

State of Florida



Public Service Commission
CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 21, 2008

TO: Office of Commission Clerk (Cole)

FROM: Division of Regulatory Compliance (Mann, Casey)
Office of the General Counsel (Tan) *TJ* *MA* *PK* *MM*

RE: Docket No. 070683-TX – Petition for designation as eligible telecommunications carrier (ETC) by FLATEL, Inc.

AGENDA: 09/04/08 – Regular Agenda – Proposed Agency Action - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Argenziano

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\RCP\WP\070683.RCM.DOC

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COMMISSION
CLERK

Case Background

On November 9, 2007, FLATEL, Inc. d/b/a Florida Telephone Company d/b/a Oscatel d/b/a Telephone USA d/b/a Global Telecom (FLATEL or “the Company”) petitioned the Florida Public Service Commission (FPSC or Commission) for designation as an Eligible Telecommunications Carrier (ETC) in the State of Florida. Specifically, FLATEL is requesting that it be granted ETC status throughout the non-rural BellSouth Telecommunications, Inc./AT&T (AT&T) and Verizon Florida (Verizon) wire centers listed in Attachment A for purposes of receiving federal universal service support. FLATEL has existing interconnection agreements with both AT&T and Verizon. The company states that it is only seeking low income support, and that it is not requesting high-cost support from the federal Universal Service

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FPSC-COMMISSION CLERK

Fund (USF). FLATEL's primary purpose in requesting ETC status in Florida is to provide Lifeline and Link-Up services.

FLATEL is a Florida corporation formed in 1997 and headquartered in West Palm Beach, Florida. FLATEL is a FPSC-certificated competitive local exchange carrier (CLEC) which provides prepaid local exchange services in the AT&T, Embarq, and Verizon service areas. It provides these services using a combination of wholesale local platform (WLP)/unbundled network element (UNE) lines and resale services. According to responses to staff's data requests, FLATEL currently provides telephone service in Florida, Kentucky, Oregon, New Jersey, South Carolina, and North Carolina, and it has not received any complaints in the past 12 months in any location where it provides telephone service.

To date, FLATEL has not filed for ETC designation, nor is it seeking ETC status in any other state. Upon designation as an ETC, FLATEL states that it will participate in and offer Lifeline and Link-Up programs to qualifying low-income consumers in Florida. FLATEL has committed to publicize the availability of Lifeline and Link-Up services in a manner reasonably designed to reach those likely to qualify for services, as required by the Federal Communications Commission (FCC) rules. According to FLATEL, it could have Lifeline available to its Florida customers within 30 days of receiving approval.

The Commission has authority under Section 364.10(2), Florida Statutes, to decide a petition by a CLEC seeking designation as an eligible telecommunications carrier pursuant to 47 C.F.R. § 54.201.

Discussion of Issues

Issue 1: Should FLATEL be granted ETC designation in the State of Florida?

Recommendation: Yes. Staff recommends that FLATEL be granted ETC designation status in the AT&T and Verizon wire centers listed in Attachment A of this recommendation. (Mann, Casey)

Staff Analysis: Pursuant to Federal Statute, state commissions have the primary responsibility to designate providers as ETCs.¹ Designation as an ETC is required in order for a provider to be eligible to receive monies directly from the USF. Section 254(e) of the Telecommunications Act of 1996 (Act) provides that “only an eligible telecommunications carrier designated under Section 214(e) shall be eligible to receive specific federal universal service support.”² According to Section 214(e)(1), a common carrier designated as an ETC must offer and advertise the services supported by the federal universal service mechanisms throughout a designated service area.

ETC Certification Requirements

The Code of Federal Regulations addresses a state commission’s responsibilities related to an ETC designation:³

Upon request and consistent with the public interest, convenience, and necessity, the state commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the state commission, so long as each additional requesting carrier meets the requirements of paragraph (d) of this section. Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the state commission shall find that the designation is in the public interest.

To qualify as an ETC, a carrier must provide nine services identified in 47 CFR 54.101. The services are:

- (1) Voice-grade access to the public switched network Voice-grade access is defined as a functionality that enables a user of telecommunications services to transmit voice communications, including signaling the network that the caller wishes to place a call, and to receive voice communications, including receiving a signal indicating there is an incoming call;
- (2) Local Usage Local usage indicates the amount of minutes of use of exchange service, provided free of charge to end users;

¹ 47 U.S.C. § 214(e)(2), 47 C.F.R. § 54.201(b).

² 47 U.S.C. § 254(e)(2).

³ 47 C.F.R. § 54.201(c).

- (3) Dual-tone multi-frequency signaling or its functional equivalent Dual-tone multi-frequency ("DTMF") is a method of signaling that facilitates the transportation of signaling through the network, thus shortening call set-up time;
- (4) Single-party service or its functional equivalent Single-party service is telecommunications service that permits users to have exclusive use of a wireline subscriber loop or access line for each call placed, or in the case of wireless telecommunications carriers, which use spectrum shared among users to provide service, a dedicated message path for the length of a user's particular transmission;
- (5) Access to emergency services Access to emergency services includes access to services, such as 911 and enhanced 911, provided by local governments or other public safety organizations;
- (6) Access to operator services Access to operator services is defined as access to any automatic or live assistance to a consumer to arrange for billing and/or completion, of a telephone call;
- (7) Access to interexchange service Access to interexchange service is defined as the use of the loop, as well as that portion of the switch that is paid for by the end user, or the functional equivalent of these network elements in the case of a wireless carrier, necessary to access an interexchange carrier's network;
- (8) Access to directory assistance Access to directory assistance is defined as access to a service that includes, but is not limited to, making available to customers, upon request, information contained in directory listings; and
- (9) Toll limitation for qualifying low-income consumers Toll limitation or blocking restricts all direct-dial toll access.

In addition to providing the above services, ETCs must advertise the availability of such services and the associated charges using media of general distribution. FLATEL has provided evidence to support that it is currently offering these services and will advertise the availability of Lifeline and Link-Up offerings in media of general distribution as required in §214(e)(1).

FLATEL has the ability to meet the nine-point list of services that are supported by federal universal support mechanisms using its own facilities or a combination of its own facilities and the resale of another carrier's services. Staff believes that the leasing of the physical components of the telecommunications network for the transmission or routing of services, whether as UNEs or through commercial agreements, meets the statutory definition of "own facilities" for universal service purposes. FLATEL provided data to staff indicating that approximately 281 (or 21%) of its customers are being provided service through Commercial Facilities Agreements/UNE's, and also provided affidavits showing commercial agreements have been signed with both AT&T and Verizon.

Additional ETC Certification Requirements

In addition to requiring the above services, the FCC, on March 17, 2005, issued a Report and Order that established additional criteria that all ETC applicants must satisfy in order to be granted ETC status by the FCC.⁴ In this Order, the FCC determined that an ETC applicant must also demonstrate:

- 1) a commitment and ability to provide the supported services throughout the designated area;
- 2) the ability to remain functional in emergency situations;
- 3) ability to satisfy consumer protection and service quality standards;
- 4) provision of local usage comparable to that offered by the incumbent LEC; and
- 5) an acknowledgement that the applicant may be required by the FCC to provide equal access if all other ETCs in the designated service area relinquish their designations pursuant to Section 214(e)(4) of the Act.

The FCC encouraged states to also adopt these criteria, and the FPSC has done so in Docket No. 010977-TL, by Order No. PSC-05-0824-FOF-TL, issued August 15, 2005. FLATEL has filed an affidavit certifying that it will perform these additional duties required of an ETC (see Attachment B).

Public Interest Determinations

Under Section 214 of the Act, the FCC and state commissions must determine that an ETC designation is consistent with the public interest, convenience and necessity for rural areas. They also must consider whether an ETC designation serves the public interest consistent with Section 254 of the Act. Congress did not establish specific criteria to be applied under the public interest tests in Section 214 or Section 254. The public interest benefits of a particular ETC designation must be analyzed in a manner that is consistent with the purposes of the Act itself, including the fundamental goals of preserving and advancing universal service; ensuring the availability of quality telecommunications services at just, reasonable, and affordable rates; and promoting the deployment of advanced telecommunications and information services to all regions of the nation, including rural and high-cost areas.⁵ Staff believes that before designating a carrier as an ETC, the FPSC should make an affirmative determination that such designation is in the public interest, regardless of whether the applicant seeks designation in an area served by a rural or non-rural carrier.

FLATEL, Inc.'s Petition

FLATEL is requesting designation as an ETC in the non-rural AT&T and Verizon territories for purposes of providing Lifeline and Link-Up service to Florida consumers and

⁴ In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order FCC 05-46, Adopted: February 25, 2005, Released: March 17, 2005.

⁵ In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order FCC 05-46 (¶40), Adopted: February 25, 2005, Released: March 17, 2005.

receiving federal universal service support. FLATEL is not seeking ETC status in any rural exchange, nor is it attempting to obtain any high-cost funding from the Universal Service Administrative Company (USAC).

Since becoming a telephone company in Florida, FLATEL has shown a willingness to actively process both consumer and carrier-to-carrier disputes. With this history and relatively few consumer complaints in the past few years, staff believes that FLATEL has shown a managerial proficiency in handling both carrier-to-carrier disputes and consumer complaints.

To adjudge this petition, staff reviewed FLATEL's data gathering effort involved in the Commission's Competition Report, payment history of regulatory assessment fees, consumer complaint incidents and the timely resolution of those complaints, compiled financial statements, and the company's status with the Florida Department of State Division of Corporations, among other sources. FLATEL has no outstanding regulatory assessment fees, penalties, or interest associated with its Florida CLEC certificate; nor does the company have any active customer complaints on file with this Commission.

FLATEL has also indicated that its accounts with the FCC and the USAC are current, and it is not aware of any outstanding complaints or violations with either entity. As part of the petition process, FLATEL has agreed to abide by the Commission's rules, such as the procedures for approving, denying, and terminating recipients, timelines for submitting reports, and expectations pertaining to the Lifeline and Link-Up programs. FLATEL commits to use federal universal support only for the provision of services for which the support is intended.

FLATEL has acknowledged the requirements of the Florida Lifeline program, and it has agreed to adhere to the program which provides qualified customers a total of \$13.50 in Lifeline assistance credits consisting of: \$6.50 in federal subscriber line charges, \$1.75 in federal support for states that have approved the credit, and \$1.75 which is a 50% match of federal support for having a state lifeline program requiring a \$3.50 credit under the Florida eligibility criteria. FLATEL indicates that it will provide the \$3.50 credit to qualified clients, advertise the availability of Lifeline, and begin offering these services within 30 days of receiving ETC status.

Conclusion

Staff believes that FLATEL will promote the availability of universal service to the underserved, economically disadvantaged telephone customers in Florida. It also believes that FLATEL has the experience and managerial aptitude to effectively provide and promote Lifeline service and that a grant of ETC designation to FLATEL will enhance the subscribership among needy telephone customers in the State.

If FLATEL is designated as an ETC, it should be required, at the time of annual ETC recertification, to demonstrate how it has used the universal service funds within Florida. Additionally, if FLATEL should decide to seek any high-cost universal service funds, or seek ETC status in any rural service areas in the future, it should be required to file a petition and make a showing that it would be in the public interest to grant such a request.

Based on staff's review, along with FLATEL's commitment to abide by both state and federal rules and procedures, staff believes that FLATEL's petition to be designated as an ETC is in the public interest and should be approved. Staff believes that public interest benefits of a particular ETC designation should be analyzed in a manner that is consistent with the purposes of the Act itself, including the fundamental goals of preserving and advancing universal service; ensuring the availability of quality telecommunications services at just, reasonable, and affordable rates; and promoting the deployment of advanced telecommunications and information services to all regions of the nation, including rural and high-cost areas. Upon a decision by the Commission, staff will continue the necessary oversight to ensure that FLATEL, along with all other ETCs in Florida, are upholding these principles and attaining the goals and objectives of both the state and federal universal service programs. Therefore, staff recommends that FLATEL be granted ETC designation status in the AT&T and Verizon wire centers listed in Attachment A of this recommendation.

Docket No. 070683-TX

Date: August 21, 2008

Issue 2: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected files a protest to the Commission's Proposed Agency Action within 21 days of the issuance of the Commission Order, this docket should be closed upon issuance of a consummating order. (Tan)

Staff Analysis: If no person whose substantial interests are affected files a protest to the Commission's Proposed Agency Action within 21 days of the issuance of the Commission Order, this docket should be closed upon issuance of a consummating order.

Company	Rate	Service
AT&T	APOPKA	DBRYFLMARS1
AT&T	ARCHER	ARCHFLMARS0
AT&T	BALDWIN	BLDWFLMARS0
AT&T	BELLEGLADE	BLGLFLMADS0
AT&T	BOCA RATON	BCRTFLBTDS0
AT&T	BOCA RATON	BCRTFLMADS1
AT&T	BOCA RATON	BCRTFLSADS0
AT&T	BOYNTONBCH	BYBHFLMADS0
AT&T	BRONSON	BRSNFLMARS0
AT&T	BROOKSVL	BKVLFLJFDS0
AT&T	BUNNELL	BNNFLMARS0
AT&T	CANTONMENT	CNTMFLEDS1
AT&T	CEDAR KEYS	CDKYFLMARS0
AT&T	CENTURY	FMTNALMTRS0
AT&T	CHIEFLAND	CFLDFLMARS0
AT&T	CHIPLEY	CHPLFLJADS0
AT&T	COCOA	COCOFLMADS0
AT&T	COCOA	COCOFLMEDS0
AT&T	COCOABEACH	CCBHFLAFRS0
AT&T	COCOABEACH	CCBHFLMADS0
AT&T	CORAL SPG	PMBHFLCSDS0
AT&T	CROSS CITY	CSCYFLBARS0
AT&T	DAYTONA BE	DYBHFLMADS0
AT&T	DAYTONABCH	DYBHFLFNRS0
AT&T	DAYTONABCH	DYBHFLMADS0
AT&T	DAYTONABCH	DYBHFLOBDS0
AT&T	DAYTONABCH	DYBHFLORSR0
AT&T	DAYTONABCH	DYBHFLPODS0
AT&T	DEBARY	DBRYFLDLDS0
AT&T	DEBARY	DBRYFLMARS1
AT&T	DEERFLDBCH	DRBHFLMADS0
AT&T	DELAND	DELDFLMADS0
AT&T	DELEON SPG	DLSPFLMARS0
AT&T	DELRAY BCH	DLBHFLKPDS0
AT&T	DELRAY BCH	DLBHFLKPRS0
AT&T	DELRAY BCH	DLBHFLMA27E
AT&T	DELRAY BCH	DLBHFLMARS0
AT&T	DUNNELLON	DNLNFLWMRS0
AT&T	EASTORANGE	EORNFLMARS0
AT&T	EAU GALLIE	EGLLFLBGDS0
AT&T	EAU GALLIE	EGLLFLIHDS0
AT&T	FERNADNBCH	FRBHFLFPDS0
AT&T	FERNADNBCH	JCVLFLSMX5X
AT&T	FLAGLERBCH	FLBHFLMARS0
AT&T	FORT LAUDE	FORTFL99078
AT&T	FORT LAUDE	FORTFL99085
AT&T	FORT LAUDE	FTLDFLPLBB0
AT&T	FORT LAUDE	FTLDFLWNS0
AT&T	FORT PIERC	FTRPFLMADS0

