



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: January 13, 2009
TO: Ann Cole, Commission Clerk - PSC, Office of Commission Clerk
FROM: Paula J. Isler, Research Assistant, Division of Regulatory Compliance *Pji*
RE: Docket No. 080684-TI - NetLojix Telecom, Inc.

This docket was established on November 20, 2008, to handle the joint request for a waiver of the slamming rules in transferring customers from NetLojix Telecom, Inc. to First Choice Technology, Inc. and the request for cancellation of NetLojix Telecom's IXC registration. Staff has determined, and the attorney for both companies concurs, that a rule waiver is unnecessary, therefore, the only issue remaining for the Commission to handle is the request for cancellation of NetLojix Telecom's IXC registration. Attached is a copy of the original letter dated November 6, 2008, from Mr. Leon L. Nowalsky of Nowalsky, Bronston & Gothard, a copy of an e-mail between Ray Kennedy and Ms. Becky Heggelund in Mr. Nowalsky's office, and a copy of an e-mail between me and Ms. Heggelund. Please document all three in the docket file.

Based on the above, please change the docket title to:

"Acknowledgment of cancellation of IXC registration No. TJ332 by NetLojix Telecom, Inc., effective December 31, 2008."

In addition, please remove Melinda Watts from OPR staff. Let me know if you have any questions.

cc: Office of the General Counsel (Timisha Brooks; Victor McKay)

COM _____
 ECR _____
 GCL _____
 OPC _____
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 ADM _____
 CLK *Mary M.*

DOCUMENT NUMBER-DATE

00326 JAN 13 8

FPSC-COMMISSION CLERK

NOWALSKY, BRONSTON & GOTHARD

A Professional Limited Liability Company

Attorneys at Law

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Suite 1442
Metairie, Louisiana 70002
Telephone: (504) 832-1984
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Philip R. Adams, Jr.

2008 NOV 10 PM 3:07

DIVISION OF
REGULATORY COMPLIANCE

November 6, 2008

Via Overnight Mail

Florida Public Service Commission
Executive Secretary
2540 Shumard Oak Drive
Tallahassee, FL 32399

Re: Notification by First Choice Technology, Inc. and
NetLojix Telecom, Inc. for Approval of an Asset Purchase Agreement

Dear Sir or Madam:

On behalf of First Choice Technology, Inc. ("First Choice") and NetLojix Telecom, Inc. ("NetLojix")(together "Applicants"), this letter is to advise the Commission of an Asset Purchase Agreement (the "Agreement"), whereby First Choice will acquire NetLojix's residential and business long distance customer accounts in this State (the "Acquisition"). **The Parties are also requesting that the Commission waive the verification requirements of Florida Administrative Code Rule 25-4.118.**

It is our understanding, based upon review of the applicable statutes and regulations, that this transaction does not require prior Commission approval. Accordingly, absent written notice to the contrary within thirty (30) days of the date of this letter, the parties will proceed to consummate the transaction in a timely fashion.

First Choice is a Delaware corporation with principal offices located at 601 North Orlando Avenue, Suite 211, Maitland, FL 32751. First Choice is a certified long distance telecommunications provider in this State.¹

¹ First Choice provides resold long distance telecommunications services in this State pursuant to authority granted in Docket No. 040712-TI, dated 8/9/04.

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FPSC-COMMISSION CLERK

NetLojix is a Delaware corporation, with principal offices located at 7001 Boulevard 26, #323, North Richland Hills, TX 76180. NetLojix is a certified long distance telecommunications provider in this State²

The Acquisition contemplates the following:

- a. First Choice will acquire ownership, right, title and interest in and to substantially all of NetLojix's residential and business customer accounts, as defined in the Agreement.
- b. NetLojix will receive the purchase price set forth in the Agreement,

The Acquisition will consolidate and transfer NetLojix's residential and business accounts to First Choice in order to create a single, larger provider of telecommunications services, facilitating efficiencies to benefit all of First Choice's customers, including those customers acquired from NetLojix. Service to NetLojix's customers will continue uninterrupted.

NetLojix's customers will be given the opportunity to switch their service to a different carrier. First Choice anticipates that none of NetLojix's customers will experience any increase in rates due to the Acquisition. To the extent that any of NetLojix's rates are not presently included in First Choice's Tariffs, First Choice will amend its Tariffs accordingly to include such rates. As a result, the transaction should not cause any inconvenience or confusion to NetLojix customers. Those NetLojix customers who choose not to switch their service to a different carrier will receive service from First Choice.

NetLojix's technical, managerial and financial personnel will assist with the transition and integration of the acquired assets after the transaction and First Choice's technical, managerial and financial personnel will continue to serve the transferred NetLojix customers with the same high level of expertise.

Critical to the Acquisition is the need to ensure the continuation of high quality service to all customers currently served by NetLojix. The Acquisition will serve the public interest in that it will ensure that current NetLojix customers maintain uninterrupted service. The Acquisition will also serve to create a heightened level of operating efficiency, which will serve to enhance the overall capacity of First Choice to compete in the marketplace and to provide telecommunications services to a greater number of consumers in this State at competitive rates.

