BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of Easy Telephone)	
Service Company for Designation as a	Case No. TA-2011-0164
Eligible Telecommunications Carrier in the	
State of Missouri.	

NOTICE REGARDING EXTRA-RECORD COMMUNICATION

Issue Date: May 10, 2011

On May 7, 2011, we received the attached correspondence from Jeff Jefferson by email. Also attached is John VanEschen's (Manager – Telecommunications Department) reply to Mr. Jefferson.

Respectfully submitted,

Kevin D. Gunn, Chairman

Cherlyn D. Voss, Advisor

Robert M. Clayton III, Vice Chairman

Jeffrey A. Keevil, Advisor TAK

Jeffrey N. Davis, Commissioner Mark Hughes, Advisor

Terry M. Jarrett, Commissioner

Janet M. Wheeler, Advisor

Robert S. Kenney, Commissioner

Joshua Harden, Advisor

Dated at Jefferson City, Missouri, on this 10th day of May, 2011.

Neuner, Joyce

From: Sent: Jeff Jefferson [afpusf4@gmail.com]

To:

Saturday, May 07, 2011 3:26 PM

Attachments:

Gunn, Kevin; Clayton, Robert; Davis, Jeff; Jarrett, Terry; Kenney, Robert FL Easy Telephone \$106k FINE.pdf; FL Easy Telephone \$106k Order.pdf

Does the Missouri Public Utilities Commission need to approve Easy Wireless to receive federal universal service subsidies when Easy Wireless was fined over one hundred thousand dollars for violating Florida law? -

Does the Missouri Public Utilities Commission need to approve Easy Wireless to receive federal universal service subsidies when Easy Wireless has a F rating with the Better Business Bureau?

 $\underline{http://www.bbb.org/south-east-florida/business-reviews/telephone-communications-service/easy-telephone-services-company-in-fort-lauderdale-fl-23005563}$

110029-TX

rom: Ray Kennedy

ent: Tuesday, March 15, 2011 5:08 PM

o: Karen Belcher

c:

Subject: RE: Check gree. Deposit in GRF.

David Brown; Raquel Tully; Beth Salak

DEPOSIT

11 MAR 16 PM 2:31

RECEIVED FPSC

DATE COMMISSION

135 MAR 16,2614 ERK

Ch# 1386 \$106,000.00 3-14-11 - PT

rom: Karen Belcher

ent: Tuesday, March 15, 2011 2:56 PM

o: Ray Kennedy

c: David Brown; Raquel Tully

ubject: Check

ay, we have received a check from Easy Telephone Service in the amount of \$106,000. Since this neck is for a fine. I think this check should be deposited into General Revenue. If you agree, please espond back and we will get the check deposited. Thanks.

DOCUMENT NUMBER - CATE

01737 MAR 16 =

FPSC-COMMISSION OLFF:

aquel Tully

rom: Karen Belcher

ient: Tuesday, March 15, 2011 8:06 AM

'o: Raquel Tully

Subject: FW: Easy slamming payment

YI.

rom: Ray Kennedy

ent: Monday, March 14, 2011 11:11 AM

o: Karen Belcher c: David Brown

ubject: FW: Easy slamming payment

aren,

check is coming in. I need to talk to you before you do anything with the check. So don't deposit it efore we talk. David, Beth and I have talked briefly about it.

rom: Tina Allen [mailto:tallen@telecomservicebureau.com]

ent: Monday, March 14, 2011 9:47 AM

o: Ray Kennedy

ubject: Easy slamming payment

ay, we are sending out payment for the \$106,000 slamming penalties today. Can you please tell me tho to make the check out to and what address to mail?

ina C. Allen

enior Operations Manager elecom Service Bureau, Inc. allen@telecomservicebureau.com

: 352-433-2116 :: 352-361-9310 : 352-433-2161



DOCUMENT NUMBER-DATE

01737 MAR 16 =

FPSC-COMMISSION CLERK

Visit ups.com^e or call 1-800-PICK-UPS^e (1-800-742-5877)

or cash equivalen Note: Express Env UPS Express Env

To qualify for the

0.8 LBS LTR

TELECOM SERVICE BUREAU 352-433-2116 TELECOM SERVICE BUREAU 2303 SE 17TH STREET OCALA FL 34471

SHIP TO:
BETH SALAK-DIRECTOR
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BLVD.

CAPITAL CIRCLE OFFICE CENTER
TALLAHASSEE FL 32399-7019



UPS NEXT DAY AIR

TRACKING #: 1Z A43 888 01 9282 3847

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BILLING: P/P

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To qualify for the Letter rate, UPS Express Envelopes may only contain correspondence, urgent documents, and/or electronic media, and must weigh 8 az. or less. UPS Express Envelopes containing items other than those listed or weighing more than 8 az. will be billed by weight.

