPSC-COMMISSION CLERK

1 PARTICIPATING:

2 KRISTOPHER E. TWOMEY, representing Baldwin County
3 Internet/DSSI Service, L.L.C. (via telephone).

4 MICHAEL COOKE, General Counsel, and KIWANNIS CURRY,
5 representing the Florida Public Service Commission Staff.

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P R O C E E D I N G S

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2 CHAIRMAN EDGAR: Okay. That brings us to Item 10,
3 and we'll allow our staff to switch out.

4 Are you ready?

5 MS. CURRY: Yes.

6 CHAIRMAN EDGAR: Okay. We're ready.

7 MS. CURRY: Kiwannis Curry on behalf of Commission
8 staff. Item Number 10 is staff's recommendation that the
9 Commission not accept Baldwin County Internet's settlement
10 offer of \$1,000 for the company's apparent violation of
11 Section 364.183, Florida Statutes.

12 Mr. Kristopher Twomey, counsel for the company, is
13 available by phone and would like to address the Commission,
14 and staff is available for questions.

15 CHAIRMAN EDGAR: Thank you.

16 Mr. Twomey, are you with us?

17 MR. TWOMEY: Yes, ma'am.

18 CHAIRMAN EDGAR: Okay. Mr. Twomey, go right ahead.

19 MR. TWOMEY: Okay. I assume the Commission has seen
20 my letter petitioning the Commission regarding the proposed
21 \$10,000 fine against my client Baldwin County Internet, and
22 there are basically just two points in that letter. It was
23 definitely a mistake on the company's behalf. The form waited
24 on somebody's desk and that person no longer worked there and
25 never was seen or heard from again. My client did make payment

1 with a late fee, and they understand (phonetic) their
2 responsibility is to follow the rules regarding providing
3 information and corporate records.

4 But the fine of \$10,000, given those circumstances,
5 seems a bit severe, and the company only provides service to
6 two locations, two Internet service providers in Florida, and
7 in effect those services are PRI services or private line tech
8 services. The company only had revenues of \$40,000 last year,
9 or 2005 in Florida, a very small part of their operation, which
10 of itself is a small operation. And I don't -- I understand
11 the recordkeeping is for purposes of providing information to
12 the Florida state government as to the development of
13 competition throughout the state, and in effect I don't believe
14 those -- that that information was in any way compromised due
15 to the small amount of operations that my client has in
16 Florida. So for that reason I proposed a settlement offer of
17 \$1,000 because that seemed more in line with the actual damage
18 done by Baldwin County's failure to provide the form on time.

19 I'm available for any questions the Commissioners may
20 have.

21 CHAIRMAN EDGAR: Thank you, Mr. Twomey.

22 Commissioners, any questions of Mr. Twomey or of our
23 staff? Commissioner Carter.

24 COMMISSIONER CARTER: I don't have a question, Madam
25 Chairman, but I was looking over his recommendation and I see

1 where staff had contacted the firm and they failed to respond,
2 and I think they're saying that it was based upon an employee.
3 But in other situations like this we have gone significantly
4 more than \$1,000 on a fine like this, and it's obvious based
5 upon the record that it's a legitimate fine. And I think staff
6 has done a good job in researching this issue and working with
7 the party. And I just think that basically we need to let
8 folks know that, you know, if you're going to be getting in
9 business, you've got to be responsible. You have a
10 responsibility in business. Business is business. And that's
11 all I've got to say about that for now.

12 CHAIRMAN EDGAR: Thank you.

13 Commissioner McMurrian.

14 COMMISSIONER McMURRIAN: I guess I have a question
15 for Mr. Twomey. Mr. Twomey, I apologize for my voice. I think
16 probably after reading the rec you understand at least where
17 staff is coming from about not accepting the \$1,000 settlement
18 offer, but I think you understand that in the past we have
19 accepted settlement offers up to, I believe, \$3,500 in these
20 kind of circumstances. And it's my belief that it's best to be
21 consistent among similar cases such as this one. Are you
22 prepared to modify your settlement offer at this time?

23 MR. TWOMEY: Yes. I'd be willing to modify it to
24 \$3,500 if the Commissioners thought that would be sufficient to
25 close this docket.

1 CHAIRMAN EDGAR: Okay. Thank you, Mr. Twomey. And
2 as you have noted and Commissioner McMurrin has noted and as
3 the staff discussion has noted in instances that I'm going to
4 say have some similar factual situation, we have accepted
5 settlement agreements of \$3,500. It's my understanding from
6 Mr. Twomey that he is speaking on behalf of his client and is
7 in a position to suggest a settlement agreement for \$3,500.

8 Is there further discussion or a motion?

9 COMMISSIONER CARTER: Madam Chairman, as it relates
10 to Issue 1, I would like to just move that we accept an offer
11 of settlement of \$3,500 in this matter.

12 COMMISSIONER McMURRIAN: I can second that.

13 CHAIRMAN EDGAR: Thank you. And I concur. So with
14 that, I believe that -- do we need to take a vote?

15 MR. COOKE: I would take a vote on that,
16 Commissioner.

17 CHAIRMAN EDGAR: Okay. We'll take a vote.

18 MR. COOKE: And we would need to talk about, just
19 make sure it's clear as to how we close the docket. We would
20 issue an order at this point if the settlement is accepted and
21 that would close out the docket.

22 CHAIRMAN EDGAR: Okay.

23 COMMISSIONER CARTER: I would so move.

24 CHAIRMAN EDGAR: Okay.

25 COMMISSIONER CARTER: I should turn my mike on.

1 I would move that the Commission accept the offer of
2 settlement of \$3,500 from Baldwin in this matter.

3 CHAIRMAN EDGAR: Commissioner McMurrin, for the
4 record.

5 COMMISSIONER McMURRIAN: I can second that.

6 CHAIRMAN EDGAR: Okay. Then all in favor, say aye.
7 (Unanimous affirmative vote.)

8 CHAIRMAN EDGAR: Opposed? Show the motion adopted.

9 COMMISSIONER CARTER: And as it relates to Issue 2,
10 do we need to vote on Issue 2 also?

11 MR. COOKE: Just to make it clear, I would go ahead
12 and vote on Issue 2, that we're closing the docket, and this
13 will administratively close the docket once the money is
14 collected essentially.

15 COMMISSIONER CARTER: Okay. I would move staff on
16 Issue 2.

17 CHAIRMAN EDGAR: Thank you.

18 Commissioner McMurrin.

19 COMMISSIONER McMURRIAN: And I can second that. And
20 I also want to thank Mr. Twomey for his cooperation today.

21 CHAIRMAN EDGAR: Thank you. Thank you for everyone's
22 operation.

23 All in favor of the motion, say aye.

24 (Unanimous affirmative vote.)

25 CHAIRMAN EDGAR: Show the motion adopted. Thank you

1 all.

(Agenda Item 10 concluded.)

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1 STATE OF FLORIDA)
2 COUNTY OF LEON)

CERTIFICATE OF REPORTER

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I, LINDA BOLES, CRR, RPR, Official Commission Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorneys or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 20th day of February, 2007.

Linda Boles
LINDA BOLES, CRR, RPR
FPSC Official Commission Reporter
(850) 413-6734