



# Public Service Commission

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

RECORDS AND REPORTING

JUL 15 AM 10:30

RECEIVED-FPSC

**DATE:** JULY 15, 1999

**TO:** DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

**FROM:** DIVISION OF LEGAL SERVICES (W.COX) *WRC CBA*  
DIVISION OF COMMUNICATIONS (T.E.JOHNSON) *T.E.J.*

**RE:** DOCKET NO. 990761-TC - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST LIZABETH PEREZ FOR APPARENT VIOLATION OF RULE 25-24.515, FLORIDA ADMINISTRATIVE CODE, PAY TELEPHONE SERVICE

**AGENDA:** 07/27/99 - REGULAR AGENDA - SHOW CAUSE - INTERESTED PERSONS MAY PARTICIPATE

**CRITICAL DATES:** NONE

**SPECIAL INSTRUCTIONS:** NONE

**FILE NAME AND LOCATION:** S:\PSC\CMU\WP\990761.RCM

### CASE BACKGROUND

- January 12, 1999 - Lizabeth Perez's 1998 regulatory assessment fee return reported 10 pay telephones in operation, but did not report any gross intrastate revenue. Staff has forwarded her return to the Division of Auditing and Financial Analysis for further investigation.
- February 22, 1999 - Staff performed routine service evaluations on pay telephone stations operated by Lizabeth Perez and found the apparent violations as presented in Attachment A.
- March 30, 1999 - Staff received Service Violation Correction Form from Lizabeth Perez signifying that all apparent violations were corrected.
- April 14, 1999 - Staff reevaluated the pay telephone stations and found the same apparent violations as sited in the first evaluation.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

DISCUSSION OF ISSUES

ISSUE 1: Should Lizabeth Perez be ordered to show cause why a fine of \$200 for apparent violations of Rule 25-24.515, Florida Administrative Code, Pay Telephone Service, should not be imposed or certificate number 5382 should not be canceled?

RECOMMENDATION: Yes. The Commission should order Lizabeth Perez to show cause in writing within 21 days of the date of the order why she should not have Certificate No. 5382 canceled or be fined \$200 for apparent violations of Rule 25-24.515, Florida Administrative Code. Lizabeth Perez's response must contain specific allegations of fact or law. If Lizabeth Perez fails to respond to the show cause, and the fine is not paid after reasonable collection efforts by the Commission, certificate number 5382 should be canceled. If the fine is paid, it will be remitted by the Commission to the State of Florida General Revenue Fund pursuant to Section 364.285, Florida Statutes. (T.E.Johnson)

STAFF ANALYSIS: Staff performed service evaluations of pay telephone stations operated by Lizabeth Perez on February 22, 1999. Through written correspondence, staff notified Lizabeth Perez of the apparent violations.

Staff performed a reevaluation of the same pay telephone stations on April 14, 1999. Although Lizabeth Perez reported that all violations had been corrected, the table provided as Attachment A (page 5) depicts the apparent rule violations that were still present in the reevaluations.

By Section 364.285, Florida Statutes, the Commission is authorized to impose upon any entity subject to its jurisdiction a penalty of not more than \$25,000 for each offense, if such entity is found to have refused to comply with or to have willfully violated any lawful rule or order of the Commission, or any provision of Chapter 364. Utilities are charged with knowledge of the Commission's rules and statutes. Additionally, "[i]t is a common maxim, familiar to all minds, that 'ignorance of the law' will not excuse any person, either civilly or criminally." Barlow v. United States, 32 U.S. 404, 411 (1833).

Staff believes that Lizabeth Perez's conduct in providing pay telephone service in apparent violation of Commission Rule 25-24.515, Florida Administrative Code, has been "willful" in the sense intended by Section 364.285, Florida Statutes. In Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL titled In re: Investigation Into The Proper Application of Rule 25-14.003, F.A.C., Relating To Tax Savings Refund for 1988 and 1989 For GTE Florida, Inc., having found that the company had not intended to violate the rule, the Commission nevertheless found it appropriate to order it to show cause why it should not be fined, stating that

"In our view, willful implies intent to do an act, and this is distinct from intent to violate a rule." Thus, any intentional act, such as Lizabeth Perez's conduct at issue here, would meet the standard for a "willful violation."

Accordingly, staff recommends that the Commission find that Lizabeth Perez's apparent violations of Rule 25-24.515, Florida Administrative Code, warrant issuance of a show cause order. In this regard, the Commission should order Lizabeth Perez to show cause in writing within 21 days of the date of the order why she should not have Certificate No. 5382 canceled or be fined \$200 for apparent violations of Rule 25-24.515, Florida Administrative Code. Lizabeth Perez's response must contain specific allegations of fact or law. If Lizabeth Perez fails to respond to the show cause, and the fine is not paid after reasonable collection efforts by the Commission, certificate number 5382 should be canceled. If the fine is paid, it will be remitted by the Commission to the State of Florida General Revenue Fund pursuant to Section 364.285, Florida Statutes.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: If staff's recommendation in Issue 1 is approved, then Lizabeth Perez will have 21 days from the issuance of the Commission's show cause order to respond in writing why she should not be fined in the amount proposed or have its certificate canceled. If Lizabeth Perez timely responds to the show cause order, this docket should remain open pending resolution of the show cause proceeding. If the fine is paid, it should be forwarded to the Office of the Comptroller for deposit in the General Revenue Fund pursuant to Section 364.285(1), Florida Statutes, and this docket should be closed. Staff recommends that if Lizabeth Perez fails to respond to the Order to Show Cause, and the fine is not received within five business days after the expiration of the show cause response period, Lizabeth Perez's certificate should be canceled and this docket closed. (W.COX)

STAFF ANALYSIS: If staff's recommendation in Issue 1 is approved, then Lizabeth Perez will have 21 days from the issuance of the Commission's show cause order to respond in writing why it should not be fined in the amount proposed or have her certificate canceled. If Lizabeth Perez timely responds to the show cause order, this docket should remain open pending resolution of the show cause proceeding. If the fine is paid, it should be forwarded to the Office of the Comptroller for deposit in the General Revenue

DOCKET NO. 990761-TC  
DATE: JULY 15, 1999

Fund pursuant to Section 364.285(1), Florida Statutes, and this docket should be closed. Staff recommends that if Lizabeth Perez fails to respond to the Order to Show Cause, and the fine is not received within five business days after the expiration of the show cause response period, Lizabeth Perez's certificate should be canceled and this docket closed.

DOCKET NO. 990761-TC  
DATE: JULY 15, 1999

ATTACHMENT A

Pay Telephone Station Number	25-24.515(8), Florida Administrative Code
	Direct Coin Free Number for Repairs and/or Refunds Does Not Work Properly
904-378-9761	X
904-786-9440	X