BEFORE THE PUBLIC SERVICE COMMISSION

In re: Joint petition for waiver of carrier selection requirements of Rule 25-4.118, F.A.C., to facilitate transfer of customers from IDT America, Corp. to Access Integrated Networks, Inc.

The following Commissioners participated in the disposition of this matter:

LISA POLAK EDGAR, Chairman MATTHEW M. CARTER II KATRINA J. McMURRIAN

<u>NOTICE OF PROPOSED AGENCY ACTION ORDER</u> <u>GRANTING WAIVER OF</u> <u>CARRIER SELECTION REQUIREMENTS OF RULE 25-4.118, F.A.C.</u>

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.

I. Case Background

On March 15, 2007, IDT America, Corp. (IDT) and Access Integrated Networks, Inc. (AIN), both competitive local exchange telecommunications companies (CLECs) and intrastate interexchange companies (IXCs), submitted a joint request for a waiver of the carrier selection requirements of Rule 25-4.118, Florida Administrative Code.

AIN is acquiring approximately 5,000 customers currently served by IDT. AIN seeks the waiver so that it will not have to obtain each customer's authorization. With the waiver, AIN can protect itself from possible complaints of unauthorized carrier changes (slamming). Customers will benefit because they will not be subject to a loss of service during the transfer. IDT will continue providing local and long distance service in Florida.

This Commission is vested with jurisdiction in this matter pursuant to Sections 364.02, 364.336, 364.337, and 364.603, Florida Statutes. Accordingly, our staff believes the following recommendations are appropriate.

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II. <u>Analysis</u>

Pursuant to Rule 25-4.118(l), Florida Administrative Code, a customer's carrier cannot be changed without the customer's authorization. Rule 25-4.118(2), Florida Administrative Code, provides that a carrier shall submit a change request only if one of the following has occurred:

(a) The provider has a letter of agency (LOA) . . . from the customer requesting the change;

(b) The provider has received a customer-initiated call for service ...;

(c) A firm that is independent and unaffiliated with the provider . . . has verified the customer's requested change. . .

Pursuant to Rule 25-24.845, Florida Administrative Code, Rule 25-4.118, Florida Administrative Code, is incorporated into Chapter 25-24, and applies to CLECs.

Section 364.337(2), Florida Statutes, states in pertinent part:

A certificated competitive local exchange telecommunications company may petition the commission for a waiver of some or all of the requirements of this chapter, except ss. 364.16, 364.336, and subsections (1) and (5). The commission may grant such petition if determined to be in the public interest.

The authority for Rule 25-4.118, Florida Administrative Code, is found in Section 364.603, Florida Statutes, which is a section this Commission is authorized to waive.

AIN has attested that it will provide for a seamless transition while ensuring that the affected customers understand available choices with the least amount of disruption to the customers. Staff has reviewed the notice that was sent to IDT's customers and found it to be adequate. The customers should not experience any interruption of service, rate increase, or switching fees.

In addition, IDT and AIN have agreed upon a process to resolve any customer complaints that arise from issues occurring prior to the transfer. Commission staff will direct such complaints to AIN, with a copy to IDT, for resolution. Since IDT will maintain active company operations in Florida, our staff believes that this is acceptable.

Further, neither AIN nor IDT has any outstanding regulatory assessment fees, penalties or interest associated with its IXC registration or CLEC certification.

Staff believes that in this instance it is appropriate to waive the carrier selection requirements of Rule 25-4.118, Florida Administrative Code. If prior authorization is required in this event, customers may fail to respond to a request for authorization, neglect to select another carrier, and lose their local and long distance services. Furthermore, our staff believes that granting this waiver will avoid unnecessary slamming complaints during this transition.

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Therefore, our staff recommends that we should approve the waiver of the carrier selection requirements of Rule 25-4.118, Florida Administrative Code, in the transfer of customers from IDT America, Corp. to Access Integrated Networks, Inc.

III. Conclusion

This Order shall become final and effective upon the issuance of a consummating order, unless persons whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that joint request for waiver of the carrier selection requirements of Rule 25-4.118, Florida Administrative Code, by IDT America, Corp. and Access Integrated Networks, Inc. is hereby approved. 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 Office of Commission Clerk, 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. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 2nd day of May, 2007.

ANN COLE Commission Clerk

(SEAL)

VSM

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 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 Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 23, 2007.

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.