

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Initiation of show cause proceedings against Communications Central, Inc. for violation of Rule 25-24.515, F.A.C., Pay Telephone Service.

DOCKET NO. 961286-TC
ORDER NO. PSC-97-0812-FOF-TC
ISSUED: July 7, 1997

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
J.TERRY DEASON
SUSAN F. CLARK
DIANE K. KIESLING
JOE GARCIA

FINAL ORDER APPROVING SETTLEMENT

BY THE COMMISSION:

I. BACKGROUND

Communications Central, Inc. (CCI) has been a certificated pay telephone service provider since May 8, 1986. CCI currently operates approximately 4,126 pay telephones in Florida. CCI reported gross intrastate revenue of \$5,645,057 for the period ending December 31, 1996.

From January 1, 1994, to June 7, 1996, our staff conducted evaluations of pay telephones in operation by CCI, uncovering apparent violations of the following Commission rules: handicapped accessibility requirements set forth in Rule 25-24.515(13), Florida Administrative Code; incoming call requirements set forth in 25-4.515(8), Florida Administrative Code; interexchange access requirements set forth in 25-24.515(6), Florida Administrative Code; 0+ intraLATA call routing requirements set forth in 25-24.515(7), Florida Administrative Code; and EAS/Local calling requirements set forth in Rule 25-24.516, Florida Administrative Code.

Based on the continuance and severity of apparent violations found, we commenced a show cause proceeding to be initially addressed at the November 12, 1996, agenda conference. Prior to the agenda conference, however, CCI contacted our staff to

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discuss the violations and a possible settlement. On April 24, 1997, our staff received a settlement proposal from CCI. (Attachment A) This Order addresses CCI's settlement proposal.

II. DISCUSSION

Fines or settlements associated with previous dockets involving pay telephone service rule violations have ranged from \$500 to \$60,400, depending on the number and severity of the violations, as well as whether the provider promptly corrected violations when notified. In CCI's settlement proposal, the company states that it has purchased 28 payphone companies in recent years, adding more than 20,000 payphones and inmate phones in 41 states and the District of Columbia. While CCI's competitive acquisition strategies resulting in rapid growth may have caused the company to inherit many of the violations from January 1, 1994, to June 7, 1996, CCI appears to have implemented the necessary corrective measures. Subsequent evaluations have shown a significant reduction in the number of CCI's rule violations. Furthermore, CCI has promptly corrected violations when notified, has not been previously the subject of a show cause proceeding, and has been very cooperative in the resolution of this matter.

III. CONCLUSION

Upon consideration, we believe CCI's settlement proposal is appropriate and in the public interest. Accordingly, we shall require CCI to pay the \$3,000 contribution within 90 days of the effective date of this Order. The monies 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. We also require CCI to submit within 90 days of the effective date of this Order a verification report to confirm that its pay telephones are in compliance with our rules.

This docket shall be closed upon our receipt of the \$3,000 and the compliance verification letter, within 90 days of the effective date of this Order.

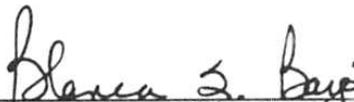
Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the settlement proposed by Communications Central, Inc. in resolution of the show cause proceeding, which is attached to this Order as Attachment A and is incorporated herein by reference, is hereby approved. It is further

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ORDERED that this docket shall be closed upon receipt of the \$3,000 and the compliance verification letter, within 90 days of the effective date of this Order.

By ORDER of the Florida Public Service Commission, this 7th day of July, 1997.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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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.

Apr-24-97 04:33P Communications Central 404 442 7321



VIA FACSIMILE (904) 413-6591

April 24, 1997

Mr. Victor Cordiano
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 961286-TC; Initiation of Show Cause Proceedings
Against Communications Central Inc. ("CCI") For Violation of
Rule 25-24.515 F. A. C., Pay Telephone Service

Dear Mr. Cordiano:

Pursuant to our previous telephone conversations, please accept this letter as a formal settlement offer relative to the above-referenced docket.

Since Florida is CCI's largest state with nearly 4,000 payphones in operation, the Florida Public Service Commission ("FPSC") is aware that CCI has endeavored to maintain a record of quality service and compliance, while integrating the asset purchases of 28 payphone companies into its existing operations in recent years. During this period, the company grew by more than 20,000 payphones and inmate phones in 41 states and the District of Columbia. In addition, in 1995 CCI engaged Perot Field Services Corporation to develop specialized field operations and management information systems to better support the growing installed base of equipment. We believe these systems will greatly assist the company in continuing to ensure superior service levels to our Florida consumers.

CCI is willing to pay a sum of \$3,000 to the FPSC in full settlement of all issues in this docket. This offer is contingent upon the FPSC not issuing a formal show cause proceeding against the company, and with the understanding that the payment does not constitute an admission that such issues warrant a show cause proceeding.

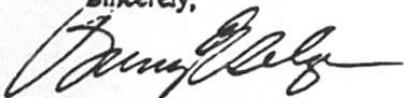
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Mr. Victor Cordiano
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In consideration of the recent unexpected circumstances regarding the company's Florida personnel, CCI agrees to pay such sum with the further understanding that the company shall have 90 days following the effective date of a Commission order accepting this settlement to ensure its payphones are in full compliance with all applicable FPSC rules.

Thank you for your assistance in this matter. As always, should you have any questions or desire additional information, please do not hesitate to contact me at (770) 442-7373.

Sincerely,



Barry E. Selvidge
Vice President, Regulatory Affairs
and General Counsel

BES

cc: Rodger Johnson
Doug McKeever
Floyd Self, Esq.
Doc Horton, Esq.