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ORIGINAL

May 1, 1998

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 970109-TI

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket are the original and 15 copies of the Joint Prehearing Statement of the Attorney General and the Citizens. A diskette in WordPerfect 6.1 is also submitted.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

ACK 1
AFA 1
APP _____
CAF _____
CMU Williams
CTR _____
EAG _____
LEG 2 CJB:bsr
LIN 3
OPC _____ Enclosures
RCH _____
SEC 1
WAS _____
OTH _____

Sincerely,

Charles J. Beck
Deputy Public Counsel

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DOCUMENT NUMBER-DATE

04940 MAY-1 98

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| | | |
|--|---|-------------------|
| In re: Application for certificate to |) | |
| provide interexchange telecommunications |) | Docket 970109-TI |
| service by KTNT Communications, Inc. |) | Filed May 1, 1998 |
| d/b/a IDC Telecommunications |) | |

JOINT PREHEARING STATEMENT
OF THE ATTORNEY GENERAL AND THE CITIZENS

In accordance with PSC Order No. PSC-98-0207-PCO-TI issued February 3, 1998, Robert A. Butterworth, Attorney General ("Attorney General"), and the Citizens of Florida ("Citizens"), by and through Jack Shreve, Public Counsel, file this prehearing statement.

Witnesses

The Attorney General and the Citizens intend to call Mr. R. Earl Poucher as a witness in this proceeding. Mr. Poucher's testimony describes how KTNT would deceive the public through the use of the fictitious names "I don't care" and "It doesn't matter."

Exhibits

Mr. Poucher's testimony has no accompanying exhibits.

Statement of Basic Position

Section 364.337(3), Florida Statutes (1997) states that the Commission shall grant a certificate of authority to provide intrastate interexchange telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capabilities to provide such service. KTNT has made it clear that its management wishes to use fictitious names such as "I don't care" and "It doesn't matter" to trick the public into using their service. Since such operations are a management decision, the company has shown that it has inadequate management capabilities to support a certificate from this Commission.

KTNT's plan to use fictitious names such as "I don't care" and "It doesn't matter" are also anticompetitive. By tricking customers into use their service, a competitor is deprived of the opportunity to provide service to a customer who does not wish to select a specific company to provide service. Section 364.01(g), Florida Statutes (1995) requires the Commission to ensure that all providers of telecommunications services are treated fairly, by preventing anticompetitive behavior and eliminating unnecessary regulatory constraint. Here, regulatory restraint is necessary to prevent anti-competitive behavior.

Section 364.335(3), Florida Statutes, empowers the Commission to make modifications to certificates in the public interest. If the Commission should nevertheless decide to grant a certificate to KTNT, it should modify the certificate to

prohibit the company from using misleading fictitious names in Florida.

Issues

Issue 1. Has KTNT made the requisite showing pursuant to Section 364.337(3), Florida Statutes, that it has sufficient technical, financial, and managerial capability to provide interexchange telecommunications services within the state?

Position: KTNT has made it clear that its management wishes to use fictitious names such as "I don't care" and "It doesn't matter" to trick the public into using their service. Since such operations are a management decision, the company has shown that it has inadequate management capabilities to support a certificate from this Commission. (Poucher)

Issue 2. What are KTNT's business plans for the state of Florida?

Position: KTNT plans to use the names "I don't care" and "It doesn't matter" for operator transfer services. The company has a token marketing effort, relying instead on tricking the public into using its services. (Poucher)

Issue 3. Are KTNT's business plans for the state of Florida in the public interest?

Position: No. (Poucher)

Issue 4. Is it in the public interest to allow KTNT to obtain a certificate from the Commission?

Position: No, it is not in the public interest to allow KTNT to obtain a certificate from the Commission. (Poucher)

Issue 5. If it is in the public interest to allow KTNT to obtain a certificate from the Commission, should the certificate be modified to prohibit the company from using fictitious names in Florida?

Position: Yes, if the Commission decides to grant a certificate to KTNT, the certificate should be modified to prohibit the company from using misleading fictitious names in Florida. (Poucher)

Stipulated Issues:

No matters have been stipulated.

Pending Matters:

The Attorney General and the Citizens have no matters pending.

Other Requirements:

The Attorney General and the Citizens know of no requirement set forth in Order No. PSC-98-0207-PCO-TI issued February 3, 1998, with which we have not complied.

Respectfully submitted,

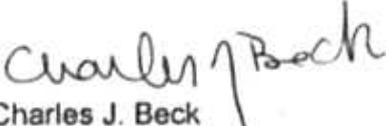
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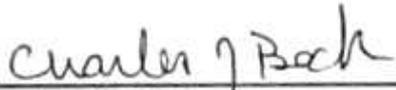
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**DOCKET NO. 970109-TI
CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing has been furnished by U.S.

Mail or hand-delivery to the following parties on this 1st day of May, 1998.



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