

RECEIVED-FPSC
08 MAY - 8 PM 4: 35
COMMISSION
CLERK

DOCKET NO. 080065-TX: Investigation of Vilaire Communications, Inc.'s eligible telecommunications carrier status and competitive local exchange company certificate status in the State of Florida.

WITNESS: Rebuttal Testimony Of Intesar Terkawi, Appearing On Behalf Of Staff

DATE FILED: May 8, 2008

CMP 5
COM 5
CTR 1
ECR _____
GCL 2
OPC _____
RCA 1
SCR _____
SGA _____
SEC _____
OTH _____

DOCUMENT NUMBER-DATE
03866 MAY-8 08
FPSC-COMMISSION CLERK

1 REBUTTAL TESTIMONY OF INTESAR TERKAWI

2 Q. Please state your name and business address.

3 A. My name is Intesar Terkawi and my business address is 2540 Shumard Oak
4 Blvd., Tallahassee, Florida, 32399-0850.

5
6 Q. By whom are you presently employed and in what capacity?

7 A. I am employed by the Florida Public Service Commission as a Regulatory
8 Analyst II in the Division of Regulatory Compliance and Consumer Assistance.

9
10 Q. Have you previously filed testimony in this docket?

11 A. Yes, I have.

12
13 Q. What is the purpose of your testimony today?

14 A. The purpose of my testimony is to rebut the testimony of the Vilaire
15 Communications, Inc. (VCI) witness Stanley Johnson, regarding his comments on the
16 audit.

17
18 Q. In his testimony, on Page 2, Lines 12 and 13, Mr. Johnson states that VCI
19 cooperated with Commission staff during the pendency of the audit and that all
20 information and documents requested by the auditor were submitted in a timely
21 manner. Could you comment on this please?

22 A. Attached to this testimony is Exhibit IT-4 which is a log of the audit requests
23 and the dates each were answered. The first set of requests were delayed while the
24 company discussed whether the Commission had jurisdiction in this matter. After that,
25 the requests were mostly answered within a day or two of the requested due date.

DOCUMENT NUMBER-DATE

03866 MAY-88

FPSC-COMMISSION CLERK

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Q. On Page 2, Lines 14 - 18, Mr. Johnson states that VCI provided all documents and additional information explaining why the auditor could not reconcile the data reported on the company's RAF form with the data on the documents requested. Could you please comment on this statement?

A. As Mr. Johnson quotes in his testimony on page 3, Lines 1 - 7, I requested that the company reconcile the revenues reported in the company's general ledger to the revenues reported on its Regulatory Assessment Fee (RAF) return filed at the Commission. The company's comments addressed discussion as to why these amounts could not be reconciled. While Mr. Johnson may consider the comments to be responsive to our request, they are not. Any company should be able to support where the numbers on the RAF return come from and how these numbers relate to the company's revenues as reported in its general ledger. However, because the objective of the audit was not to audit the RAF return, I did not pursue this information. I merely asked the question in an effort to get a better understanding of the revenues reported by the company.

Q. On Page 4, Line 7, Mr. Johnson is asked if the auditor requested to be informed of the reason why the reimbursements from USAC are higher than revenues reported to the FPSC. Mr. Johnson responds that you did not request this information. Is this correct?

A. Not exactly. In my Document Request No. 1, I requested customers reported on the 497 Forms for June 1, 2006 through June 30, 2007 as well as the billing and general ledger information that supports those amounts reported on the 497 Forms. While I may not have used the words Mr. Johnson uses to paraphrase my request, the

1 | company did not provide sufficient information to reconcile the numbers reported on
2 | the 497 Forms to the general ledger.

3 |

4 | Q. On Page 4, Line 14, Mr. Johnson is asked if the auditor requested documents
5 | supporting VCI's Florida customer revenues. Mr. Johnson responds that you did not
6 | request this information. Is this correct?

7 | A. Technically, it is correct. As stated above, I requested that the company
8 | reconcile the revenues reported in the company's general ledger to the revenues
9 | reported on its Regulatory Assessment Fee (RAF) return filed at the Commission. The
10 | RAF return requires the company report Florida Gross Operating Revenue and
11 | Intrastate revenue. As I stated earlier, the company's response to my request was a
12 | discussion of why the RAF reported revenues could not be reconciled to the company
13 | general ledger. All companies should be able to support where the numbers on the
14 | RAF return come from and how these numbers relate to the company's revenues as
15 | reported in its general ledger. However, because the objective of the audit was not to
16 | audit the RAF return, I did not pursue this information. I merely asked the question in
17 | an effort to get a better understanding of the revenues reported by the company.