AT&T	FORTPIERCE	FTPRFLMADS0
AT&T	FTLAUDERDL	FTLDFLCRDS0
AT&T	FTLAUDERDL	FTLDFLCYDS0
AT&T	FTLAUDERDL	FTLDFLJADS0
AT&T	FTLAUDERDL	FTLDFLMRDS0
AT&T	FTLAUDERDL	FTLDFFLOADS0
AT&T	FTLAUDERDL	FTLDFLPLDS0
AT&T	FTLAUDERDL	FTLDFLSGDS0
AT&T	FTLAUDERDL	FTLDFLSU74E
AT&T	FTLAUDERDL	FTLDFLWNDS0
AT&T	FTLAUDERDL	HLWDFLHA45E
AT&T	FTLAUDERDL	HLWDFLMADS0
AT&T	FTLAUDERDL	HLWDFLPEDS0
AT&T	FTLAUDERDL	HLWDFLWHDS0
AT&T	FTLAUDERDL	PMBHFLCSDS0
AT&T	GAINESVILL	GAINFL99088
AT&T	GAINESVILL	GSVFLMADS1
AT&T	GAINESVL	GSVFLMADS0
AT&T	GAINESVL	GSVFLMADS1
AT&T	GAINESVL	GSVFLNW33E
AT&T	GENEVA	GENVFLMARS0
AT&T	GRACEVILLE	GCVFLMARS0
AT&T	GREENCVSPG	GCSPFLCNDSD0
AT&T	GULF BREEZ	GLBRFLMCDS0
AT&T	GULFBREEZE	GLBRFLMCDS0
AT&T	HAVANA	HAVNFLMADS0
AT&T	HAWTHORNE	HWTHFLMARS0
AT&T	HOBE SOUND	HBSDFLMADS0
AT&T	HOLLEY-NAV	HLNVFLMADS1
AT&T	HOLLEYNVRR	HLNVFLMADS1
AT&T	HOLLYWOOD	HLWDFLHA45E
AT&T	HOLLYWOOD	HLWDFLMADS0
AT&T	HOLLYWOOD	HLWDFLPEDS0
AT&T	HOLLYWOOD	HLWDFLWHDS0
AT&T	HOMESTEAD	HMSTFLHMDS0
AT&T	HOMESTEAD	HMSTFLNARS0
AT&T	JACKSOLBCH	JCBHFLMA24E
AT&T	JACKSONVIL	JACKFL99086
AT&T	JACKSONVIL	JCVLFLCL05T
AT&T	JACKSONVIL	JCVLFLCLBB0
AT&T	JACKSONVIL	JCVLFLCLDS0
AT&T	JACKSONVIL	JCVLFLSMDS0
AT&T	JACKSONVL	FTGRFLMARS0
AT&T	JACKSONVL	JCBHFLABRS0
AT&T	JACKSONVL	JCBHFLSPRS0
AT&T	JACKSONVL	JCVLFLARDS0
AT&T	JACKSONVL	JCVLFLBWDS0
AT&T	JACKSONVL	JCVLFLCL05T
AT&T	JACKSONVL	JCVLFLCL21Z
AT&T	JACKSONVL	JCVLFLCLDS0
AT&T	JACKSONVL	JCVLFLCLDS1
AT&T	JACKSONVL	JCVLFLFCDS0

