BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Initiation of show cause) DOCKET NO. 930261-TI In Re: proceedings against SONIC) ORDER NO. PSC-93-1455-FOF-TI COMMUNICATIONS, INC. for violation of Rule 25-4.118, F.A.C., interexchange carrier selection.

) ISSUED: October 7, 1993

The following Commissioners participated in the disposition of this matter:

> SUSAN F. CLARK JULIA L. JOHNSON LUIS J. LAUREDO

ORDER INITIATING SHOW CAUSE

BY THE COMMISSION:

Sonic Communications, Inc. (Sonic or the Company) is a switchless reseller and rebiller of long distance telephone services. As a certificated provider of interexchange telephone service the Company is subject to the rules of this Commission. The Company received its certificate on December 24, 1992. This docket was opened March 11, 1993, after our Division of Consumer Affairs reported that seventeen (17) complaints had been filed by customers alleging unauthorized carrier changes (slamming). From January 1, 1993 to August 26, 1993, seventy-one (71) consumers filed complaints against Sonic alleging unauthorized PIC changes in violation of Rule 25-4.118, Florida Administrative Code.

Sonic states that each of the customers called a national 800 number and through an electronic interface selected Sonic as their carrier. While submission of a PIC change request obtained by calling an 800 number is allowable under Rule 25-4.118(2)(b), a review of the complaints reveals that many consumers deny ever making an initial call to the Sonic 800 number requesting a change.

Sonic also maintains that a letter was sent to each customer who called the 800 number welcoming him or her to Sonic service and stating that the customer should call another Sonic 800 number if "he did not choose Sonic Communications as his long distance carrier." (emphasis supplied) However, no complaining customer reports receiving a letter from Sonic advising them to call another number if they did not wish to subscribe to the service. Moreover, we find that this type of negative option is not consistent with

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the active customer participation in the choice of their carrier required by Rule 25-4.118.

While Sonic refunded customers for unauthorized PIC changes and rerated calls to those of the customer's previous carrier, the Company has failed to explain the high volume of slamming complaints against it. Thus, we find that Sonic shall be required to show cause why it should not be fined or have its certificate cancelled for submitting unauthorized PIC changes in violation of Rule 25-4.118.

Therefore, it is

ORDERED by the Florida Public Service Commission that Sonic Communications is hereby required to show cause why it should not be fined pursuant to Section 364.285, Florida Statutes, or have its certificate cancelled for submitting unauthorized PIC changes in violation of Rule 25-4.118, Florida Administrative Code. It is further

ORDERED that if Sonic Communications timely responds to this Order Initiating Show Cause Proceeding, this docket shall remain open pending resolution of the matter. If Sonic Communications fails to timely respond to this Order, certificate number 3134 shall be cancelled without further Commission action, and this docket shall be closed.

By ORDER of the Florida Public Service Commission this 7th day of October, 1993.

SPEVE TRIBBLE, Director Division of Records and Reporting

(SEAL)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, 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 or judicial review will be granted or result in the relief sought.

This order is preliminary, procedural or intermediate in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.037(1), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on October 27, 1993.

Failure to respond within the time set forth above shall constitute an admission of all facts and a waiver of the right to a hearing pursuant to Rule 25-22.037(3), Florida Administrative Code, and a default pursuant to Rule 25-22.037(4), Florida Administrative Code. Such default shall be effective on the day subsequent to the above date.

If an adversely affected person fails to respond to this order within the time prescribed above, that party may request judicial review by the Florida Supreme Court in the case of any electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure.