

**DATE:** February 10, 2003

TO: Blanca Bayó, Director, Division of Commission Clerk and Administrative Services

FROM: Adam J. Teitzman, Office of the General Counsel 🌋 🦷 🎢 🖉

**RE:** Request for Permission from Department of Financial Services to Write-Off the RAFs for the year(s) 2001 and 2002 for Logix Communications Corporation (TJ136).

On September 4, 2002, Docket No. 020952-TI was established to address Logix Communications Corporation's (Logix Communications) failure to remit RAFs for the year(s) 2001 and 2002. By Order No. PSC-02-1566-PAA-TI, issued on November 14, 2002, the Commission approved the cancellation of Logix Communications' Interexchange Telecommunications Certificate No. 5702. The Commission further ordered that the outstanding Regulatory Assessment Fees not be sent to the Department of Financial Services for collection, but instead, that the Division of the Commission Clerk and Administrative Services should request permission to write-off the uncollectible amount.

Therefore, staff requests that Bureau of Administrative Services/Fiscal Services Section take the appropriate steps to seek permission from the Department of Financial Services to write-off the uncollectible RAFs for the year(s) 2001 and 2002 for Logix Communications.

AJT

cc: Jackie Knight Paula Isler

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# STATE OF FLORIDA DEPARTMENT OF FINANCIAL SERVICES BUREAU OF ACCOUNTING DELINQUENT ACCOUNTS RECEIVABLE TRANSMITTAL (PLEASE PRINT OR TYPE)

AGENCY FLORIDA PUBLIC SERVICE COMMISSION DATE FEBRUARY 11, 2003 PAGE 1 OF 1 CONTACT KAREN BELCHER, DIRECTOR, FISCAL SERVICES PHONE NUMBER (850) 413-6273 FLAIR ACCOUNT CODE SAMAS ACCOUNT CODES: 61 50 2 573003 610100 00 000300 61 74 1 000331 610100 00 001200 + TJ136 **Logix Communications Corporation** 1. 020952-TI Agency Reference # Last Name First M Social Security # DFS use only 3555 NW 58 St., Suite 900, Oklahoma City, OK 73112-4703 Last Known Address (Include Zip) \$100.00 \$ 52.50 \$152.50 (405)516-8214 Home Telephone Work Phone **Principal Amount** Penalty/Interest Amount Total §364.366, F.S., §350.113, F.S., Rule 25-4.0161, F.A.C 09/30/02 8 Date Debt Incurred Penalty/Interest Authority Debt Type 2001 and 2002 Regulatory Assessment Fees (Penalty and Interest 1999 and 2001) Debt Description, e.g., Drivers License, Property Damage Additional Information, e.g., Date of Birth, Drivers License Number, etc 2. Agency Reference # Last Name First Μ Social Security # DFS use only Last Known Address (Include Zip) Home Telephone Work Phone **Principal Amount** Penalty/Interest Amount Total Penalty/Interest Authority Date Debt Incurred Debt Type Debt Description, e.g., Drivers License, Property Damage

Debt Description, e.g., Drivers License, Property Damage

Additional Information, e.g., Date of Birth, Drivers License Number, etc

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Bankruptcy cancellation by Florida Public Service Commission of IXC Certificate No. 5702 issued to Logix Communications Corporation, effective 9/30/02. DOCKET NO. 020952-TI ORDER NO. PSC-02-1566-PAA-TI ISSUED: November 14, 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.

Logix Communications Corporation (Logix), currently holds Certificate of Public Convenience and Necessity No. 5702, issued by the Commission on September 22, 1998, 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 Regulatory Assessment Fees by January 30 of the subsequent year for telecommunications companies, and provides for penalties and ORDER NO. PSC-02-1566-PAA-TI DOCKET NO. 020952-TI PAGE 2

interest as outlined in Section 350.113, Florida Statutes, for any delinquent amounts.

On September 4, 2002, we received notice that Logix filed for Chapter 11 bankruptcy protection. In addition, Logix 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 automatic 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. 5702, effective September 30, 2002. If Logix's certificate is canceled in accordance with this Order, Logix 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. ORDER NO. PSC-02-1566-PAA-TI DOCKET NO. 020952-TI PAGE 3

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Logix Communications Corporation's Certificate No. 5702 to provide Interexchange Telecommunications services is hereby canceled, effective September 30, 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 Logix Communications Corporation's Certificate No. 5702 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.

ORDER NO. PSC-02-1566-PAA-TI DOCKET NO. 020952-TI PAGE 4

By ORDER of the Florida Public Service Commission this <u>14th</u> Day of <u>November</u>, <u>2002</u>.

BLANCA S. BAYÓ, Director Division of the Commission Clerk . and Administrative Services

By: <u>/s/ Kay Flynn</u> Kay Flynn, Chief Bureau of Records and Hearing Services

> This is a facsimile copy. Go to the Commission's Web site, <u>http://www.floridapsc.com</u> or fax a request to 1-850-413-7118, for a copy of the order with signature.

(SEAL)

JAE

## 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

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Bankruptcy cancellation by Florida Public Service Commission of IXC Certificate No. 5702 issued to Logix Communications Corporation, effective 9/30/02. DOCKET NO. 020952-TI ORDER NO. PSC-02-1742-CO-TI ISSUED: December 10, 2002

#### CONSUMMATING ORDER

BY THE COMMISSION:

By Order No. PSC-02-1566-PAA-TI, issued November 14, 2002, this Commission proposed to take certain action, subject to a Petition for Formal Proceeding as provided in Rule 25-22.029, Florida Administrative Code. No response has been filed to the order, in regard to the above mentioned docket. It is, therefore,

ORDERED by the Florida Public Service Commission that Order No. PSC-02-1566-PAA-TI has become effective and final. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission, this <u>10th</u> Day of <u>December</u>, <u>2002</u>.

<u>/s/ Blanca S. Bayó</u> BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

This is a facsimile copy. Go to the Commission's Web site, <u>http://www.floridapsc.com</u> or fax a request to 1-850-413-7118, for a copy of the order with signature.

(SEAL)

JAE

ORDER NO. PSC-02-1742-CO-TI DOCKET NO. 020952-TI PAGE 2

#### 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 judicial review of Commission orders that is available pursuant to Section 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 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 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 the Commission Clerk and Administrative Services 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.