

BEFORE THE
GEORGIA PUBLIC SERVICE COMMISSION

IN RE: Docket No. 22071-U: Encartele, Inc.’s Application for Certificate of Authority to Provide Institutional Telecommunication Services.

Docket No. 22120-U Complaint of Pay Tel Communications, Inc. against Encartele, Inc.

STIPULATION

WHEREAS, on December 19, 2005, Encartele, Inc. (“Encartele”) applied for a Certificate of Authority to provide Institutional Telecommunication Services (“ITS”); and

WHEREAS, on January 3, 2006, Pay Tel Communications, Inc. (“Pay Tel”) filed a Complaint against Encartele alleging that Encartele was providing ITS without a certificate; and

WHEREAS, Encartele admits that, contrary to Georgia law, it provided ITS without a certificate; and

WHEREAS, prior to the hearings in this docket, Encartele worked cooperatively with the Staff of the Georgia Public Service Commission (“Commission”) and reorganized its arrangement with Consolidated Telecom, Inc. (“CTI”); and

WHEREAS, the parties disagree as to whether Encartele’s proposed ENNET system complies with existing Commission Rule 515-12-1-30(19); and

WHEREAS, the Commission has issued a Notice of Inquiry in Docket No. 23330-U to investigate any necessary or appropriate modifications to Commission Rule 515-12-1-30(19), regarding the requirement that ITS providers adhere to each of the certified local exchange service companies’ Public Access Line for ITS tariffs of rates and conditions in whose area service is provided; and

WHEREAS, in an effort to resolve the above-styled dockets, the parties to this Stipulation have mutually agreed through compromise and settlement to the terms and conditions set forth in this Stipulation in an effort resolve the issues set forth above; and

WHEREAS, the parties to this Stipulation believe that the terms and conditions of the compromise and settlement set forth herein constitute a just and reasonable resolution of the issues before the Commission in this proceeding and that the adoption of such compromise and settlement in a Final Order is in the public interest and will represent an efficient, effective, and responsible discharge of the Commission’s responsibilities in this matter.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties to this Stipulation agree as follows:

1.

The parties to the Stipulation agree that Encartele should be granted a certificate of authority to provide institutional telecommunications services, under the conditions set forth herein.

2.

Encartele agrees to pay a penalty in the amount of \$10,000.00 within thirty (30) days of the written order approving the Stipulation for providing ITS without a certificate.

3.

Encartele agrees that it will transport all ITS calls over a public access line, unless and until the Commission modifies its existing rules to permit ITS providers to use alternative technologies to transport calls.

4.

Encartele agrees to notify all Georgia institutions to which it provided ITS prior to receiving a certificate that (1) it did not have a certificate when it provided ITS to the institution, (2) that providing ITS without a certificate violates Georgia law, (3) that it has agreed to a civil penalty in the amount of \$10,000.00 as a result of this violation and (4) that, after the initiation of these dockets, Encartele reorganized its arrangement with CTI so that CTI provided ITS to the institution.

5.

Encartele agrees to comply with Georgia law and the rules and orders of the Commission, and any further amendments or supplements thereto.

6.

If the Commission does not approve this Stipulation in its entirety, this agreement shall be null and void and shall not constitute an admission, consent, or agreement by any of the parties to this Stipulation with respect to any issue regarding this matter. The negotiation and execution of this Stipulation is based upon the understanding and expectation by the parties to this Stipulation that it constitutes a privileged offer of settlement and compromise. If this Stipulation is not adopted by the Commission, the Stipulation shall not be admissible and shall not prejudice the respective positions of the parties in any further proceedings in this docket or in any future proceeding.

IN WITNESS WHEREOF, the parties have executed this agreement.

FOR THE COMMISSION STAFF

FOR ENCARTELE, INC.

FOR PAY TEL COMMUNICATIONS, INC.

FOR CONSUMERS' UTILITY COUNSEL
DIVISION OF THE GOVERNOR'S OFFICE
OF CONSUMER AFFAIRS
