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July 16, 2007

Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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COMMISSION
CLERK

PROTEST TO FLORIDA PUBLIC SERVICE COMMISSION ACTION:

DOCKET NO. 070352-TX
ORDER NO. PSC-07-0548-PAA-TS
ISSUED: JUNE 29, 2007

Dear Sirs:

Perhaps you are aware of the extent to which telecommunications companies are taxed and regulated. Florida is just one of many reporting jurisdictions. Put yourselves in our position for a moment. It is so difficult to track reporting requirements that we engage outside contractors specifically for this task (at considerable expense). Even with this kind of attention, it is easy to miss a requirement.

Now you've made things worse by penalizing us with fines that are so extreme that it makes it seem like we committed a terrible crime. And in your corner there is the Florida Administrative Code that you use as both as a sword and a shield. You have asserted your authority and demanded our compliance; else we face the wrath of Florida collection agencies and the automatic suspension of our certificate. And we cannot attack your reasonable basis because you don't follow reason you only follow law.

This is an appeal to the humans behind these processes. Could you imagine a business environment that is so confusing (except to lawyers) that a company might acquire a certificate that it didn't need or use? That is what happened to us. We acquired the CLEC certificate in 1999 and paid \$50 per year with absolutely no CLEC activity. What we would like is to have a refund of the past fees and be left alone. We do not feel that your penalties are reasonable even if they are written into law.

Now, Florida still gets plenty of money from Netone. We pay serious taxes and fees to the state of Florida. We work diligently to comply with a never-ending maze of statutory requirements. We understand that you want to deliver a message with your severe penalties but Florida did not lose anything by our late filing. Maybe the enforcement of this violation does not really serve the purpose of this law so much as it satisfies the letter of this law. Perhaps some more serious offenders deserve this attention.

Please give us serious consideration as this penalty places an undue hardship on this taxpayer.

Thanks and regards,

Rick Duncan, CMA
Controller, Netone International, Inc.

4037 METRIC DRIVE, SUITE 200
WINTER PARK, FLORIDA 32792
PHONE: (407) 384-4200 FAX: (407) 679-7553
www.netoneint.com

DOCUMENT NUMBER-DATE

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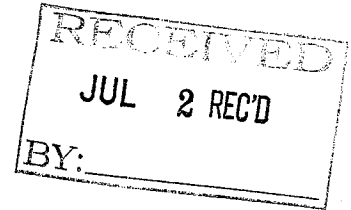
BEFORE THE PUBLIC SERVICE COMMISSION

In re: Compliance investigation of CLEC
certificate holders for apparent second-time
violation of Rule 25-4.0161, F.A.C.,
Regulatory Assessment Fees;
Telecommunications Companies.

DOCKET NO. 070352-TX
ORDER NO. PSC-07-0548-PAA-TX
ISSUED: June 29, 2007

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman
MATTHEW M. CARTER II
KATRINA J. McMURRIAN
NANCY ARGENZIANO
NATHAN A. SKOP



NOTICE OF PROPOSED AGENCY ACTION ORDER IMPOSING PENALTIES AND
COLLECTION COSTS, AND REQUIRING PAYMENT OF DELINQUENT REGULATORY
ASSESSMENT FEES, OR CANCELLING CLEC CERTIFICATES FOR VIOLATION OF
RULE 25-4.0161, FLORIDA ADMINISTRATIVE CODE

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.

Pursuant to Rule 25-4.0161(10), Florida Administrative Code, telecommunications companies that fail to pay the Regulatory Assessment Fee, including statutory late payment charges, within 15 days after receiving a delinquent notice, shall be automatically penalized \$500 for a first offense, \$1,000 for a second offense, and \$2,000 for a third offense. The penalty amounts include collection costs. If an entity fails to pay the Regulatory Assessment Fee in full, including statutory late payment charges, along with the penalty amount, that entity's certificate shall be cancelled. **In this case, three companies have not paid the Regulatory Assessment Fee at all and three companies paid the fee more than 15 days after receipt of the delinquent notice.**

Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual Regulatory Assessment Fee if the certificate was active during any portion of the calendar year. Pursuant to Rule 25-4.0161(2), Florida Administrative Code, the form and applicable fees are due to the Florida Public Service Commission by January 30 of the subsequent year. Pursuant to Section 350.113(4), Florida Statutes, the Regulatory Assessment Fee return forms,

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for the period of January 1 through December 31, are mailed to entities at least 45 days prior to the date that payment of the fee is due.

