BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of CENTRES COMMUNICATIONS GROUP, INC. for a certificate of public convenience and necessity to provide shared tenant services.) DOCKET NO. 881346-TS

In re: Request of SHARENET, INC. to) change the name on CENTRES COMMUNICATIONS) GROUP, INC.'S IXC and STS Certificates to) SHARENET, INC.

DOCKET NO. 890829-TP

In re: Application of SHARENET, INC.)
for authority to provide shared tenant)
services to TAMPA PALMS at 15310 Amberly)
Drive in Tampa, Sarasota City Center at)
1859 Main Street in Sarasota, and SAND)
LAKE at 4380 Sand Lake Road in Orlando.)

DOCKET NO. 891173-TS

ORDER NO. 22798

ISSUED: 4-11-90

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman THOMAS M. BEARD BETTY EASLEY GERALD L. GUNTER JOHN T. HERNDON

ORDER INITIATING SHOW CAUSE

BY THE COMMISSION:

I. Background

On June 16, 1988, Centres Communications Group, Inc., (Centres) filed an application for authority to operate as an interexchange telephone company (IXC) within the State of Florida and a provider of shared tenant services (STS) at 3001 Executive Drive, Clearwater, Florida, and 550 Reo Street, Tampa, Florida. By Order No. 20224, effective November 17, 1988, Centres was granted STS Certificates Nos. 2184 and 2185 and IXC Certificate No. 2183. On October 14, 1988, an additional STS certificate application was submitted by Centres

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for authority to provide STS service at 100 South Ashley Street in Tampa, Florida. By Order No. 20563, effective January 31, 1989, Centres was granted STS Certificate No. 2222 to provide STS services at 100 South Ashley Drive.

II. Docket No. 881346-TS

Docket No. 881346-TS was initiated when, on September 6, 1988, Centres filed an application for authority to provide STS to the Ashley Tower complex located at 100 South Ashley Drive, Tampa, Florida. By Order No. 20563, effective January 31, 1989, we authorized Centres to provide STS at 100 South Ashley Drive, Tampa, Florida. However, in Order No. 20563, we expressed our concern over Centres' previous operation at that address without a certificate. Therefore, by Order No. 21070, issued April 19, 1989, we ordered Centres to show cause in writing why it should not be fined \$500 for violation of Order No. 17111.

We received a letter from Sharenet, Inc., dated May 2, 1989, which apparently was intended to be a response to that show cause Order. In its response, Sharenet, Inc., stated that it had changed its corporate name from Centres Communications Group, Inc., to Sharenet, Inc., effective January 1, 1989. Sharenet, Inc., asserted in its letter that it is the same corporate entity as Centres Communications Group, Inc. Sharenet, Inc., also asserted that it did not provide "local service" at the 100 South Ashley Drive location when it acquired, as Centres Communications Group, Inc., the rights and obligations to provide such service from Shared Network Technologies, Inc., on October 1, 1988. Sharenet, Inc., also stated in its letter that it had yet to provide "local service" as of the May 2, 1989, date. Sharenet, Inc., stated that it believed it had the authority to provide long distance service at the 100 South Ashley Drive location pursuant to "its" IXC certificate, presumably, the IXC certificate issued to Centres.

Shared Network Technologies, Inc., was originally issued IXC Certificate No. 554 on January 14, 1986, and operated under that Certificate until it was cancelled, at its request, effective November 6, 1989, in Docket No. 890577-TI. However, Shared Network Technologies, Inc., did not possess a certificate to provide STS service at the 100 South Ashley Drive, Tampa, location when it entered into an agreement with Centres to assign all of its rights and obligations to provide

that service effective October 1, 1988. Not only did Shared Network Technologies, Inc., not possess such a certificate, but neither that Company nor Centres requested the approval of this Commission for the transfer of that STS operation to Centres. Although Centres did file an application for a certificate to provide STS at the 100 South Ashley, Tampa, location on September 6, 1988, it did not wait for such authority prior to commencing its STS operation on October 1, 1988. The first STS application for 100 South Ashley Drive filed on September 6, 1988, by Centres was rejected as inadequate. On October 14, 1988, an acceptable application was filed. For all of these reasons, we have found it appropriate to fine Sharenet, Inc., in a separate Order the \$500 amount proposed in Order No. 21070.

Sharenet, Inc., stated that Centres not only purchased the assets and the customer base from Shared Network Technologies, Inc., but also amended its corporate name from Centres Communications Group, Inc., to Sharenet, Inc., effective January 1, 1989. We were not notified of this change nor was our Division of Records and Reporting. Even if Centres had been certificated on January 1, 1989, such a change in its name without prior Commission approval would have been a violation of Rule 25-24.472, Florida Administrative Code, Improper Use of a Certificate.

