In re: Bankruptcy cancellation by Florida Public Service Commission of IXC Certificate No. 4809 issued to Global Telephone Corporation d/b/a Global Telephone International, Inc., effective September 6, 2002.

DOCKET NO. 020967-TI
ORDER NO. PSC-02-1540-PAA-TI
ISSUED: November 12, 2002

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman J. TERRY DEASON BRAULIO L. BAEZ MICHAEL A. PALECKI RUDOLPH "RUDY" BRADLEY

NOTICE OF PROPOSED AGENCY ACTION ORDER GRANTING CANCELLATION OF INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE DUE TO CHAPTER 11 BANKRUPTCY

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.

Global Telephone Corporation d/b/a Global Telephone International, Inc. (Global Telephone International) currently holds Certificate of Public Convenience and Necessity No. 4809, issued by the Commission on March 7, 1997, authorizing the provision of Interexchange Telecommunications service.

Rule 25-4.0161, Florida Administrative Code, incorporated by Rule 25-24.480, Florida Administrative Code, which implements Section 364.336, Florida Statutes, requires the payment of

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Regulatory Assessment Fees by January 30 of the subsequent year for telecommunications companies, and provides for penalties and interest as outlined in Section 350.113, Florida Statutes, for any delinquent amounts.

On September 6, 2002, we received notice that Global Telephone International filed for Chapter 11 bankruptcy protection. In addition, Global Telephone International requested cancellation of its Interexchange Telecommunications certificate and asked that any unpaid Regulatory Assessment Fees be written off as no funds exist.

Chapter 11 of Section 109 of the Federal Bankruptcy Code provides for reorganization by business entities. The filing of a bankruptcy petition under Chapter 11 invokes an injunction known as the Automatic Stay, codified in Bankruptcy Code Section 362. Section 362(b)(5) provides that, for governments, the filing of the petition does not operate as a stay "of the enforcement of a judgment, other than a money judgment, obtained in an actual proceeding by a governmental unit to enforce such governmental unit's police or regulatory power." (emphasis added) Thus, it would appear that we are not enjoined from exercising our police powers to protect public health, safety and welfare, but are enjoined from exercising our regulatory authority seeking to collect a debt. However, in this case, the company has requested cancellation of its certificate. Under those circumstances, this Commission is free to do so. We note that the Division of the Commission Clerk and Administrative Services will be notified that the past due RAFs should not be sent to the Comptroller's Office for collection, but that permission for the Commission to write-off the uncollectible amount should be requested.

Accordingly, we find it appropriate to cancel Interexchange Telecommunications Certificate No. 4809, effective September 6, 2002. If Global Telephone International's certificate is canceled in accordance with this Order, Global Telephone International shall immediately cease and desist providing Interexchange Telecommunications services in Florida. We are vested with jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.335, Florida Statutes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Global Telephone Corporation d/b/a Global Telephone International, Inc.'s Certificate No. 4809 to provide Interexchange Telecommunications services is hereby canceled, effective September 6, 2002. It is further

ORDERED that the outstanding Regulatory Assessment Fees should not be sent to the Comptroller's Office for collection. The Division of the Commission Clerk and Administrative Services, instead, shall request for permission to write-off the uncollectible amount. It is further

ORDERED that if Global Telephone Corporation d/b/a Global Telephone International, Inc.'s Certificate No. 4809 is canceled in accordance with this Order, that entity shall immediately cease and desist providing Interexchange Telecommunication services in Florida. It is further

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 Director, Division of the Commission Clerk and Administrative Services, 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 in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this <u>12th</u> Day of November, 2002.

BLANCA S. BAYÓ, Director

Division of the Commission Clerk and Administrative Services

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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 should 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 Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on <u>December 3, 2002</u>.

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.