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Page I of I

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Compliance investigation of Easy Telephone Services Company for apparent violation of Rule 25-4.118, F.A.C., Local, SSUED: March 7, 2011 Local Toll, or Toll Provider Selection.

DOCKET NO. 110029-TX ORDER NO. PSC-11-0154-PAA-TX

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman LISA POLAK EDGAR RONALD A. BRISÉ EDUARDO E. BALBIS JULIE I. BROWN

NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING SETTLEMENT AGREEMENT

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 (F.A.C.).

Case Background

Easy Telephone Services Company (Easy Tel) is a competitive local exchange company (CLEC) and is authorized to provide local exchange telecommunications services in Florida, pursuant to CLEC Certificate No. 7300. On March 26, 2010, Easy Tel was authorized to serve as an Eligible Telecommunications Carrier (ETC) in Florida.

In late August 2010, customers began filing unauthorized carrier change (slamming) complaints against Easy Tel. As of January 19, 2011, 106 slamming complaints were filed against the company.

Upon receiving each complaint, the complaints were forwarded to the company for resolution. After reviewing the complaints, Easy Tel stated that the unauthorized switches occurred because of a problem with the company's marketing agent. According to Easy Tel, the company determined its marketing agent was converting prospective customers to Easy Tel without the customers' authorization. To rectify this problem, Easy Tel began withholding the agent's commission for all customers whose local phone service was switched to Easy Tel by the

DOCUMENT NUMBER-DATE

01483 MAR-7=

marketing agent without the customer's authorization. Employees of the agent who were determined to have switched customers without proper authorization were also terminated. However, despite Easy Tel's efforts, the problem continued and became worse.

Easy Tel was informed of the customers slamming complaints during a December 7, 2010, meeting with our staff. The company's representatives acknowledged that they were aware of the issue and had taken steps to resolve the matter. Easy Tel stated that effective December 9, 2010, the marketing agent would be terminated and would no longer provide marketing services for the company.

While we have received several slamming complaints against Easy Tel after the date that the marketing agent was terminated, the complaints received were in regards to unauthorized switches that were made prior to December 9, 2010. It appears that Easy Tel's slamming issues ceased once the marketing agent was terminated. Easy Tel has worked to resolve all of the slamming complaints that were filed against the company. On February 9, 2011, Easy Tel also submitted a proposed settlement offer to resolve the company's apparent slamming violations. Discussion between the bench and our staff determined that Easy Tel has approximately 3,927 customers in Florida¹, and the customers who filed complaints were fully compensation by receiving full credit and/or by being switched back to their original provider.²

We are vested with jurisdiction over this matter pursuant to Sections 364.02(13), 364.04, 364.285, and 364.603, Florida Statutes.

Discussion

Between August 30, 2010 and January 19, 2011, 106 slamming complaints were received against Easy Tel. Easy Tel advised that the slamming complaints filed against the company were the result of its marketing agent switching customers to Easy Tel without proper authorization. On December 9, 2010, the agent was terminated after Easy Tel determined that the marketing agent was switching customers without proper authorization.

On February 9, 2011, Easy Tel proposed a settlement offer attached hereto as Attachment A. To resolve the company's apparent violations of Rule 25-4.118, F.A.C., Easy Tel has proposed to make a voluntary contribution for \$1,000 per complaint (106 complaints) for a total of \$106,000 to be deposited into the State of Florida's General Revenue Fund. To prevent future slamming violations, the company has implemented additional quality control procedures. As part of the company's quality control procedures, for all converted customers the company will contact a minimum of at least 10% of its recently converted customers to re-verify that the customers did authorize a transfer to switch to Easy Tel. The company will also no longer utilize any outbound calling agents in the State of Florida.

¹ February 22, 2011, Commission Agenda Conference, Item 4 at TR 2-3.

² Id. at TR 3-4.