The Division of Administrative Services advised our staff that the entities listed below failed to comply with Section 364.336, Florida Statutes, and Rule 25-4.0161, Florida Administrative Code. In addition, each entity listed below has had a prior docket for the same rule violation in which each entity proposed a settlement or paid the penalty imposed to resolve its respective docket. Those entities marked with an asterisk (*) before the name, failed to pay the fee within 15 days of receipt of the delinquent notice.

| <u>ENTITY'S NAME</u> | <u>CO. CODE</u> |
|--|-----------------|
| AirTIME Technologies, Inc. | TX269 |
| AccuTel of Texas, Inc. | TX377 |
| *Net One International, Inc. | <u>TX412</u> |
| Network International Solutions, Inc. | TX442 |
| *Baldwin County Internet/DSSI Service, L.L.C. | TX725 |
| *Matrix Telecom, Inc. d/b/a Matrix Business Technologies | TX841 |

Accordingly, we hereby find it appropriate to cancel each entity's CLEC certificate for failure to comply with Section 364.336, Florida Statutes, and Rule 25-4.0161, Florida Administrative Code, unless each entity pays a penalty and cost of collection, together totaling \$1,000, and remits any past due Regulatory Assessment Fees, along with accrued statutory late payment charges, to the Florida Public Service Commission.

If this Order is not protested, each entity's respective CLEC Certificate shall be cancelled. If an entity pays the penalty and cost of collection, together totaling \$1,000, and remits any past due Regulatory Assessment Fees, along with accrued statutory late payment charges, prior to the expiration of the Proposed Agency Action Order, then that entity's respective CLEC certificate will remain active. If an entity fails to protest the Order or pay the penalty and cost of collection, together totaling \$1,000, and fails to remit any past due Regulatory Assessment Fees, along with accrued statutory late payment charges, prior to the expiration of the Proposed Agency Action Order, then that entity's CLEC certificate should be cancelled administratively, and the collection of the past due Regulatory Assessment Fees should be referred to the Florida Department of Financial Services for further collection efforts. If an entity's CLEC certificate is cancelled in accordance with this Commission's Order, that

*Send Letter to request
cancellation.*

*2007-reg assme will be
pd Jan 30, 2008*

\$ 1600. - VOI

600. - unvol

company should be required to immediately cease and desist providing competitive local exchange service in Florida. This docket should be closed administratively either upon receipt of the payment of the penalty and cost of collection, together totaling \$1,000, and any past due Regulatory Assessment Fees, along with accrued statutory late payment charges from each entity, or upon cancellation of that entity's CLEC certificate. If an entity's CLEC certificate is cancelled in accordance with this Order and it subsequently decides to reapply for a certificate as a competitive local exchange company, that entity shall be required to first pay the penalty and cost of collection, together totaling \$1,000 and any outstanding fees, including accrued statutory late payment charges. We are vested with jurisdiction over these matters pursuant to Sections 350.113, 364.336, 364.337, and 364.285, Florida Statutes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that each of the entities listed herein shall pay a penalty and cost of collection, together totaling \$1,000, and any past due Regulatory Assessment Fees, including statutory late payment charges, to the Florida Public Service Commission for failure to comply with Section 364.336, Florida Statutes, and Rule 25-4.0161, Florida Administrative Code, by the end of the protest period. The cost of collection will be subtracted from any monies collected as payments (full or partial) of the penalty and cost of collection, and will be deposited, along with the past due Regulatory Assessment Fees, in the Florida Public Service Regulatory Trust Fund, pursuant to Section 350.113, Florida Statutes. The statutory late payment charges and any portion of the penalty exceeding the cost of collection will be remitted to the Florida Department of Financial Services for deposit in the State of Florida General Revenue Fund, pursuant to Section 364.285(1), Florida Statutes. It is further

ORDERED that should any of the entities fail to comply with this Order, that entity's certificate shall be cancelled. It is further

ORDERED that the cancellation of the certificate in no way diminishes any of the entities' obligation to pay applicable delinquent Regulatory Assessment Fees, and accrued statutory late payment charges. If any company listed in this Order has its respective certificate cancelled, and subsequently decides to reapply for certification as a competitive local exchange telecommunications company, that company shall be required to first pay any outstanding penalties and cost of collection and fees, including accrued statutory late payment charges. Any unpaid Regulatory Assessment Fees, and accrued statutory late payment charges, shall be referred to the Florida Department of Financial Services for further collection efforts. It is further

ORDERED that if an entity's certificate is cancelled in accordance with this Order, that entity shall immediately cease and desist providing competitive local exchange telecommunications service in Florida. It is further

ORDERED that any protest to the action proposed herein shall specify the entity or entities to which it applies. It is further

ORDERED that if a protest to this Order is filed, the protest shall not prevent the action proposed herein from becoming final with regard to the remaining entities listed in this Order. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed upon receipt of the imposed penalty and cost of collection, together totaling \$1,000, and Regulatory Assessment Fees, including statutory late payment charges, from each entity or upon cancellation of that entity's CLEC certificate.

By ORDER of the Florida Public Service Commission this 29th day of June, 2007.



Ann Cole
Commission Clerk

(S E A L)

VSM

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 Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on July 20, 2007.

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.