BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Cancellation by Florida Public Service Commission of ALEC Certificate No. 7841 issued to New Connects, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies. DOCKET NO. 020632-TX ORDER NO. PSC-02-1465-PAA-TX ISSUED: October 24, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman J. TERRY DEASON BRAULIO L. BAEZ MICHAEL A. PALECKI RUDOLPH "RUDY" BRADLEY

NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING SETTLEMENT

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.

New Connects, Inc. (New Connects) currently holds Certificate of Public Convenience and Necessity No. 7841, issued by the Commission on June 29, 2001, authorizing the provision of Alternate Local Exchange Telecommunications service. The Division of the Commission Clerk and Administrative Services advised our staff that New Connects had not paid the Regulatory Assessment Fees (RAFs) required by Section 364.336, Florida Statutes, and Rule 25-4.0161, Florida Administrative Code, for the year 2001. Also, accrued statutory penalties and interest charges for late RAFs payments for

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the year 2001 had not been paid. New Connects was scheduled to remit its RAFs by January 30, 2002.

Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual RAFs of \$50 if the certificate was active during any portion of the calendar year. Pursuant to Rule 25-4.0161(2), Florida Administrative Code, the form and applicable fees are due to the Florida Public Service Commission by January 30 of the subsequent year. Pursuant to Section 350.113(4), Florida Statutes, the RAFs forms, for the period of January 1, through December 31, are mailed to entities at least 45 days prior to the date that payment of the fee is due. All entities that apply for certification receive a copy of our rules governing Alternate Local Exchange Telecommunications service.

After this docket was established, New Connects contacted our staff and requested information on how to resolve the docket. New Connects subsequently paid the past due amounts in full, including statutory penalty and interest charges, and proposed settlements. New Connects offered to pay a \$100 contribution, included payment of the \$100 contribution, and proposed to pay future RAFs on a timely basis. In addition, New Connects included a waiver of objection to the administrative cancellation of its certificate in the event the settlement proposal is accepted and it ultimately fails to comply with the terms of its offer. This settlement amount is consistent with amounts accepted for recent, similar violations.

We believe that the terms of the settlement agreement represent a fair and reasonable resolution of this matter. Accordingly, we hereby accept the settlement offer, including a voluntary payment of \$100, which was submitted with the company's settlement proposal, to resolve the issues in this docket. The contribution shall be forwarded to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that New Connects, Inc.'s settlement proposal set forth in the body of this Order is hereby approved. It is further ORDER NO. PSC-02-1465-PAA-TX DOCKET NO. 020632-TX PAGE 3

ORDERED that the \$100 contribution shall be transmitted to the Comptroller for deposit in the State of Florida General Revenue Fund. It is further

ORDERED that if New Connects, Inc. fails to comply with this Order, its certificate will be canceled administratively. It is further

ORDERED that if New Connects, Inc.'s certificate is canceled in accordance with this Order, New Connects, Inc. shall immediately cease and desist providing Alternate Local Exchange 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.

ORDERED that upon receipt of the \$100 contribution or cancellation of the certificate this docket shall be closed.

By ORDER of the Florida Public Service Commission this <u>24th</u> Day of <u>October</u>, <u>2002</u>.

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

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By: Kay Flynn, Chief

Kay FlyKn, Chief Bureau of Records and Hearing Services

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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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 November 14, 2002.

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.