Historically, settlement offers were accepted that range between \$700 and \$2,500 per violation of Rule 25-4.118, F.A.C., for a first time offense. In this instance, Easy Tel recognized and admitted that it had a marketing issue. Easy Tel was proactive and acted quickly in resolving the cause for slamming and in resolving customers' complaints. Because Easy Tel has been cooperative and its monetary offer falls within the range of prior acceptable settlement amounts, Easy Tel's proposed settlement offer to make a voluntary contribution for \$1,000 per complaint (106 complaints) for a total of \$106,000 is approved. The funds shall be deposited into the State of Florida's General Revenue Fund. Discussion between the bench and our staff also disclosed that monitoring of Easy Tel will continue including the review of monthly reports to ascertain if there are any additional complaints after December 9, 2010. If new complaints occur, another docket will be open with the intent to seek compliance from Easy Tel. 4

Ruling

We find it appropriate to accept Easy Telephone Services Company's settlement offer to contribute, voluntarily, \$106,000 to resolve its apparent violations of Rule 25-4.118, F.A.C. This docket shall remain open pending the receipt of the \$106,000 settlement payment. Easy Tel must make the payment within fourteen (14) calendar days after the issuance of the Consummating Order. The payment shall be made payable to the Florida Public Service Commission and shall identify the docket number and the company's name. Upon receipt of the payment, it shall be forwarded to the Division of Financial Services to be deposited into the General Revenue Fund. If Easy Tel fails to pay the \$106,000 settlement within fourteen (14) calendar days after the issuance of the Consummating Order, its CLEC Certificate No. 7300 shall be revoked. This docket shall be closed administratively upon receipt of the settlement payment or revocation of the CLEC certificate.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Easy Telephone Services Company's settlement offer to contribute, voluntarily, \$106,000 to resolve its apparent violations of Rule 25-4.118, Florida Administrative Code, is accepted. It is further

ORDERED that the payment must be received within fourteen (14) calendar days after the issuance of the Consummating Order. The payment shall be made payable to the Florida Public Service Commission and shall identify the docket number and the company's name. Upon receipt of the payment, it shall be forwarded to the Division of Financial Services to be deposited into the General Revenue Fund. It is further

ORDERED that If Easy Tel does not pay the \$106,000 settlement within fourteen (14) calendar days after the issuance of the Consummating Order, its CLEC Certificate No. 7300 shall be revoked. It is further

4 Id.

³ February 22, 2011, Commission Agenda Conference, Item 4 at TR 5.

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 this docket shall remain open pending the receipt of the \$106,000 settlement payment. It is further

ORDERED that this docket shall be closed administratively upon receipt of the settlement payment or revocation of the CLEC certificate.

By ORDER of the Florida Public Service Commission this 7th day of March, 2011.

ANN COLE

Commission Clerk

(SEAL)

PERE

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 shall 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 March 28, 2011.

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.

February 9, 2011

Mr. Ray Kennedy Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Proposed Settlement of Easy Telephone Services Company

Docket No. 110029-TX

Dear Mr. Kennedy:

Thank you for your time and willingness to review the settlement of this matter.

Easy Telephone Services Company (hereinafter "Easy") has operated as a CLEC in the State of Florida for approximately 12 years. Throughout its history in Florida, there have been limited numbers of slamming complaints against Easy. Recently, we increased Easy's marketing efforts by allowing third party agents to market our services. Unfortunately, and without our knowledge, the unauthorized actions of those agents caused complaints of slamming to be filed with your agency.

Over the last six months, Easy has signed up approximately 16,432 new customers, 106 of which filed a slamming complaint. While quite small when compared to the total amount of new customers, Easy does not consider the amount insignificant, realizes the importance of addressing these complaints, and is already working on immediately rectifying the matter.

After receiving notice of the complaints in question, we worked with the agent at the source of these reports to terminate the employees who were responsible for the same. With the assurance of the agent that the removal of those employees would eliminate any future complaints, we continued working with them. As an additional safeguard, we also implemented third party verifications and internal audits of our agents. By doing so, we discovered, despite our efforts, that complaints continued to stem from this agent. We terminated the contract with that agent immediately.

Moving forward, we implemented the following additional checks and balances to prevent future complaints:

Mr. Ray Kennedy

Proposed Settlement of Easy Telephone Services Company

February 9, 2011

Page 2

1. For all converted customers, we perform a quality control check by reaching out to a minimum of at least ten (10%) percent of those to re-verify that they, indeed, want to transfer service to Easy; and

2. We no longer utilize any outbound calling agents in the State of Florida. All sales are obtained from customers calling our sales department directly.

In accordance with our discussions, and in addition to the above corrective measures, Easy respectfully submits the following settlement offer in an effort to quickly resolve this matter:

- 1. Easy will make a voluntary payment of \$1,000.00 per complaint to the State of Florida general revenue fund for 106 slamming complaints, for a total of One Hundred Six Thousand Dollars (\$106,000.00); and
- 2. Easy has contacted each customer that had filed a complaint, and has ensured that full resolution to the reported issue has taken place to the customer's satisfaction.

