

ORIGINAL

DATE INVOICE NO. AMOUNT DISCOUNT NET AMOUNT  
7/07/98 DOCKET 971489 JANUARY 5,000.00 .00 5,000.00 007071

DEPOSIT DATE  
D098 MAR 09 1999

RECEIVED  
FLORIDA PUBLIC  
SERVICE COMMISSION  
99 MAR -8 AM 9:25  
MAIL ROOM

*RAR  
K-22y Bieganski*

HECK: 007071 03/05/99 FLORIDA PUBLIC SERVICE COMM CHK TOTAL: 5,000.00

**HOLD**

Home Owners Long Distance, Inc.  
P.O. BOX 690670  
SAN ANTONIO, TEXAS 78269

Surety Bank, N.A.  
P.O. Box 2988  
Universal City, TX 78148

007071

007071

971489-TJ

PAY \*FIVE THOUSAND DOLLARS AND NO CENTS

03/05/99 \*\*\*\*\*5,000.00\*

TO THE ORDER OF: FLORIDA PUBLIC SERVICE COMM  
2540 Shumard Oak Blvd.  
Tallahassee FL 32399-0850

VOID AFTER 90 DAYS

*Jana Wilson*

0000014

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU   1
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG   1
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC   1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE  
03052 MAR-99  
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings against Home Owners Long Distance Incorporated for violation of Rule 25-4.118, F.A.C., Interexchange Carrier Selection.

DOCKET NO. 971489-TI  
ORDER NO. PSC-98-1319-AS-TI  
ISSUED: October 9, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
JOE GARCIA  
E. LEON JACOBS, JR.

ORDER GRANTING MOTION FOR EXTENSION OF TIME  
AND APPROVING OFFER OF SETTLEMENT

BY THE COMMISSION:

Home Owners Long Distance Incorporated (HOLD), Certificate Number 3189, is a provider of interexchange telecommunications service and was certificated on August 17, 1993. HOLD reported gross operating revenues of \$1,123,668.45 on its Regulatory Assessment Fee Return for the period January 1, 1997, through December 31, 1997. As a provider of interexchange telecommunications service in Florida, HOLD is subject to the rules and regulations of this Commission.

For the period January 1, 1996, through March 11, 1998, this Commission received 101 complaints against HOLD that were determined to be apparent unauthorized carrier change (slamming) infractions in violation of Rule 25-4.118, Florida Administrative Code. Based on the number of complaints received by this Commission and the number of apparent slamming violations, the Commission issued Order No. PSC-98-0676-SC-TI, on May 18, 1998, requiring HOLD to show cause by June 7, 1998, why it should not have Certificate Number 3189 canceled or be fined \$1,010,000 for 101 apparent violations of Rule 25-4.118, Florida Administrative

Code. On June 8, 1998, HOLD filed a Motion for Extension of Time for Consideration and Partial Response asking that it be allowed an extension of thirty days to respond to the Show Cause Order.

MOTION

On June 8, 1998, HOLD timely responded (June 7 was a Sunday) to our order by filing a Motion for Extension of Time for Consideration and Partial Response. Ongoing settlement discussions were the asserted grounds for HOLD's request for an extension of time. Because settlement negotiations were ongoing and have been successful, we find it appropriate to grant the Motion for Extension of Time.

SETTLEMENT

On July 7, 1998, HOLD submitted an offer to settle which is attached and incorporated herein as Attachment A. In its settlement offer HOLD agrees to the following:

- (1) HOLD will not market its services in Florida through the use of a sweepstakes program or in any other manner, and will not submit any PIC change requests of Florida consumers to any local exchange carrier, for a period of at least three years from the date that this settlement offer has been agreed to by the PSC.
- (2) HOLD will not resume its marketing efforts thereafter in the state of Florida until such marketing methods which HOLD proposes to utilize have been approved by our staff.
- (3) HOLD will continue to respond to consumer complaints in a timely manner, will refund any fees incurred by consumers for changing back to their preferred carrier, and will credit the difference between the rates charged by HOLD and the customers' preferred carrier, where such rates are lower than those charged by HOLD.
- (4) HOLD will make a contribution of \$90,000 to the General Revenue Fund of the State of Florida with no admission of liability or wrongdoing, payable in

the amount of \$30,000 cash and \$60,000 in twelve equal monthly installments.

We believe HOLD's proposal to stop marketing its services in Florida for a period of at least three years will allow HOLD an opportunity to evaluate its current marketing techniques and make necessary revisions to reduce consumer complaints. We also believe that HOLD's proposal not to submit any PIC change requests of Florida consumers to the LECs for a period of at least three years and not to process any HOLD LOAs from Florida, is in the public interest. We believe that obtaining prior approval of future marketing methods will result in fewer consumer complaints when HOLD resumes marketing in Florida. We also believe that HOLD should continue to respond to complaints in a timely manner, refund any PIC change fees consumers have incurred, and rerate consumers' bills to those of their preferred carrier as necessary because, as a certificated telecommunications company, HOLD is required to continue to adhere to the rules of the Florida Public Service Commission.

We believe the terms of the settlement agreement to be fair and reasonable.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the offer of settlement dated July 7, 1998, by Home Owners Long Distance Incorporated, is hereby approved. It is further

ORDERED that Home Owners Long Distance Incorporated, shall remit \$30,000 within five days of this Order becoming final. Thereafter, \$60,000 shall be remitted in monthly installments. Upon remittance of the total \$90,000 voluntary contribution, this docket may be closed administratively.

ORDERED that this docket shall remain open pending the remittance, the voluntary 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. It is further

ORDERED that the Motion for Extension of Time for Consideration and Partial Response filed by Home Owners Long Distance Incorporated, is granted.

ORDER NO. PSC-98-1319-AS-TI  
DOCKET NO. 971489-TI  
PAGE 4

By ORDER of the Florida Public Service Commission this 9th  
day of October, 1998.

/s/ Blanca S. Bayó  
BLANCA S. BAYÓ, Director  
Division of Records and Reporting

This is a facsimile copy. A signed  
copy of the order may be obtained by  
calling 1-850-413-6770.

( S E A L )

SOME (OR ALL) ATTACHMENT PAGES ARE NOT ON ELECTRONIC DOCUMENT.

CB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater 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 after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.