

October 20, 2014

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce
In the Matter of the Revocation of STi Prepaid, LLC's Certificate of Authority**
Docket No. P6638/RV-14-786

Dear Dr. Haar:

The Department of Commerce (Department) has reviewed and analyzed the current filing. Attached is the Department's checklist for processing revocation dockets. The checklist reflects the Department's analysis of the issues relating to the requirements of Minnesota law and the Commission's rules to support the revocation.

STi Prepaid, LLC originally received long distance authority in Docket No. P6638/NA-07-532.

The docket was opened on: September 18, 2014

The carrier's last known address:

Jenni Partridge
STi Prepaid, LLC
1250 Broadway, Floor 26
New York, NY 10001-3703

Minnesota Statutes §237.16, subd. 5 states in part, "any certificate of authority may, after notice of hearing and a hearing, be revoked or temporarily suspended, in whole or in part, for: ...failure to meet the terms and conditions of its certificate..."

Recommended Action: Revocation of STi Prepaid, LLC's certificate of authority

Conditions of Revocation: None.

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The Department intends to petition the Commission to require that all carriers discontinue their services to the carrier pursuant to Minn. Stat. 237.121 (a)(6). For administrative efficiency, this petition will be filed at a future time with other carriers that have recently relinquished their authority or have recently had their authority revoked. A separate docket number will be assigned to that petition. Affected carriers should be placed on inactive status on the Commission's Master Contact List pending final discontinuance.

Sincerely,

/s/ BRUCE L. LINSCHIED
Financial Analyst

BLL/lt

CHECKLIST FOR PROCESSING STANDARD REVOCATIONS OF CERTIFICATES OF AUTHORITY

I. TYPE OF CERTIFICATION

- A. Local Exchange Certificate of Authority (Docket No. _____)
- B. Long Distance Certificate of Authority (Docket No. P6638/NA-07-532)
- C. Local Niche Certificate of Authority (Docket No. _____)

II. REVOCATION PROCESSES THAT APPLY ALL CERTIFICATES

- A. Carrier's last known address is no longer valid. No mail has been returned; however, September 25, 2014 email correspondence with a representative for the Carrier revealed that STi Prepaid (Carrier), along with certain affiliated entities, filed for protection under chapter 11 of the U.S. Bankruptcy Code on September 5, 2012. On February 7, 2013, the Carrier ceased operations and transferred substantially all of its assets pursuant to a sale in bankruptcy proceedings. Carrier's customers were generally phone card distributors, which resold cards to local markets and convenience stores for sale to the ultimate users. The liability related to any phone cards outstanding at the time of the asset sale was assumed by the Purchaser, Angel Americas, LLC. The Carrier is no longer in operation as of February 7, 2013.
- B. Carrier's last known telephone numbers are no longer in service. See II.A.
- C. Carrier cannot be reached electronically (electronic mail or internet). See II.A
- D. Carrier filed its last annual report in (year) 2012.
- E. The Minnesota Secretary of State's records show that the carrier no longer holds a certificate to do business in Minnesota. Carrier has an inactive status with the Minnesota Secretary of State.
- F. The Commission's Consumer Affairs Office (CAO) complaint records do not indicate that the carrier continues to provide service in Minnesota. The CAO reports no complaints against Carrier. There was a claim in January 2012 handled by the Attorney General's office.
- G. Any assessments or fees unpaid to the Department, Commission, Metropolitan 911 Board, or Department of Public Safety remain the responsibility of the carrier. The Carrier has \$521.50 in unpaid regulatory assessments; however, the Carrier is no longer in operation as of February 7, 2013.
 - Company is current with filing annual reports. _____
 - Intrastate jurisdictional revenue would be needed to enable assessment for the following past years: 2013

- Annual reports for past years should be pursued:
 Yes No The Carrier is no longer in operation as of February 7, 2013.

