

# EXHIBIT 24

*Georgia Public Service Commission, In Re Application of Legacy - Order*

**PRISON**  
POLICY INITIATIVE

**COMMISSIONERS:**

**STAN WISE, CHAIRMAN**  
**CHUCK EATON**  
**TIM G. ECHOLS**  
**H. DOUG EVERETT**  
**LAUREN "BUBBA" McDONALD, JR.**



**FILED**

APR 22 2011

**DEBORAH K. FLANNAGAN**  
**EXECUTIVE DIRECTOR**

**EXECUTIVE SECRETARY**  
**G.P.S.C.**      **REECE McALISTER**  
**EXECUTIVE SECRETARY**

# Georgia Public Service Commission

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<b>DOCKET#</b>	8076, 28152 30554
<b>DOCUMENT#</b>	135607, 135608 135609

**BEFORE THE**

## **GEORGIA PUBLIC SERVICE COMMISSION**

**IN RE:**

- |  |                  |
|--|------------------|
| Applications of Legacy Long Distance International, Inc. For a Certificate to Provide Intrastate Interexchange Alternative Operator Service and to Resell Interexchange Telecommunications Service in the State of Georgia ) | Docket No. 8076  |
| Legacy Long Distance International, Inc.'s Application For a Certificate of Authority to Provide Competitive Local Exchange Service )  | Docket No. 28152 |
| Legacy Long Distance International, Inc.'s Application For a Certificate of Authority to Provide Institutional Telecommunications Services )   | Docket No. 30554 |
| Legacy Long Distance International, Inc.'s Payphone Service Provider Registration Certification )  | PSP ID No. 112pp |

### **ORDER ADOPTING CONSENT AGREEMENT**

This matter comes before the Georgia Public Service Commission ("Commission") to consider the proposed Consent Agreement (Attachment "A") between the Commission Staff and Legacy Long Distance, International, Inc. ("Legacy").

## **JURISDICTION**

1.

Legacy holds the following certificates from the Georgia Public Service Commission (“Commission”): Alternative Operator Services Certificate of Authority A-149, Resale Certificate of Authority R-0498, and Payphone Service Provider Certificate of Authority 0112pp

2.

Legacy is a “telecommunications company” as that term is defined under O.C.G.A. § 46-5-162(17).

3.

The Commission has general authority and jurisdiction over telecommunications companies pursuant to Georgia’s Telecommunications and Competition Development Act of 1995, O.C.G.A. §§ 46-5-160 through 174, and generally O.C.G.A. §§ 46-1-1 through 5, 46-2-20, 46-2-21 and 46-2-23. In addition, upon a finding that a company subject to the Commission’s jurisdiction willfully violates any law it administers or any duly promulgated regulation issued thereunder, or fails, neglects, or refuses to comply with any duly noticed order it issues, the Commission may assess a civil penalty not to exceed \$15,000.00 for such violation and an additional penalty not to exceed \$10,000.00 for each day during which such violation continues. O.C.G.A. § 46-2-91(a).

## **FACTUAL BACKGROUND**

1.

On April 4, 2011, a Consent Agreement entered into between the Commission Staff and Legacy was filed with the Commission. The Consent Agreement proposes to resolve two separate matters. The first matter involved Staff’s finding that Legacy provided institutional telecommunications services (“ITS”) without having obtained the necessary certificate of authority from the Commission to do so. The second matter involved Staff’s investigation into whether Legacy complied with the terms of a prior Stipulation that required the Company to refund to consumers overcharged amounts.

2.

Staff concluded that Legacy provided ITS to Seminole County from May 1, 2009 through at least January 28, 2010, and that, through August 2010, Legacy continued to receive revenues from the provision of ITS to Seminole County and customer bills still reflected Legacy as the ITS provider for this facility.

3.

In its December 3, 2008 Order Adopting Stipulation in Docket No. 8076, the Commission ordered Legacy to provide refunds by to customers that it had overcharged. Legacy was order to refund the overcharges by December 31, 2008. After that deadline, Staff contacted customers that were due refunds under the Stipulation in an effort to confirm that the refunds were issued. The customers contacted by the Staff stated that they did not receive a refund from Legacy. Legacy maintains that it issued credits to customers pursuant to the methodology agreed upon between the Staff and Legacy.

### **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1.

The Commission finds that Legacy provided institutional telecommunications service from May 1, 2009 through at least January 28, 2010, and that, through August 2010, Legacy continued to receive revenues from the provision of ITS to Seminole County and customer bills still reflected Legacy as the ITS provider for this facility. The Commission also finds that Legacy did not possess a certificate to provide ITS at that time. Finally, the Commission concludes that an ITS certificate was required to provide this service. Commission Rule 515-12-1-.30(2).

