

State of Florida



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: February 18, 2010
TO: Ann Cole, Commission Clerk, Office of Commission Clerk
FROM: Ray E. Kennedy, Utilities System/Engineering Spec Supervisor, Division of *REK*
Regulatory Analysis
RE: Correspondence from AT&T Regarding Docket No. 090444-TX - Application for
certificate to provide competitive local exchange telecommunications service by
Crystal Link Communications, Inc.

Please place the attached correspondence in the Docket File for Docket No. 090444-TX.
If you have any questions, please contact me at 413-6584.

Cc: Toni Earnhart

DOCUMENT NUMBER-DATE

01108 FEB 18 2010

FPSC-COMMISSION CLERK



Tracy Hatch
AT&T Legal
General Attorney

2010 JAN 28 11:47

Suite 400
150 S. Monroe Street
Tallahassee, FL 32301
850-425-6360

January 27, 2010

Mr. Ray Kennedy
Ms. Toni Earnhardt
Division of Regulatory Analysis
Florida Public Service Commission
2540 Shumarde Oak Blvd.
Tallahassee, FL 32399

Re: Docket No. 090444-TX Application for certificate to provide competitive local exchange telecommunications service by Crystal Link Communications, Inc.

Dear Mr. Kennedy
Ms. Earnhardt:

This letter is to share some concerns that BellSouth Communications, Inc. d/b/a AT&T Florida and AT&T Communications of the Southern States, LLC (collectively "AT&T") have concerning the application of Crystal Link Communications, Inc. ("Crystal Link") for a certificate of public convenience and necessity. In particular, AT&T is troubled that certain of the responses included in Crystal Link's application, while not false, may not accurately reflect facts that are material to the Commission's consideration of the application for certification. As a result, AT&T believes that it is imperative that Staff thoroughly examine Crystal Link's application, including the status of previously de-certified carriers operated by Crystal Link's president, Ricardo Cruz before making any recommendation to the Commission.

A review of publicly available information shows that Mr. Cruz previously operated International Telnet (Company Code TX731), a competitive local carrier ("CLEC") certificated in Florida.¹ The Commission revoked International Telnet's certification for violations of the Commission's Rules and Statutes. See Order No. PSC-06-611-PAA-TX, issued in Docket No. 060462-TX. Additionally, Mr.

¹ As president of International Telnet, Mr. Cruz executed an Interconnection Agreement between the CLEC and AT&T. In 2008, services provided by AT&T to International Telnet were disconnected as the result of the company's breach of the ICA for failure to maintain its certification.

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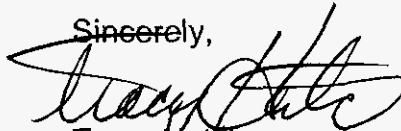
Cruz was the president of two interexchange carriers, International Telnet, Inc. (Company Code TI377) and Crystal Link Communications, Inc. (Company Code TJ960). The Commission revoked each of these certificates for violation of the Commission Rules and Statutes. See Order No. PSC 06-615 PAA TX, issued in Docket No. 060466-TI.

In response to Question 17(b) on its current application, Crystal Link failed to identify Mr. Cruz when asked if any of its officers, directors, or ten largest stockholders have previously been denied certification or had such certification revoked. This information suggests that Crystal Link's responses to Questions 16(a) 16(e) and 17(b) were designed to mislead the Commission.

Additionally, and perhaps most significantly, AT&T has information that indicates that prior to de-certification, International Telnet engaged in fraudulent business practices, including a scheme designed to avoid the payment of toll charges for both domestic and international long distance provided by AT&T and other IXC's, by improperly 'churning'² local telephone numbers purchased from AT&T under the terms of the parties' ICA..

Based on this information, AT&T requests that the Staff carefully review Crystal Link's application and the prior practices of Mr. Cruz and the carriers with which he was associated. AT&T believes such a review will confirm AT&T's concerns regarding Crystal Link's suitability for CLEC certification. If you have any questions, please do not hesitate to contact me at (850) 425-6360.

Sincerely,



Tracy Match

² 'Churning' refers to the practice of purchasing wholesale local service pursuant to an ICA, allowing end users to originate large volumes of long distance calls using dial around (1010XXX) codes, and then changing or disconnecting the customer's telephone numbers or disconnecting the local service prior to the IXC having the opportunity to bill and collect for the long distance services.