The goal of Easy Telephone Services Company is to provide a much needed service to the community and continue to raise awareness of the Lifeline program. We believe that we have established ourselves as a reputable company and we pride ourselves on providing prompt and courteous service to our customers, and continuing to crea te credibility through compliance in tandem with the Public Service Commission.

We thank the Commission for its consideration, and respectfully request that it accept the above proposal. We assure you that we will remain diligent in our efforts to resolve these issues, as well as preventing similar problems from arising in the future.

Sincerely,

Joseph S. Fernandez, President

Neuner, Joyce

From:

Jeff Jefferson [afpusf4@gmail.com]

Sent:

Saturday, May 07, 2011 3:41 PM

To:

Gunn, Kevin; Clayton, Robert; Davis, Jeff; Jarrett, Terry; Kenney, Robert

Attachments:

FL Easy Telephone AT&T Past Due Disconnection Notice.pdf

Does the Missouri Public Utilities Commission need to approve Easy Wireless to receive federal universal service subsidies when Easy Wireless is about to be disconnected for non payment of past due amounts to AT&T of Florida?

at&t

REDACTED

AT&T Southeast 600 North 19th Street 22nd Floor Birmingham, AL 35209

,	VIA FED EX, Tracking Number 8728 8807 7984					
2	February 7, 2011					
3759	Manuel Torrens Easy Telephone Services Company 5467 North State Road 7 Tamarac, FL 33319					
7	Dear Mr. Torrens:					
8	RE: NOTICE OF SUSPENSION AND TERMINATION					
901	AT&T Florida's records indicate that the Florida Resale accounts of Easy Telephone Services Company ("Easy Telephone") has an outstanding past due balance of services of December 28, 2010. The Resale accounts are listed on Attachment A.					
はらずり	The Interconnection Agreement between AT&T Florida and Easy Telephone covering resale services purchased for the State of Florida, which was approved by the Florida Public Service Commission in Docket No. 060203-TP ("ICA"), requires Easy Telephone to pay AT&T Florida all billed charges, including disputed amounts. See ICA, Attachment 7, Billing, at Section 1.4, which reads, in part:					
	1% 1.4. Payment Responsibility. Payment of all charges will be the responsibility of Easy Telephone Easy Telephone shall make payment to BellSouth for all services billed including disputed amounts.					
19 20	Moreover, Section 1.4.1 of Attachment 7, Billing, to the ICA requires payment for services prior to the next bill date, as follows:					
	⊋ \ 1.4.1. Payment Due. Payment for services provided by BellSouth, ⊋-including disputed charges, is due on or before the next bill date.					
24	Attachment A shows the amounts AT&T Florida billed Easy Telephone for Resale services purchased in the State of Florida, credit adjustments AT&T Florida applied and payments AT&T Florida received from Easy Telephone since May 2008.					
ओ २१	Significantly, during the period from May 2008 through November 2010, inclusive, AT&T Florida billed Easy Telephone and applied credit for promotions and other adjustments of leaving a net amount owed for that period of During that same period, however, Easy Telephone paid AT&T Florida only (less than 10 percent of the net amount owed), while					
<u>३३</u> ३३	In mid-December 2010, AT&T inadvertently applied Easy Telephone's security deposit of as a payment to its account. Within days and within the same billing cycle, AT&T reversed the payment as an adjustment and posted the as a security deposit. This deposit payment and adjustment are not included in the spreadsheet attached hereto as Attachment A. Easy Telephone thus currently has a security deposit of with AT&T Florida. Under Section 1.3.1 of Attachment 7, Billing, to the ICA, "[a]ny such					