2.

The Commission does not reach a factual finding regarding whether Legacy complied with the terms of the December 3, 2008 Order in Docket No. 8076 that required Legacy to refund certain overcharges to customers. While Legacy maintains that the refunds were issued, the customers contacted by Staff deny ever receiving any refund. The record does not provide an adequate basis for determining with any certainty whether the refunds were issued and subsequently received by any Legacy customer that was overcharged.

3.

The Commission finds and concludes that the terms and conditions of the Consent Agreement are reasonable. The Commission finds that the amount of the civil penalty is reasonable, in light of the totality of the facts set forth in the Consent Agreement. The appropriate amount of a civil penalty involves judgment, and may be specific to the facts of the particular case. The penalty provided for in the Consent Agreement is sufficient to preserve the integrity of the Commission's rules, orders and administration of Georgia law. The amount arrived at between the parties adequately addresses both the established violation of the Commission's ITS rules, and the uncertainty over whether Legacy complied with the terms and conditions of the December 3, 2008 Order Adopting Stipulation.

4.

The Commission also finds and concludes that the provisions in the Consent Agreement related to Legacy's withdrawal of its application to provide ITS and its commitment not to re-apply for three years from the date of this Order are reasonable and fair. It is also reasonable to prohibit Legacy from subcontracting with any telecommunications provider to carry the calls originating from an inmate facility in Georgia until it obtains ITS certification from the Commission. Furthermore, it is reasonable to apply this prohibition to Legacy, its officers, agents and employees.

**WHEREFORE IT IS ORDERED**, that the Commission hereby adopts as an Order of this Commission, the Consent Agreement signed by the Commission Staff and Legacy dated April 4, 2011, and attached as "Exhibit A" to this Order.

**ORDERED FURTHER**, that all findings, conclusions, statements, and directives made by the Commission and contained in the foregoing sections of this Order are hereby adopted as findings of fact, conclusions of law, statements of regulatory policy, and orders of this Commission.

**ORDERED FURTHER**, that a motion for reconsideration, rehearing, or oral argument or any other motion shall not stay the effective date of this Order, unless otherwise ordered by the Commission.

**ORDERED FURTHER**, that jurisdiction over these matters is expressly retained for the purpose of entering such further Order or Orders as this Commission may deem just and proper.

The above by action of the Commission in Administrative Session on the 19<sup>th</sup> day of April, 2011.

  
\_\_\_\_\_  
Reece McAlistar  
Executive Secretary

  
\_\_\_\_\_  
Stan Wise  
Chairman

4-21-11  
Date

4-21-11  
Date

**BEFORE THE  
GEORGIA PUBLIC SERVICE COMMISSION**

IN RE:

Application of Legacy Long Distance International, Inc. For a Certificate to Provide Intrastate Interexchange Alternative Operator Service in the State of Georgia	) ) ) )	Docket No. 8076
Legacy Long Distance International, Inc.'s Application For a Certificate of Authority to Provide Competitive Local Exchange Service	) ) )	Docket No. 28152
Legacy Long Distance International, Inc.'s Application For a Certificate of Authority to Provide Institutional Telecommunications Services	) ) )	Docket No. 30554
Legacy Long Distance International, Inc.'s Payphone Service Provider Registration Certification	) )	PSP ID No. 112pp

**CONSENT AGREEMENT**

The Staff of the Georgia Public Service Commission ("Staff") and Legacy Long Distance International, Inc. ("Legacy") hereby agree to present the following proposed disposition of the above-named matter to the Georgia Public Service Commission (the "Commission").

**Factual Background and Legal Authority**

1.

Legacy holds the following certificates from the Commission: Alternative Operator Services Certificate of Authority A-149, Resale Certificate of Authority R-0498, and Payphone Service Provider Certificate of Authority 0112pp.

2.

Legacy is a "telecommunications company" as that term is defined under O.C.G.A. § 46-5-162(17).

3.

The Commission has general authority and jurisdiction over telecommunications companies pursuant to Georgia's Telecommunications and Competition Development Act of 1995, O.C.G.A. §§ 46-5-160 through 174, and generally O.C.G.A. §§ 46-1-1 through 5, 46-2-20, 46-2-21 and 46-2-23. In addition, upon a finding that a company subject to the Commission's jurisdiction willfully violates any law it administers or any duly promulgated regulation issued thereunder, or fails, neglects, or refuses to comply with any duly noticed order it issues, the Commission may assess a civil penalty not to exceed \$15,000.00 for such violation and an additional penalty not to exceed \$10,000.00 for each day during which such violation continues. O.C.G.A. § 46-2-91(a).

