

State of Florida



Public Service Commission

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RECORDS AND REPORTING

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DATE: OCTOBER 26, 2000

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYÓ)

FROM: DIVISION OF REGULATORY OVERSIGHT (PRUITT) *z j*  
DIVISION OF LEGAL SERVICES (CALDWELL) *DWC C.F.F. PD*

RE: DOCKET NO. 001536-TP - JOINT PETITION BY VISTA-UNITED TELECOMMUNICATIONS (HOLDER OF LEC CERTIFICATE NO. 1971 AND IXC CERTIFICATE NO. 2442) AND SMART CITY TELECOMMUNICATIONS LLC ("SMART CITY") FOR TRANSFER OF AND NAME CHANGE ON CERTIFICATE NOS. 1971 AND 2442 TO SMART CITY, AND FOR DESIGNATION OF SMART CITY AS THE ELIGIBLE TELECOMMUNICATIONS CARRIER WITHIN ITS CERTIFICATED LOCAL EXCHANGE TERRITORY.

AGENDA: 11/07/00 - REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\RGO\WP\001536.RCM

CASE BACKGROUND

On October 5, 2000, Vista-United Telecommunications (Vista) and Smart City Telecommunications LLC (Smart City) filed a joint petition for transfer of and name change on Local Exchange Telecommunications (LEC) Certificate No. 1971 and Interexchange Telecommunications (IXC) Certificate No. 2442. Under an agreement dated September 8, 2000, Vista has agreed to sell, and Smart City has agreed to buy, the regulated telecommunications assets of Vista. The petition also requested that Smart City be designated as the eligible telecommunications carrier within its certificated local exchange area.

DOCUMENT NUMBER-DATE

13581 OCT 24 00

FPSC-RECORDS/REPORTING

DOCKET NO. 001536-rP  
DATE: October 26, 2000

As a price regulated company, Vista is authorized to provide LEC services in portions of Orange and Osceola counties. Vista is a small local exchange telecommunications company as defined in Section 364.052, Florida Statutes, and is a rural telephone company as defined in 47 U.S.C. §153(47). As of August 31, 2000, Vista provided service to approximately 4,500 local customers and 13 long distance customers.

Smart City, a limited liability company organized under the laws of the State of Delaware, started fifteen years ago as a telephone company dedicated to providing its services at large hospitality facilities. The company has expanded its service offerings to include high-speed Internet connectivity, local area networking, pay telephones and wireless service. Smart City registered to do business in Florida with the Office of the Secretary of State on September 6, 2000.

**DISCUSSION OF ISSUES**

**ISSUE 1:** Should the joint petition of Vista and Smart City for the transfer of and name change on LEC Certificate No. 1971 and IXC Certificate No. 2442 to Smart City Telecommunications LLC be approved.

**RECOMMENDATION:** Yes. The Commission should approve as in the public interest the transfer of and name change on Certificate Nos. 1971 and 2442. **(Pruitt)**

**STAFF ANALYSIS:** Rule 25-4.005, Florida Administrative Code, outlines the subscriber notice and advertisement procedures required for a transfer including notices to the governing bodies of the counties and municipalities affected and to the public counsel. The petitioners have complied with these notice requirements.

With the exception of a name change, the transfer does not contemplate any immediate change in the services provided to the affected customers. Smart City will operate under Vista's tariffs now on file with the Commission with no changes to the rates, terms or conditions.

Section 364.345(2), Florida Statutes, requires a determination by this Commission that the transfer is in the public interest. This transfer of the certificates is in the public interest because it will bring to Florida and to the affected customers a company with experienced management, with financial resources necessary to continue the provision of reliable telecommunications service and with the availability of high quality and innovative services.

DOCKET NO. 001536-rP  
DATE: October 26, 2000

**ISSUE 2:** Should Smart City be designated as an eligible telecommunications carrier?

**RECOMMENDATION:** Yes. (Pruitt)

**STAFF ANALYSIS:** In Order No. PSC-97-1262-FOF-TP all Florida incumbent LECs were designated as eligible telecommunications carriers (ETCs) for purposes of the federal universal service program and discounted rates for lifeline customers. Therefore, since Smart City will be the incumbent LEC in its service territory, the company should be designated as an eligible telecommunications carrier.

**ISSUE 3:** Should this docket be closed?

**RECOMMENDATION:** Yes, if no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order. (Caldwell)

**STAFF ANALYSIS:** Whether staff's recommendations on Issues 1 and 2 are approved or denied, the result will be a proposed agency action order. If no timely protest to the proposed agency action is filed within 21 days of the date of issuance of the Order, this docket should be closed upon the issuance of the Consummating Order.