Intrastate jurisdictional revenue will need to be filed by May 1 of the following year if company had intrastate revenues in current year, and regulatory assessment should be pursued:

- Yes No

H. The docket history of this company has been checked to verify that the authority of the company has not been addressed within an acquisition docket. If the revocation was addressed within an acquisition docket, a separate revocation docket may not be required. The Carrier does not have any acquisition dockets that addressed the status of its certificate of authority.

I. Other: None

III. REVOCATION PROCESSES THAT APPLY ONLY TO LOCAL CERTIFICATES

- A. The carrier's 911 plan, filed in Docket No. _____, should be cancelled. If the carrier has filed a 911 plan and has operational or conditional authority to provide local services, the Minnesota Department of Public Safety, and, if applicable, the Metropolitan 911 Board, will be notified of this recommendation by being placed on the service list for this docket. _____
- B. Any Incumbent Local Exchange Carriers (ILECs) that have interconnection agreements with the carrier should be notified that the carrier no longer has authority to provide telecommunications services in Minnesota and services should no longer be offered under its interconnection agreement(s). The parties to those interconnection agreements have been notified of this recommendation by being placed on the service list in this docket. The carrier's interconnection agreement(s) were approved in Docket Nos. _____.
- C. If the carrier has either filed a 911 plan or has been an operational provider of local services, the 911 system integrator, if known, will be notified of the revocation of the carrier's certificate of authority by being placed on the service list for this docket. Qwest is the 911 system integrator for the metropolitan area. _____
- D. For facilities-based carriers, the North American Numbering Plan Administrator (NANPA) should be notified of the relinquishment of the carrier's certificate of authority so that any NXX blocks assigned to the carrier may be returned to NANPA.
- NANPA has been added to the service list for this docket. _____
- NANPA has not been added to the service list for this docket. Explain: _____
- Carrier did not have facilities-based authority. _____
- E. For competitive local exchange carriers, the Universal Service Administrative Company (USAC) has been notified of the revocation, so they can discontinue paying funds to the affected carrier. _____
- USAC has been added to the service list for this docket. ¹ _____

¹ When handling relinquishments or revocation dockets, the Department analyst should check to see whether the affected carrier is on the list of high cost low income companies by going to www.usac.org and clicking the blue tab entitled "high cost." Next click on "disbursement data search" under "high cost tools" in the left hand column and type "MN" into the box marked "State." The address of this page is <http://www.usac.org/hc/tools/disbursements/default.aspx>. Check the list of low income companies for all

USAC has not been added to the service list for this docket. Explain: _____

F. Other issues (specify): _____

IV. RECOMMENDATION OF THE DEPARTMENT

A. Revoke the carrier's authority. _____

B. Revoke the carrier's authority subject to the following: (RESTATE ALL ACTIONS THAT ARE TO BE TAKEN):

C. Inactivate carrier from the Commission's Master Contact List until a Disconnection Order is issued.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Comments**

Docket No. P6638/RV-14-786

Dated this 20th day of October 2014

/s/Sharon Ferguson

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|--------------------------------|------------------------------------|--|--------------------|-------------------|-------------------------|
| Julia | Anderson | Julia.Anderson@ag.state.mn.us | Office of the Attorney General-DOC | 1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134 | Electronic Service | Yes | OFF_SL_14-786_RV-14-786 |
| Linda | Chavez | linda.chavez@state.mn.us | Department of Commerce | 85 7th Place E Ste 500 Saint Paul, MN 55101-2198 | Electronic Service | No | OFF_SL_14-786_RV-14-786 |
| Burl W. | Haar | burl.haar@state.mn.us | Public Utilities Commission | Suite 350 121 7th Place East St. Paul, MN 551012147 | Electronic Service | Yes | OFF_SL_14-786_RV-14-786 |
| John | Lindell | agorud.ecf@ag.state.mn.us | Office of the Attorney General-RUD | 1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130 | Electronic Service | Yes | OFF_SL_14-786_RV-14-786 |
| Jenni | Partridge | jenni.partridge@stiprepaid.com | STi Prepaid, LLC | 1250 Broadway 26th Floor New York, NY 10001 | Electronic Service | No | OFF_SL_14-786_RV-14-786 |