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: November 8, 2006

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Division of Competitive Markets & Enforcement (Isler)

Office of the General Counsel (McKay)

RE: Docket No. 060652-TI – Request for cancellation of IXC tariff and Registration

No. TJ343 by W2COM International, LLC, effective September 28, 2006.

AGENDA: 11/21/06 – Regular Agenda – Proposed Agency Action – Interested Persons May

Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\CMP\WP\060652.RCM.DOC

Discussion of Issues

<u>Issue 1</u>: Should the Commission cancel W2COM International, LLC's Intrastate Interexchange Telecommunications (IXC) tariff and remove its name from the register on its own motion effective September 28, 2006; notify the Division of the Commission Clerk & Administrative Services that any unpaid Regulatory Assessment Fees should not be sent to the Florida Department of Financial Services and request permission to write-off the uncollectible amount?

Recommendation: Yes, the company's IXC tariff and registration should be cancelled on the Commission's own motion. (Isler, McKay)

<u>Staff Analysis</u>: See attached proposed Order.

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Issue 2: Should this docket be closed?

Recommendation: Staff recommends that the Order issued from this recommendation will become final and effective upon issuance of a Consummating Order, unless a person whose substantial interests are affected by the Commission's decision files a protest that identifies with specificity the issues in dispute, in the form provided by Rule 28-106.201, Florida Administrative Code, within 21 days of the issuance of the Proposed Agency Action Order. As provided by Section 120.80(13)(b), Florida Statutes, any issues not in dispute should be deemed stipulated. If any entity fails to timely file a protest and to request a Section 120.57, Florida Statutes, hearing, the facts should be deemed admitted and the right to a hearing waived. The company's IXC tariff should be cancelled administratively, the company's name should be removed from the register, and the collection of the unpaid Regulatory Assessment Fees, including statutory late payment charges, should not be referred to the Florida Department of Financial Services for further collection efforts. If the company's IXC tariff is cancelled and its name removed from the register in accordance with the Commission's Order from this recommendation, the company should be required to immediately cease and desist providing intrastate interexchange telecommunications services in Florida. This docket should be closed administratively upon cancellation of the company's IXC tariff and removal from the register. (McKay)

<u>Staff Analysis</u>: Staff recommends that the Commission take action as set forth in the foregoing staff recommendation statement.

Date: November 8, 2006

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for cancellation of IXC tariff DOCKET NO. 060652-TI and Registration No. TJ343 by W2COM International, LLC, effective September 28, 2006.

ORDER NO. **ISSUED**:

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman J. TERRY DEASON ISILIO R. ARRIAGA MATTHEW M. CARTER II KATRINA J. TEW

NOTICE OF PROPOSED AGENCY ACTION ORDER CANCELLING INTRASTATE INTEREXCHANGE TELECOMMUNICATIONS TARIFF AND REGISTRATION ON THE COMMISSION'S OWN MOTION

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.

W2COM International, LLC currently holds Registration No. TJ343, issued by the Commission on April 3, 2000, authorizing the provision of intrastate interexchange telecommunications company (IXC) service.

Pursuant to Section 364.336, Florida Statutes, telecommunications companies must pay a minimum annual Regulatory Assessment Fee of \$50 by January 30 of the subsequent year and provides for late payment charges as outlined in Section 350.113, Florida Statutes, for any delinquent amounts. Pursuant to Rule 25-24.474, Florida Administrative Code, intrastate interexchange companies must pay any current and past due Regulatory Assessment Fees with its request for cancellation. All entities that apply for registration receive a copy of our rules governing intrastate interexchange telecommunications services.

On March 6, 2006, this Commission received the company's 2005 Regulatory Assessment Fee, along with a letter from the company that it had ceased operations November 29, 2005, that it was \$20 million in debt, and had no remaining employees or assets. Mail addressed to the company was returned by the US Postal Service marked "not deliverable as

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addressed; unable to forward." In addition, staff has been unsuccessful in reaching the company by telephone.

This Commission cannot grant a voluntary cancellation unless a company complies with Rule 25-24.474, Florida Administrative Code, which provides a company must pay current and past due Regulatory Assessment Fees at the time it requests cancellation. Therefore, we find it appropriate to cancel W2COM International, LLC's registration. Accordingly, we shall cancel W2COM International, LLC's IXC tariff and remove its name from the register on this Commission's own motion, effective September 28, 2006. In addition, the Division of the Commission Clerk and Administrative Services shall be notified that the 2006 Regulatory Assessment Fees shall not be sent to the Florida Department of Financial Services for collection, and permission for the Commission to write-off the uncollectible amount will be requested. W2COM International, LLC shall immediately cease and desist providing intrastate interexchange telecommunications service in Florida. If the company has its IXC tariff cancelled and its name removed from the register, and subsequently decides to reapply for registration as an intrastate interexchange telecommunications company, that company shall be required to first pay any outstanding fees, including accrued statutory late payment charges. We are vested with jurisdiction over this matter pursuant to Sections 364.02, 364.336, and 364.285, Florida Statutes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that W2COM International, LLC's IXC tariff is cancelled and its name removed from the register, effective September 28, 2006. It is further

ORDERED that the unpaid Regulatory Assessment Fees shall not be sent to the Department of Financial Services for collection. The Division of the Commission Clerk and Administrative Services, instead, shall request permission to write-off the uncollectible amount. It is further

ORDERED that if W2COM International, LLC's tariff is cancelled and its name removed from the register, and subsequently decides to reapply for registration as an intrastate interexchange telecommunications company, that company shall be required to first pay any outstanding fees, including accrued statutory late payment charges. It is further

ORDERED that if W2COM International, LLC's IXC tariff is cancelled and its name removed from the register in accordance with this Order, the company shall immediately cease and desist providing intrastate interexchange telecommunications services in Florida. 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 Director, Division of the Commission Clerk and Administrative Services, 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

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ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this _____ day of

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

(SEAL)

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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 Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on _______.

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.