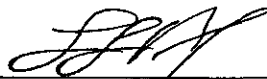
² NetLojix provides resold long distance telecommunications services in this State pursuant to authority granted in Docket No 991801, dated 4/3/00.

Applicants request NetLojix's Certificates of Public Convenience and Necessity be canceled upon consummation of the transaction.

The parties are forwarding this letter to the Commission for informational purposes only, to be included in the appropriate files. Absent receipt of written notification to the contrary within thirty (30) days of the date of this letter, the Applicants will proceed under the understanding that no approval or other formal action is required by the Commission prior to consummation of the proposed transaction.

Enclosed are the original and six (6) copies of this letter. Please return one (1) of the copies file-stamped in the envelope provided. If you need any further information or have any questions regarding the matters discussed herein, please do not hesitate to contact me. Thank you for your assistance in this matter.

Respectfully submitted,



Leon Nowalsky, Esq.
Nowalsky, Bronston & Gothard
A Professional Limited Liability Company
3500 North Causeway Boulevard, Suite 1442
Metairie, Louisiana 70002
Telephone: (504) 832-1984
Fax: (504) 831-0892
Counsel for First Choice Technology, Inc. and
NetLojix Telecom, Inc.
lnowalsky@nbglaw.com

Paula Isler

From: Becky Heggelund [bheggelund@nbglaw.com]
Sent: Monday, January 12, 2009 2:30 PM
To: Ray Kennedy
Cc: Melinda Watts; Paula Isler
Subject: RE: Docket 080684-TI

Dear Mr. Kennedy:

Please allow this email to confirm our agreement with the change in docket title to reflect only NetLojix's cancellation of its IXC certification.

Many thanks for your help, and please let me know if you have any questions,

Becky

From: Ray Kennedy [mailto:RKennedy@PSC.STATE.FL.US]
Sent: Monday, January 12, 2009 10:09 AM
To: Becky Heggelund
Cc: Melinda Watts; Paula Isler
Subject: Docket 080684-TI

Good Morning Ms. Heggelund,

Based on our conversation, it appears that it will not be necessary for the Commission to address the request for waiver of Rule 25-4.118, F.A.C. We will revise the docket title as follows:

Old: Joint request for waiver of carrier selection requirements of Rule 25-4.118, F.A.C., in the transfer of long distance customers from NetLojix Telecom, Inc. to First Choice Technology, Inc., and request for cancellation of IXC Registration No. TJ332, effective December 31, 2008.

New: Acknowledgment of cancellation of IXC Registration No. TJ332 by NetLojix Telecom, Inc., effective December 31, 2008.

The docket number will remain the same. Staff understands that the customer base consists of only one customer and the acquiring company will contact that customer to obtain authorization to be the long distance provider. We will cancel NetLojix' IXC registration once we have received the remaining regulatory assessment fee payment of \$71.75.

Please acknowledge that you agree with the change of the docket title to only reflect the cancellation of NetLogix's IXC registration and that you agree a waiver of Rule 25-4.118, F.A.C., is no longer required. A copy of your response will be submitted to the Clerk's office for inclusion in the docket file.

Thank you,

Ray Kennedy
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Phone: 850-413-6584
Fax: 850-413-6585
E-Mail: rkennedy@psc.state.fl.us

1/12/2009

Paula Isler

From: Becky Heggelund [bheggelund@nbglaw.com]
Sent: Monday, January 12, 2009 2:34 PM
To: Paula Isler
Cc: Melinda Watts; Ray Kennedy
Subject: RE: Docket 080684-TI

That's good news. One item off my "to do" list!

Have a great day –

Becky

From: Paula Isler [mailto:PIsler@PSC.STATE.FL.US]
Sent: Monday, January 12, 2009 1:03 PM
To: Becky Heggelund
Cc: Melinda Watts; Ray Kennedy
Subject: RE: Docket 080684-TI

Dear Ms. Heggelund:

I discussed this with Ray and he asked me to e-mail you directly. On December 10, 2008, I had talked with Joe Renteria about what the company owed in Regulatory Assessment Fees and I advised him the only thing the company owed was the 2008 fee, which was subsequently paid. I apologize for the confusion. Bottom line is that the company does not have to pay the \$71.75. Please let me know if you have any questions. Thanks.

Paula

Paula Isler
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6502-Phone
(850) 413-6503-Fax
PIsler@psc.state.fl.us

From: Ray Kennedy
Sent: Monday, January 12, 2009 11:09 AM
To: 'bheggelund@nbglaw.com'
Cc: Melinda Watts; Paula Isler
Subject: Docket 080684-TI

Good Morning Ms. Heggelund,

Based on our conversation, it appears that it will not be necessary for the Commission to address the

1/12/2009

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Thank you,

Ray Kennedy
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Fax: 850-413-6585
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