AT&T	JACKSONVL	JCVLFLIARS0
AT&T	JACKSONVL	JCVLFLJTRSA
AT&T	JACKSONVL	JCVLFLLFDS0
AT&T	JACKSONVL	JCVLFLNODS0
AT&T	JACKSONVL	JCVLFLOWDS0
AT&T	JACKSONVL	JCVLFLRV38E
AT&T	JACKSONVL	JCVLFLSJ73E
AT&T	JACKSONVL	JCVLFLSMDS0
AT&T	JACKSONVL	JCVLFLWCDS0
AT&T	JACKSONVL	MNDRFLAVDS0
AT&T	JACKSONVL	MNDRFLLODS0
AT&T	JACKSONVL	ORPKFLMADS0
AT&T	JAY	JAY FLMARS0
AT&T	JENSEN BCH	HTISFLMADS0
AT&T	JENSEN BCH	STRTRFLMADS0
AT&T	JENSEN BEA	JENSFL99083
AT&T	JULINGTON	MNDRFLLWRS0
AT&T	JUPITER	JPTRFLMADS0
AT&T	KEY WEST	KYWSFLMADS0
AT&T	KEYS	BGPIFLMARS0
AT&T	KEYS	ISLMFLMARS0
AT&T	KEYS	KYLRFLLSRS0
AT&T	KEYS	KYLRFLMARS0
AT&T	KEYS	KYWSFLMADS0
AT&T	KEYS	MRTHFLVERS0
AT&T	KEYS	NKLRFLMARS0
AT&T	KEYS	SGKYFLMARS0
AT&T	KEYSTN HTS	KYHGFLMARS0
AT&T	LAKE CITY	LKCYFLMADS0
AT&T	LYNN HAVEN	LYHNFLOHDS0
AT&T	MANDARIN	MNDRFLLODS0
AT&T	MANDARIN	MNDRFLLWRS0
AT&T	MAXVILLE	MXVFLMARS0
AT&T	MELBOURNE	COCOFLMAVMD
AT&T	MELBOURNE	COCOFLMAYMD
AT&T	MELBOURNE	MLBRFLMADS0
AT&T	MIAMI	COCYFL13AMD
AT&T	MIAMI	MIAMFL99074
AT&T	MIAMI	MIAMFL99095
AT&T	MIAMI	MIAMFLAEDS0
AT&T	MIAMI	MIAMFLAERS0
AT&T	MIAMI	MIAMFLALDS0
AT&T	MIAMI	MIAMFLAPDS0
AT&T	MIAMI	MIAMFLBA85E
AT&T	MIAMI	MIAMFLBCDS0
AT&T	MIAMI	MIAMFLBRDS0
AT&T	MIAMI	MIAMFLCADS0
AT&T	MIAMI	MIAMFLDBRS1
AT&T	MIAMI	MIAMFLFLDS0
AT&T	MIAMI	MIAMFLGR09Z
AT&T	MIAMI	MIAMFLGRDS0
AT&T	MIAMI	MIAMFLGRDS1

AT&T	MIAMI	MIAMFLHLDS0
AT&T	MIAMI	MIAMFLICDS0
AT&T	MIAMI	MIAMFLKEDS0
AT&T	MIAMI	MIAMFLME32E
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AT&T	MIAMI	MIAMFLNMDS0
AT&T	MIAMI	MIAMFLNSDS0
AT&T	MIAMI	MIAMFLOLDS0
AT&T	MIAMI	MIAMFLPBDS0
AT&T	MIAMI	MIAMFLPLBB0
AT&T	MIAMI	MIAMFLPLDS0
AT&T	MIAMI	MIAMFLPLRS0
AT&T	MIAMI	MIAMFLRRDS0
AT&T	MIAMI	MIAMFLSHDS0
AT&T	MIAMI	MIAMFLSODS0
AT&T	MIAMI	MIAMFLWDDS0
AT&T	MIAMI	MIAMFLWMDS0
AT&T	MICANOPY	MCNPFLMARS0
AT&T	MIDDLEBURG	MDBGFLPMDS0
AT&T	MILTON	MLTNFLRADS0
AT&T	MUNSON	MNSNFLMARS0
AT&T	NEWBERRY	NWBYFLMARS0
AT&T	NORTH DADE	MIAMFLHLDS0
AT&T	NORTH DADE	NDADFLACDS0
AT&T	NORTH DADE	NDADFLBRDS0
AT&T	NORTH DADE	NDADFLGGDS0
AT&T	NORTH DADE	NDADFLGGXWX
AT&T	NORTH DADE	NDADFLOLDS0
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AT&T	OAK HILL	OKHLFLMARS0
AT&T	OLD TOWN	OLTWFLLNRS0
AT&T	ORANGEPARK	ORPKFLMADS0
AT&T	ORANGEPARK	ORPKFLRWDS0
AT&T	ORLANDO	ORLAFL99073
AT&T	ORLANDO	ORLDFLAPDS0
AT&T	ORLANDO	ORLDFLCLDS0
AT&T	ORLANDO	ORLDFLMA04T
AT&T	ORLANDO	ORLDFLMA42E
AT&T	ORLANDO	ORLDFLMA44Z
AT&T	ORLANDO	ORLDFLMADS1
AT&T	ORLANDO	ORLDFLPCDS0
AT&T	ORLANDO	ORLDFLPHDS0
AT&T	ORLANDO	ORLDFLSADS0
AT&T	OVIEDO	OVIDFLCADS0
AT&T	OVIEDO	SNFRFLMADS0
AT&T	PACE	PACEFLPVRS0
AT&T	PAHOKEE	PAHKFLMARS0
AT&T	PALATKA	PLTKFLMADS0
AT&T	PALM COAST	PLCSFLMADS0
AT&T	PANAMA CIT	PNCYFLCARS0
AT&T	PANAMA CIT	PNCYFLMADS0
AT&T	PANAMACITY	PNCYFLCARS0