4.

Staff initiated an investigation into whether Legacy was providing institutional telecommunications services ("ITS") without having obtained the necessary certificate of authority from the Commission to do so. Based on responses to discovery, Staff concluded that Legacy provided ITS to Seminole County from May 1, 2009 through at least January 28, 2010, and that, through August 2010, Legacy continued to receive revenues from the provision of ITS to Seminole County and customer bills still reflected Legacy as the ITS provider for this facility.

5.

On December 3, 2008, the Commission issued an Order Adopting Stipulation in Docket No. 8076. The Stipulation that was entered into between Staff and Legacy resolved a Commission investigation of allegations that Legacy overcharged consumers for local phone calls made from payphones. In that docket, Legacy agreed to "provide refunds to each customer for each call in which it charged the customer a rate in excess of the rates set forth [in the Stipulation]." (Stipulation, ¶ 7). The parties agreed that the amount of the refunds would be the difference between the rates charged and the rates stated in the Stipulation. *Id.*

6.

Staff contacted customers that were due refunds under the Stipulation in an effort to confirm that the refunds were issued. The customers contacted by the Staff stated that they did not receive a refund from Legacy. Legacy maintains that it issued credits to customers pursuant to the methodology agreed upon between the Staff and Legacy.

#### Agreement

The parties to this Consent Agreement are desirous of resolving the matters discussed above and believe that it is in the public interest to do so under the terms and conditions described herein. The undersigned parties hereby agree that these matters should be disposed of as follows:

1.

This Consent Agreement, if approved by the Commission, shall constitute a Final Order resolving this proceeding. The parties agree that they will abide by the terms of the Consent Agreement.

2.

This Consent Agreement shall not become effective until approved, without modification, by the Commission. This Consent Agreement shall be void and of no effect whatsoever if it is not approved in its entirety by action of the Commission.

3.

Legacy agrees to pay to the Commission, in certified funds, a civil penalty in the amount of \$125,000.00, as follows. Legacy shall pay \$40,000.00 of this amount to the Commission within one month after the date of the Commission Order adopting this Consent Agreement. For each of the six successive months thereafter, Legacy shall make an additional payment to the Commission in the amount of \$10,000.00. By the end of the eighth month from the date of the Commission Order adopting this Consent Agreement, Legacy shall make an additional payment in the amount of \$25,000.00. Legacy may, at its sole option, pay the balance due at any time before the expiration of eight months from the Commission Order adopting this Consent Agreement.

4.

Legacy shall withdraw its application in Docket No. 30554 to provide ITS. Legacy shall not re-apply for ITS certification for three years from the date of the Commission Order adopting this Consent Agreement. This condition of the Consent Agreement shall prohibit Legacy from subcontracting with any telecommunications provider to carry the calls originating from an inmate facility in Georgia until Legacy obtains ITS certification from the Commission, and shall apply to Legacy, its officers, agents and employees. A Commission Order adopting this Consent Agreement shall constitute withdrawal by Legacy of its application in Docket No. 30554 to provide ITS.

5.

This Consent Agreement shall not constitute an admission against interest of either party and shall not be admissible as evidence, in whole or in part, in this or any other proceeding. By entering into this Consent Agreement, Legacy does not waive any notice, right, hearing, claim or defense with regard to any future action brought against it by the Commission or by any other person.

6.

Nothing in this Consent Agreement shall be construed to relieve Legacy from its responsibility to comply with the terms and conditions of its Certificates of Authority, the rules and regulations of the Commission, and the laws of the State of Georgia.

7.

Each of the undersigned acknowledges that he has read this Consent Agreement and understands its contents. Each of the undersigned acknowledges that the party he represents freely, knowingly and voluntarily enters into this Consent Agreement. Each of the undersigned parties hereby consents to the resolution of this proceeding as provided herein.

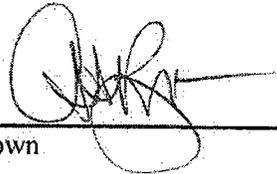
Agreed to this 4<sup>TH</sup> day of APRIL, 2011.



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Daniel Walsh  
Senior Assistant Attorney General  
On Behalf of the Staff of the Georgia Public Service  
Commission

Department of Law  
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Curtis Brown  
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