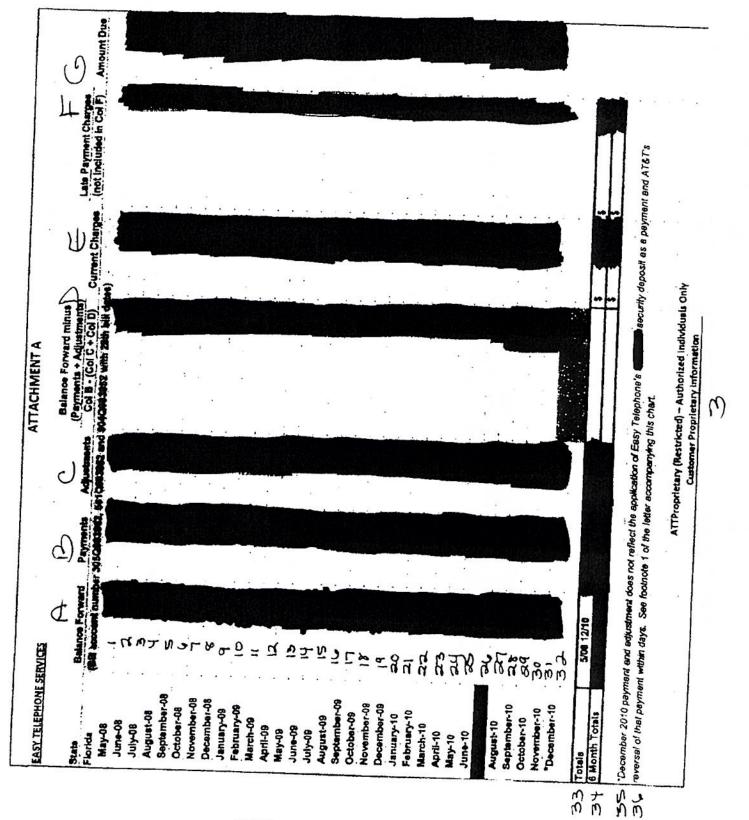
REDACTED



- MMJ	increasing its provisioning of Resale services from AT&T Florida from lines at the end of January 2009 to Resale lines provisioned at the end of December 2010 (more than a increase in Resale lines provisioned from AT&T Florida). Details of the Resale lines provisioned by Easy Telephone are included on Attachment B to this letter.
Meroa	Easy Telephone's past due balance is of significant concern to AT&T Florida given that until July 2010, Easy Telephone was near current on its accounts, and its past due balance has increased substantially since then, as shown in Attachment A. The Resale services Easy Telephone provisioned from AT&T Florida has increased dramatically in that same time period of from the at the end of June 2010 to at the end of December 2010, an increase of more than
10	Please remit payment to AT&T Florida at the following address:
	II AT&T ROC-CABS IQ 600 North Point Parkway IB Alpharetta, Georgia 30005
14 15	Should Easy Telephone fail to make payment of by February 23, 2011, AT&T Florida will take further action pursuant to the ICA, including without limitation Suspension, as provided in Section 1.5 et seq. of Attachment 7, Billing, to the ICA.
19	In addition, should Easy Telephone fail to make payment of all past due charges for these Resale services on or before March 15, 2011, including all charges for Resale services that become past due before that date, AT&T Florida will take further action, including without limitation Discontinuance and/or Termination, as provided in Section 1.5, et seq., of Attachment 7, Billing, to the ICA.
21	Should you have any questions, please contact me directly at (205) 244-6716.
ュス	Sincerely,
	Leise Mangina
23	Leisa Mangina Manager-Credit & Collections
25	AT&T Southeast
26	Attachments (2)

security deposit shall in no way release Easy Telephone from its obligation to make complete and timely payments of its bill(s)."

REDACTED



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ATTACHMENT B

Easy Telephone Services Company

State: Florida 18 en t m

± (9 Resale services purchased in state, as of the year and month specified.

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2003	JAN	2010	JAN
			-

AT&T Proprietary (Restricted) - Authorized Individuals Only

Customer Proprietary Information

:

From: VanEschen, John

Sent: Tuesday, May 10, 2011 9:34 AM

To: 'afpusf4@gmail.com'

Cc: Dietrich, Natelle*; Parish, Dana

Subject: Inquiry regarding Easy Wireless

In order for any company to directly receive federal USF funding for providing discounted service to qualifying low-income customers a company must be designated as an eligible telecommunications carrier (ETC) by the state commission. Easy Wireless has a pending ETC application with the Missouri Public Service Commission which has been assigned Case No. TA-2011-0164. The Missouri Public Service Commission Staff is still investigating the company's application. Consequently the Missouri Public Service Commission has not yet made a decision regarding the company's application.

John Van Eschen Manager, Telecommunications Department Missouri Public Service Commission (573) 751-5525

From: "Jeff Jefferson" <afpusf4@gmail.com>

To: "Gunn, Kevin" < kevin.gunn@psc.mo.gov>, "Clayton, Robert" < robert.clayton@psc.mo.gov>, "Davis, Jeff" < jeff.davis@psc.mo.gov>, "Kenney, Robert" < kerry.jarrett@psc.mo.gov>, "Kenney, Robert" < kerry.jarrett@psc.mo.gov>, "Kenney, Robert" < kerry.jarrett@psc.mo.gov>, "Kenney, Robert" < kerry.jarrett@psc.mo.gov>

Does the Missouri Public Utilities Commission need to approve Easy Wireless to receive federal universal service subsidies when Easy Wireless is about to be disconnected for non payment of past due amounts to AT&T of Florida?