In the Matter of the Application of Miron Enterprises, LLC for Registration as an Interexchange Carrier Telephone Corporation Pursuant to the Provisions of Public Utilities Code Section 1013.

PROTEST OF THE CONSUMER PROTECTION AND ENFORCEMENT DIVISION TO THE APPLICATION OF MIRON ENTERPRISES, LLC

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I. INTRODUCTION

Pursuant to Rule 2.6 of the California Public Utilities Commission ("CPUC" or "Commission"), the Commission’s Consumer Protection and Enforcement Division ("CPED") hereby protests Application (A.) 18-10-005 of Miron Enterprises, LLC ("Miron Enterprises" or "Applicant") for Registration as an Interexchange Carrier Telephone Corporation Pursuant to the to the provisions of Public Utilities (P.U.) Code Section 1013 ("Application").\(^1\) Specifically, Miron Enterprises seeks authority to provide “card-less” prepaid international long distance service through branded websites.

CPED protests Miron Enterprises’ Application because Miron Enterprises has been operating in California without prior Commission authorization in apparent violation of P.U. Code sections 1001 and/or 1013. During the time of its unauthorized operation, Miron Enterprises may not have paid Commission user fees, nor remitted surcharges. As part of the Commission’s adjudication of the Application, the Commission should consider imposing a penalty, imposing sanctions, and/or denying the Application for the violations alleged herein.

II. BACKGROUND

Miron Enterprises is a Georgia Corporation with its principal place of business in Atlanta, Georgia.\(^2\) Miron Enterprises offers “card-less” prepaid international long-distance service. The company sells its service through a variety of websites that cater to users based on their primary international calling destination. Miron Enterprises first sold prepaid service in California in January 2015.\(^3\) Miron Enterprises’ Application acknowledges that it has been operating in California without Commission authority.\(^4\)

\(^1\) Miron Enterprises filed its Application on October 11, 2018. The Application appeared on the Commission’s Daily Calendar on October 15, 2018. This protest is timely filed pursuant to Rule 2.6. All section references are to the Public Utilities Code unless otherwise stated.

\(^2\) Application, Section 1 at p. 1.

\(^3\) Application, Section 2 at p. 6.

\(^4\) Affidavit of Florin Miron.
III. BASES OF PROTEST

A. Miron Enterprises Has Been Operating Without Commission Authorization.

Section 1001 states that no telephone corporation “shall begin the construction … of a line, plant, or system, or of any extension thereof, without having first obtained from the commission a certificate that the present or future public convenience and necessity require or will require such construction.” \(^5\) Section 1013 states “[a] telephone corporation operating in this state shall either have a certificate of public convenience and necessity or be registered under this section.” \(^6\) Accordingly, in order to operate as a telephone corporation in California, an entity must first apply for Commission authorization pursuant to the formal application process (section 1001) or the streamlined registration process (section 1013). An applicant must provide sufficient and accurate information that demonstrates its fitness to provide telecommunications service in California in accordance with state laws and Commission rules and regulations.

Miron Enterprises admits in its Application that it has been providing prepaid service in the State of California without proper Commission authorization.\(^2\) Thus, Miron Enterprises violated section 1001 and/or section 1013 and should pay a penalty.

B. Miron Enterprises May Have Failed to Pay User Fees and To Remit Surcharges.

The Commission requires telephone corporations operating in California to pay a Commission user fee, and failure to pay these fees subjects the utility to a penalty.\(^8\) Telephone corporations are also required to collect and remit surcharges that fund the state’s Public Purpose Programs.\(^9\) “The Commission is an enforcement agency and is

\(^5\) PU Code § 1001.
\(^6\) PU Code § 1013(a).
\(^2\) Affidavit of Florin Miron.
\(^8\) P.U. Code § 401-405 authorizes the collection of User Fees, and D.10-09-017 establishes the minimum amount for registration license holders.
\(^9\) See P.U. Code Sections 275, 276, 280, 281, 739.3, 871 et seq., and 2881.1 et seq.
mandated to ensure that carriers subject to its jurisdiction collect and timely remit required surcharges and user fees. (§§ 401, 702, 2101, 2881, et seq.).” CPED is currently investigating whether Miron Enterprises has complied with these requirements. If Miron Enterprises has failed to pay user fees and to remit surcharges, it should pay a penalty.

IV. CONCLUSION

The Commission should further investigate the issues described above, making determinations related thereto, including whether a substantial penalty and other sanctions are appropriate given the circumstances. Before the Commission acts upon the Application, CPED seeks to discover additional information from the Applicant concerning the issues raised in this protest in order to ascertain Applicant’s fitness to do business in California.

Respectfully submitted,

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^ CPED sent Miron Enterprises an email on October 15, 2018 to obtain revenue amounts from January 2015 to present. Miron Enterprises responded that they will be filing this information as a supplement to the Application; the response is currently pending.