## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Cancellation by Florida Public Service Commission of Alternative Local Exchange Telecommunications Certificate No. 5686 issued to World Telecommunications, Inc. d/b/a WTI for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

DOCKET NO. 001421-TX
ORDER NO. PSC-01-0818-FOF-TX
ISSUED: March 29, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman J. TERRY DEASON LILA A. JABER BRAULIO L. BAEZ MICHAEL A. PALECKI

## ORDER GRANTING CANCELLATION OF ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS CERTIFICATE DUE TO BANKRUPTCY

BY THE COMMISSION:

World Telecommunications, Inc. d/b/a WTI (WTI) currently holds Certificate of Public Convenience and Necessity No. 5686, issued by the Commission on September 15, 1998, authorizing the provision of Alternative Local Exchange Telecommunications service. The Division of Administration advised our staff by memorandum that WTI had not paid the 1999 Regulatory Assessment Fees (RAFs). Also, accrued statutory penalties and interest charges for late RAFs payments for the year 1999 had not been paid. WTI was scheduled to remit its RAFs by January 31, 2000.

Pursuant to Section 364.336, Florida Statutes, certificate holders must pay a minimum annual RAF of \$50 if the certificate was active during any portion of the calendar year. Pursuant to Rule

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25-4.0161 (2), Florida Administrative Code, the form and applicable fees are due to the Florida Public Service Commission by January 30 of the subsequent year. All entities that apply for certification receive a copy of our rules governing Alternative Local Exchange Telecommunications service.

On April 7, 2000, the Commission received a notice that advised the company had filed for protection under Chapter 7 of the Federal Bankruptcy Code on May 4, 1999. Chapter 7 of Section 109 of the Federal Bankruptcy Code provides for total liquidation of The filing of a bankruptcy petition under the business entity. Chapter 7 invokes an automatic injunction known as the Automatic Stay, codified in Bankruptcy Code Section 362. Upon such filing, an interim Trustee in Bankruptcy is immediately appointed who has the duty to collect and secure the non-exempt assets of the debtor and distribute them to creditors in the manner set forth in the Bankruptcy Code. Secured creditors are given the highest priority in the distribution and, normally, receive all of the distributed Regulatory fees and penalties owed by a company to the Florida Public Service Commission are not secured debts and, as a practical matter, are uncollectible in a Chapter 7 proceeding.

We are prevented by the automatic stay provision of the Bankruptcy Code from taking action against this company for its failure to pay RAFs. In a Chapter 7 proceeding, however, the company ceases to exist and, accordingly, its certificate must be reclaimed. We note that the Division of Administration 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 Alternative Local Exchange Telecommunications Certificate No. 5686, effective April 7, 2000. WTI shall return to this Commission the Order granting authority to provide Alternative Local Exchange Telecommunications services. The Commission is vested with jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.335, Florida Statutes.

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Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that World Telecommunications, Inc. d/b/a WTI's Certificate No. 5686 to provide Alternative Local Exchange Telecommunications services is hereby canceled. It is further

ORDERED that this Docket is closed.

By ORDER of the Florida Public Service Commission this 29th day of March, 2001.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

KMP

## 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 or judicial review of Commission orders that is available under Sections 120.57 or 120.68, 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 or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of ORDER NO. PSC-01-0818-FOF-TX DOCKET NO. 001421-TX PAGE 4

Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of Records and reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.