III. Docket No. 890829-TP

Docket No. 890829-TP was initiated when Sharenet, Inc., filed an application, on June 27, 1989, for approval to change the name on the IXC and STS certificates held by Centres to Sharenet, Inc. By letter dated October 14, 1988, from Shared Network Technologies, Inc., we learned that Centres and Shared Network Technologies, Inc., had entered into an agreement that was effective October 1, 1988, to assign all of Shared Network Technologies, Inc.'s rights and obligations relating to its provision of STS services at 100 South Ashley Drive, Tampa, Florida, to Centres. By that letter, it is apparent that Centres began providing STS at 100 South Ashley Drive on October 1, 1988. We issued data requests dated February 3, 1989, and March 21, 1989, to which we did not receive a specific response. However, a letter from Sharenet/Centres dated December 29, 1988, as well as the May 2, 1989, letter from Sharenet, Inc., and a printout from the Secretary of State's Office indicated that Centres had not only purchased the assets and customer base from Shared Network Technologies,

Inc., but had also amended its Articles of Incorporation with the Secretary of State's Office to change its corporate name to Sharenet, Inc., effective January 1, 1989. As of this date, Sharenet, Inc., has submitted three properly formatted revised tariffs for Centres' currently certificated STS locations. Sharenet, Inc., has not, however, submitted a properly formatted tariff for Centres' IXC Certificate No. 2183.

Based on our review of the May 2, 1989, response to Order No. 21070 by Sharenet, Inc., and other letters from Sharenet, Inc., and upon contact with the Secretary of State's Office, it appears that Centres has been operating under the corporate name of Sharenet, Inc., since January 1, 1989. Although STS Certificate No. 2222 for the 100 South Ashley Drive, Tampa, location was issued to Centres Communications Group, Inc., effective January 31, 1989, it appears that the STS services provided at 100 South Ashley Drive have been provided illegally from the inception of the operation. First, Shared Network Technologies, Inc., provided these services up to October 1, 1988, without benefit of an STS certificate; then, Centres Communications Group, Inc., provided STS services from October 1, 1988, until December 31, 1988, without benefit of an STS certificate; and finally, Sharenet, Inc., has provided STS services since January 1, 1989, to the present, without benefit of a valid STS certificate.

Based on the above, we have found it appropriate in a separate Order to deny Sharenet, Inc.'s belated request to approve the change in corporate name from Centres Communications Group, Inc., to Sharenet, Inc.

IV. Docket No. 891173-TS

Docket No. 891173-TS was initiated by Sharenet, Inc.'s application for authority to provide STS at the following three new locations: 15310 Amberly Drive, Tampa; 1859 Main Street, Sarasota; and 4380 Sand Lake Road, Orlando. Based on this Company's pattern of disregard for this Commission's orders and rules, we have found it appropriate in a separate Order to defer Sharenet, Inc.'s application to provide STS at three additional locations until the resolution of this show cause proceeding.

V. Initiation of Show Cause

Because of the total disregard of this Company for and its apparent inability to comply with this Commission's Rules and Orders, specifically Rules 25-24.470, Rule 25-4.0161, and Rule 25-24.472, Florida Administrative Code, we find it appropriate to require Sharenet, Inc., to show cause in writing why it should not be fined \$3,400.00 and why IXC Certificate No. 2183 and STS Certificates Nos. 2184, 2185 and 2222, currently issued to Centres Communications Group, Inc., should not be cancelled. The \$3,400 fine is 10% of the Company's gross operating revenue. We find this percentage to be appropriate because of the nature of the Company's violations, the length of time involved in these violations, the unresponsiveness of the Company to Commission requests for information, and the fact that the Company has had previous violations.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Sharenet, Inc., shall show cause in writing within 20 days why IXC Certificate No. 2183 and STS Certificates Nos. 2184, 2185, and 2222 should not be cancelled and why it should not be fined \$3,400 for violation of Rules 25-4.0161, 25-24.472, and 25-24.470, Florida Administrative Code. It is further

ORDERED that Sharenet, Inc.'s written response to this show cause order must be received by the Director of the Division of Records and Reporting, 101 E. Gaines Street, Tallahassee, Florida 32399-0870, by the time established below. It is further

ORDERED that any response filed by Sharenet, Inc., must contain specific statements of law and fact. It is further

ORDERED that the failure of Sharenet, Inc., to file a written response within the prescribed time period will constitute an admission of the facts alleged herein and will constitute a waiver of any right to a hearing. It is further

ORDERED that the failure of Sharenet, Inc., to request a hearing in any written response that is submitted will constitute a waiver of any right to a hearing.

By ORDER of the Florida Public Service Commission, this 11th day of APRIL , 1990 .

TEVE TRIBBLE

Director of Records and Reporting

(SEAL)

SFS

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 25-22.029(4), 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 May 1, 1990

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 sewer 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.