AT&T	PANAMACITY	PNCYFLMADS0
AT&T	PANAMACITY	PNCYFLMAXNY
AT&T	PENSACOLA	PNSCFLBLDS0
AT&T	PENSACOLA	PNSCFLFPDS0
AT&T	PENSACOLA	PNSCFLHCRS0
AT&T	PENSACOLA	PNSCFLPBDS0
AT&T	PENSACOLA	PNSCFLWADS0
AT&T	PERRINE	PRRNFLMADS0
AT&T	PIERSON	PRSNFLFDRS0
AT&T	PNAMACYBCH	PCBHFLNTDS0
AT&T	PNTVDRABCH	PNVDFLMADS0
AT&T	POMONAPARK	PMPKFLMARS0
AT&T	POMPANO BE	PMBHFLFEDS0
AT&T	POMPANO BCH	PMBHFLFECG0
AT&T	POMPANO BCH	PMBHFLFEDS0
AT&T	POMPANO BCH	PMBHFLMADS0
AT&T	POMPANO BCH	PMBHFLMAX2X
AT&T	POMPANO BCH	PMBHFLNPRS0
AT&T	POMPANO BCH	PMBHFLTADS0
AT&T	PORT ST. L	PTSLFLMADS0
AT&T	PTST LUCIE	FTPRFLMAKMD
AT&T	PTST LUCIE	HTISFLMADS0
AT&T	PTST LUCIE	PTSLFLMADS0
AT&T	PTST LUCIE	PTSLFLSOCG0
AT&T	SAINT AUGU	STAGFLMADS0
AT&T	SANFORD	LKMRFLHEDS0
AT&T	SANFORD	ORLDFLCLX5X
AT&T	SANFORD	ORLDFLCLX8X
AT&T	SANFORD	SNFRFLMADS0
AT&T	SEBASTIAN	MICCFLBBSR0
AT&T	SEBASTIAN	SBSTFLFERS0
AT&T	SEBASTIAN	SBSTFLMADS0
AT&T	ST JOHNS	STAGFLWGRS0
AT&T	STAUGUSTIN	STAGFLBSRS0
AT&T	STAUGUSTIN	STAGFLMADS0
AT&T	STAUGUSTIN	STAGFLSHRS0
AT&T	STUART	STRTFMADS0
AT&T	SUNNYHILLS	SYHSFLCCRS0
AT&T	TALLHASSE	TLHSFLXAXIX
AT&T	TITUSVILLE	TTVLFLMADS0
AT&T	TRENTON	TRENFLMARS0
AT&T	VERNON	VERNFLMARS0
AT&T	VERO BEACH	VRBHFLBERS0
AT&T	VERO BEACH	VRBHFLMADS0
AT&T	WEEKICHSPG	WWSPFLHIDS0
AT&T	WEEKICHSPG	WWSPFLSHDS0
AT&T	WELAKA	WELKFLMARS0
AT&T	WEST PALM	WESTFL99081
AT&T	WEST PALM	WPBHFLANDS0
AT&T	WEST PALM	WPBHFLHHDS0
AT&T	WEST PALM	WPBHFLRPDS0
AT&T	WINTERPARK	ORLDFLCLDS1

AT&T	WINTERPARK	ORLDFLMADS1
AT&T	WKISSIMMEE	ORLDFLSADS0
AT&T	WPALMBEACH	WPBHFLANDS0
AT&T	WPALMBEACH	WPBHFLGADS0
AT&T	WPALMBEACH	WPBHFLGR1KD
AT&T	WPALMBEACH	WPBHFLGRDS0
AT&T	WPALMBEACH	WPBHFLHHDS0
AT&T	WPALMBEACH	WPBHFLLEDS0
AT&T	WPALMBEACH	WPBHFLRB84E
AT&T	WPALMBEACH	WPBHFLRPDS0
AT&T	YANKEETOWN	YNTWFLMARS0
AT&T	YONGSTFNTN	YNFNFLMARS0
AT&T	YULEE	YULEFLMARS0

