



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
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REC'D - DIVISION OF RECORDS AND REPORTING
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DATE: SEPTEMBER 23, 1999

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BRYO)

FROM: DIVISION OF LEGAL SERVICES (CLEMONS) *BMC*
DIVISION OF COMMUNICATIONS (BIEGALSKI) *163* *CB* *AD*

RE: DOCKET NO. 990797-TC - INITIATION OF SHOW CAUSE PROCEEDINGS AGAINST GORAN DRAGOSLAVIC D/B/A FIRST AMERICAN TELECOMMUNICATIONS CORPORATION FOR VIOLATION OF RULE 25-24.515, F.A.C., PAY TELEPHONE SERVICE

AGENDA: 10/05/99 - REGULAR AGENDA - SHOW CAUSE - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\990797.RCM

CASE BACKGROUND

- February 18, 1999 through February 26, 1999 - Staff performed routine service evaluations on pay telephones operated by Goran Dragoslavac d/b/a First American Telecommunications Corporation (FAT).
- March 8, 1999 through March 25, 1999 - Staff received Service Violation Correction Forms from FAT signifying that all apparent violations were corrected.
- April 18, 1999 through April 27, 1999 - Staff reevaluated the pay telephone stations and continuing rule violations were identified.
- August 17, 1999 - The Commission voted to order FAT to show cause in writing why it should not be fined \$4,000 or have certificate no. 3081 canceled for apparent violation of Rule 25-24.515, Florida Administrative Code, Pay Telephone Service.

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DATE: September 23, 1999

- August 26, 1999 - FAT submitted its offer of settlement. (Attachment A, Page 4)
- September 13, 1999 - Order No. PSC-99-1784-SC-TC is issued memorializing the Commission's August 17, 1999 vote.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission accept the settlement offer proposed by Goran Dragoslavic d/b/a First American Telecommunications Corporation to resolve the apparent violations of Rule 25-24.515, Florida Administrative Code, Pay Telephone Service?

RECOMMENDATION: Yes. The Commission should accept the company's settlement proposal. Any contribution should be received by the Commission within ten business days from the issuance date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. **(Biegalski)**

STAFF ANALYSIS: Staff performed service evaluations of pay telephone stations operated by FAT from February 18, 1999 through February 26, 1999. Through written correspondence, staff notified FAT of the apparent violations. On March 8, 1999, through March 25, 1999, staff received service violation correction forms from FAT signifying that all apparent violations were corrected. Staff performed a reevaluation of the same pay telephone stations from April 18, 1999 through April 27, 1999, and found the same apparent rule violations observed during the initial evaluation. On August 17, 1999, the Commission voted to order FAT to show cause in writing why it should not be fined \$4,000 or have Certificate No. 3081 canceled for apparent violation of Rule 25-24.515, Florida Administrative Code, Pay Telephone Service. On September 13, 1999, Order No. PSC-99-1784-SC-TC was issued, memorializing the Commission's August 17, 1999 vote.

On August 26, 1999, prior to the issuance of the show cause order, FAT submitted its offer of settlement. In its settlement offer, FAT agreed to do the following:

- FAT will voluntarily pay \$4,000 to the General Revenue Fund.

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- FAT will conduct a thorough inspection of all its pay telephones to ensure compliance with Commission rules.
- FAT will ensure problems are clearly understood and fixed before reporting to the Commission that they are fixed.

Staff supports FAT's offer to conduct a thorough inspection of all its pay telephones to ensure compliance with Commission rules. By initiating this action, FAT has created a proactive approach to compliance rather than a reactive response to staff's inquiries. Staff believes that FAT's clear understanding of violations will prevent it from erroneously responding that violations have been corrected. Moreover, FAT has been very cooperative in resolving all issues.

Any contribution should be received by the Commission within ten business days from the issuance date of the Commission Order and should identify the docket number and company name. The Commission should forward the contribution to the Office of the Comptroller for deposit in the State General Revenue Fund pursuant to Section 364.285(1), Florida Statutes. Staff believes the terms of the settlement agreement as summarized in this recommendation are fair and reasonable.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: No. With the approval of Issue 1, this docket should remain open pending the remittance of the \$4,000 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of its settlement offer, the monetary settlement will be forwarded to the Comptroller's office for collection, and this docket will be closed. (Clemons)

STAFF ANALYSIS: This docket should remain open pending the remittance of the \$4,000 voluntary contribution. Upon remittance of the settlement payment, this docket should be closed. If the company fails to pay in accordance with the terms of its settlement offer, the monetary settlement will be forwarded to the Comptroller's office for collection, and this docket will be closed.



FIRST AMERICAN TELECOMMUNICATION CORPORATION
— YOUR PAYPHONE COMPANY —

1527 NE 40th Avenue • Fort Lauderdale, FL 33304
Tel (954) 524-9999 • Fax (954) 524-3414 • E-Mail: telco@fasn.com

August 26, 1999

SENT CERTIFIED MAIL Z 340 923 867
SENT BY FACSIMILE

Public Service Commission
Attn: Kelly Biegalski
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
Fax #: 850-413-6547

Re: Docket # 99-0797-TC.

Dear Ms. Biegalski,

Pursuant to our conversation this morning, First American Telecommunication Corporation has made the decision to settle this matter at your recommended \$4,000 fine. We have outlined our responses in a report submitted to your office approximately four (4) weeks ago.

Also, we will inspect all of our pay phones to make sure that they are in full compliance. Please be assured that if we do not understand the violation, we will contact The PSC to get a better understanding.

As always, we understand The PSC's need to enforce the rules and provide consumer protection. We will continue to work closely with you in order to meet our goal of 100% rule compliance and consumer satisfaction.

If you have any questions or comments, please call me at 954-524-9999 and I will gladly assist you.

Sincerely,

Lottie Carcione
First American Telecom. Corp.

cc: Donna Clemons, Legal Department, Public Service Commission, Fax 850-413-6217
Records and Reporting, Public Servicing Commission, Fax 850-413-6759