18 |

19 | Q. Does this conclude your testimony?

20 | A. Yes, it does.

21 |

22 |

23 |

24 |

25 |

DOCKET NO. 080065-TX: Investigation of Vilaire Communications, Inc.'s eligible telecommunications carrier status and competitive local exchange company certificate status in the State of Florida.

WITNESS: Direct Testimony Of Intesar Terkawi, Appearing On Behalf Of Staff

EXHIBIT IT-4: Document Request Log

DOCUMENT NUMBER - DATE

03866 MAY -88

FPSC-COMMISSION CLERK

DOCUMENT REQUEST LOG					
Vilaire Communications, Inc.					
Low Income Beneficiary Audit					
Undocketed			Audit Control No.: 07-250-1-2		
				Names of Customers and financial data supporting forms FCC 497	See WP 11 and 10/2
1	9/14/2007	9/18/2006	9/26/2007	Forms 497, 499Q, 499A, Annual Filings with USAC, and NECA	Forms 497 WP 18. Forms 499Q and 499A See WP 11
2	9/14/2006	9/19/2006	9/26/2007	Advertisements Support	See WP 11
3	9/14/2006	9/19/2006	9/26/2007	Support for Termination Rule of Subscribers	WP 21
4	9/14/2006	9/19/2006	9/26/2007	Commercial Agreements	SEE WP 11
5	9/14/2006	9/19/2006	9/26/2007	Explanation of differences between VCI, and other phone companies	SEE WP 25
6	9/14/2006	9/19/2006	9/26/2007	Explanation of reasons for Discontinuing Services in Oregon and Washington	SEE WP 24
7	9/14/2006	9/19/2006	9/26/2007	The application process for subscribers	SEE WP 10/5
8	9/14/2006	9/19/2006	9/26/2007	Name of customers served by the company's facilities, another underlying carrier, resale of another carrier.	See WP 11
9	9/14/2006	9/19/2006	9/26/2007	Electronic G/L, and Electronic Customers Names	G/L WP 12, Electronic Customers Names, SEE WP 11
10	9/26/2006	10/1/2007	10/9/2007	Advertisements Support	See WP 15/1
11	10/3/2007	10/8/2007	10/9/2007	Support for USAC and USF reporting	SEE WP 10/9
12	10/3/2007	10/8/2007	10/9/2007	Customers Bills	SEE WP 11
13	10/3/2007	10/8/2007	10/9/2007	TLS Support	See WP 11
14	10/3/2007	10/8/2007	10/9/2007	VCI Customers through resale of another carrier	SEE WP 10/10
15	10/3/2007	10/8/2007	10/9/2007	Support for RAF	SEE WP 11
16	10/17/2007	10/22/2007	10/24/2007	USF Data Collection Forms	SEE WP 10/11
17	10/17/2007	10/22/2007	10/24/2007	Utilization of resold lines and Reimbursement	SEE WP 10/12
18	10/17/2007	10/22/2007	10/24/2007	TLS Details	SEE WP 11
19	10/17/2007	10/22/2007	10/24/2007	Reconciliation of Advertisement costs to G/L	SEE WP 11
20	10/18/2007	10/22/2007	10/24/2007	Samples of termination Letters and bills	SEE WP 21/-1
21	10/18/2007	10/22/2007	10/24/2007	Single Line, multi-line residential and businesses	SEE WP 10/13
22	10/18/2007	10/23/2007	10/24/2007	Low Income Program eligibility	SEE WP 10/14
23	10/18/2007	10/23/2007	10/24/2007	499-Q, and 499-A support dcoumentations	SEE WP 10/17
24	10/22/2007	10/25/2007	11/6/2007	Choice of Toll Limited Service	SEE WP 25-7
25	10/25/2007	10/29/2007	10/29/2007		

DOCUMENT NUMBER - DATE

03866 MAY-8 08

FPSC - COMMISSION CLERK