Verizon West	BARTOW	ALTRFLXARSA
Verizon West	BARTOW	BARTFLXA53H
Verizon West	BRADENTON	ANMRFLXA77H
Verizon West	BRADENTON	BRBAFLXA75H
Verizon West	BRADENTON	BRTNFLXX74H
Verizon West	BRADENTON	PLSLFLXA79H
Verizon West	CLEARWATER	CLWRFLXA44H
Verizon West	CLEARWATER	CLWRFLXADS0
Verizon West	CLEARWATER	CNSDFLXA79H
Verizon West	CLEARWATER	DNDNFLXA73H
Verizon West	CLEARWATER	INRKFLXX59H
Verizon West	CLEARWATER	LRGOFLXA58H
Verizon West	CLEARWATER	PNLSFLXA53H
Verizon West	CLEARWATER	PNLSFLXADS0
Verizon West	CLEARWATER	STGRFLXA78H
Verizon West	CLEARWATER	TAMPFLXA1JB
Verizon West	ENGLEWOOD	ENWDFLXA47H
Verizon West	FROSTPROOF	FRSTFLXA63H
Verizon West	HAINESCITY	DUNDFLXA43H
Verizon West	HAINESCITY	HNCYFLXA42H
Verizon West	HAINESCITY	HNCYFLXN424
Verizon West	HAINESCITY	POINFLXARSA
Verizon West	HUDSON	HDSNFLXA86H
Verizon West	HUDSON	MNLKFLXA85H
Verizon West	LAKE WALES	BBPKFLXARSA
Verizon West	LAKE WALES	LKWFLFLXA67H
Verizon West	LAKE WALES	LKWFLFLXERSA
Verizon West	LAKELAND	HGLDFLXA64H
Verizon West	LAKELAND	LKLDLFLXA68H
Verizon West	LAKELAND	LKLDLFLXE66H
Verizon West	LAKELAND	LKLDLFLXN85H
Verizon West	MULBERRY	BRJTFLXARSA
Verizon West	MULBERRY	MLBYFLXARSA
Verizon West	NORTH PORT	NRPTFLXA42H
Verizon West	NWPTRICHEY	NPRCFLXA84H
Verizon West	NWPTRICHEY	SNSPFLXA37H
Verizon West	PALMETTO	PLMTFLXA72H
Verizon West	PALMETTO	PRSHFLXARSA
Verizon West	PLANT CITY	PNCRFLXA73J
Verizon West	PLANT CITY	PTCYFLXA75H
Verizon West	POINCIANA	POINFLXARSA
Verizon West	POLK CITY	PKCYFLXARSA
Verizon West	SARASOTA	LGBKFLXA38H
Verizon West	SARASOTA	NRSDFLXA35H
Verizon West	SARASOTA	SARKFLXARSA
Verizon West	SARASOTA	SEKYFLXA34H
Verizon West	SARASOTA	SPRGFLXA37H
Verizon West	SARASOTA	SRSTFLXA95H
Verizon West	SARASOTA	SRSTFLXADS0
Verizon West	SARASOTA	SSDSFLXA92H

Verizon West	STPETERSBG	BAYUFLXA54H
Verizon West	STPETERSBG	FHSDFLXA57H
Verizon West	STPETERSBG	GNDYFLXA57H
Verizon West	STPETERSBG	LLMNFLXADS0
Verizon West	STPETERSBG	NGBHFLXA39H
Verizon West	STPETERSBG	PSDNFLXA34H
Verizon West	STPETERSBG	SGBEFLXA36H
Verizon West	STPETERSBG	SKWYFLXADS0
Verizon West	STPETERSBG	SPBGFLXA89H
Verizon West	STPETERSBG	SPBGFLXADS0
Verizon West	STPETERSBG	SPBGFLXS86H
Verizon West	TAMPA	ALFAFLXA67H
Verizon West	TAMPA	HYPKFLXADS0
Verizon West	TAMPA	LNLKFLXA99H
Verizon West	TAMPA	TAMPFLXA1JB
Verizon West	TAMPA	TAMPFLXA6CD
Verizon West	TAMPACEN	ALFAFLXA67H
Verizon West	TAMPACEN	BHPKFLXA28H
Verizon West	TAMPACEN	CRWDFLXA96H
Verizon West	TAMPACEN	HYPKFLXADS0
Verizon West	TAMPACEN	SLSPFLXA93H
Verizon West	TAMPACEN	SMNLFLXA23H
Verizon West	TAMPACEN	SWTHFLXA88H
Verizon West	TAMPACEN	SWTHFLXADS0
Verizon West	TAMPACEN	TAMPFLXEDS0
Verizon West	TAMPACEN	TAMPFLXX22H
Verizon West	TAMPACEN	TAMPFLXX27H
Verizon West	TAMPACEN	TMTRFLXADS0
Verizon West	TAMPACEN	UNVRFLXA97H
Verizon West	TAMPACEN	WLCRFLXA83H
Verizon West	TAMPACEN	WSSDFLXA87H
Verizon West	TAMPACEN	WSSDFLXADS0
Verizon West	TAMPACEN	YBCTFLXA24H
Verizon West	TAMPAEST	BRNDFLXA68H
Verizon West	TAMPAEST	THNTFLXADS0
Verizon West	TAMPANTH	LNLKFLXA99H
Verizon West	TAMPANTH	LUTZFLXA94H
Verizon West	TAMPANTH	WLCHFLXA97H
Verizon West	TAMPASTH	RSKNFLXA64H
Verizon West	TAMPASTH	WIMMFLXA63H
Verizon West	TAMPAWST	KYSTFLXA92H
Verizon West	TAMPAWST	OLDSFLXA85H
Verizon West	TARPON SPG	TRSPFLXA93H
Verizon West	VENICE	OSPRFLXA96H
Verizon West	VENICE	VENCFLXA48H
Verizon West	VENICE	VENCFLXSDS0
Verizon West	WINTER HVN	ABDFLXA96H
Verizon West	WINTER HVN	CYGRFLXA32H
Verizon West	WINTER HVN	LKALFLXA95H
Verizon West	WINTER HVN	WNHNFLXC29H
Verizon West	ZEPHYRHLS	ZPHYFLXA78H

AFFIDAVIT

State of Florida
County of Palm Beach

BEFORE ME, the undersigned authority, appeared Abby Matari,
who deposed and said:

My name is Ms Abby Matari, I am employed by
FLATEL INC located at
2300 Palm Beach Lakes Blvd Suite 100 WPC FL 33409 as its
CEO. I am an officer of the Company and am authorized to give this
affidavit on behalf of the Company. This affidavit is being given to support the Eligible
Telecommunications Carrier petition filed by my Company with the Florida Public Service
Commission (PSC).

Company hereby certifies the following:

1. Company will follow all Florida Statutes, Florida Administrative Rules, and Florida PSC Orders relating to Universal Service, Eligible Telecommunications Carriers, and the Florida Link-Up and Lifeline Program.
2. Company will follow all FCC rules, FCC Orders, and regulations contained in the Telecommunications Act of 1996 regarding Universal Service, ETCs, Link-Up and Lifeline, and toll limitation service.
3. Company agrees that the Florida PSC may revoke a carrier's ETC status for good cause after notice and opportunity for hearing, for violations of any applicable Florida Statutes, Florida Administrative Rules, Florida PSC Orders, failure to fulfill requirements of Sections 214 or 254 of the Telecommunications Act of 1996, or if the PSC determines that it is no longer in the public interest for the company to retain ETC status.
4. Company understands that if its petition for ETC status is approved, it will be for limited ETC status to provide Link-Up, Lifeline, and toll-limitation service only, and the Company will be eligible only to receive low-income support from the Universal Service Fund.
5. Company understands that it may only receive reimbursement from the Universal Service Administrative company (USAC) for active customer Link-Up and Lifeline access lines which are provided using its own facilities or using access lines obtained as wholesale local platform lines (formerly UNE lines) from another carrier. The Company shall not apply to USAC for reimbursement of Link-Up and Lifeline access lines obtained from an underlying carrier which already receive a Lifeline and/or Link-Up credit provided by the underlying carrier.
6. Company understands that the PSC shall have access to all books of account, records and property of all eligible telecommunications carriers.

- 7. Company understands that low income support reimbursed by USAC for toll limitation service is available only for the incremental costs that are associated exclusively with toll limitation service.
- 8. Company agrees that upon request, it will submit to the PSC a copy of Form 497 forms filed with USAC to:
Florida Public Service Commission
Division of Regulatory Compliance, Market Practices Section
2540 Shurnard Oak Drive
Tallahassee, Florida 32303
- 9. Company understands that in accordance with the Florida Lifeline program, eligible customers will receive a \$13.50 monthly discount on their phone bill, \$3.50 of which is provided by the ETC, and \$10.00 of which is reimbursable from the Federal Universal Service Fund.

FURTHER AFFLIANT SAYETH NOT.

7-3-08
Date

[Signature]
Signature

Mr. Abby Mataris
Printed Name

Business Address:
2300 Palm Beach Lakes Blvd.
Suite 100
West Palm Beach FL 33409

State of Florida
County of Palm Beach

Acknowledged before me this 3 day of July, 08, by Mr. Abby Mataris as CEO of Company, who is personally known to me or produced identification and who did take an oath.

NOTARY PUBLIC-STATE OF FLORIDA
Cathy Albelo
Commission # DD739080
Expires: DEC. 04, 2011
BONDED BY THE ATLANTIC BONDING CO., INC.

[Signature]
NOTARY PUBLIC
Cathy Albelo
Printed Name of Notary

Personally Known Yes
Produced Identification Driver Lic Yes
Type of Identification Produced Driver Lic