

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Bankruptcy cancellation by Florida
Public Service Commission of IXC
Registration No. TJ184 and CLEC Certificate
No. 4582 issued to International Exchange
Communications, Inc. d/b/a IE Com, effective
10/29/04.

DOCKET NO. 041266-TP
ORDER NO. PSC-05-0561-PAA-TP
ISSUED: May 23, 2005

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman
J. TERRY DEASON
RUDOLPH "RUDY" BRADLEY
CHARLES M. DAVIDSON
LISA POLAK EDGAR

NOTICE OF PROPOSED AGENCY ACTION ORDER GRANTING
CANCELLATION OF INTRASTATE INTEREXCHANGE COMPANY
TARIFF AND REMOVAL FROM THE REGISTER AND CANCELLATION OF
COMPETITIVE LOCAL EXCHANGE COMPANY 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.

International Exchange Communications, Inc. d/b/a IE Com currently holds Registration No. TJ184, issued by this Commission on March 10, 1999, authorizing the provision of intrastate interexchange telecommunications company (IXC) service and Certificate No. 4852 issued on May 13, 1997, authorizing the provision of competitive local exchange telecommunications (CLEC) service.

Pursuant to Section 364.336, Florida Statutes, telecommunications companies must pay a minimum annual Regulatory Assessment Fee of \$50 by January 30 of the subsequent year and provides for late payment charges as outlined in Section 350.113, Florida Statutes, for any delinquent amounts.

On January 16, 2001, this Commission received notice that this company had filed for Chapter 11 bankruptcy protection on January 4, 2001. Several times, our staff attempted to obtain written correspondence from the company requesting cancellation if it no longer had need

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of its certificate and registration. Our staff was finally able to speak with the company's former attorney, Mr. Martin Barash, who advised that the company has not operated since it filed for bankruptcy in January 2001. He advised our staff that he was unable to write us a letter requesting cancellation because the company had been completely liquidated and he no longer represents the company. Our staff attempted to call the company at their listed telephone numbers, but the numbers have been disconnected and mail addressed to the last known address is being returned as undeliverable.

The company has filed for bankruptcy, and pursuant to Section 362(b)(5) of the US Bankruptcy Code, the filing of a petition for bankruptcy relief acts as an automatic stay that enjoins a governmental entity from exercising its regulatory authority to collect a pre-petition debt. Additionally, in any bankruptcy liquidation or reorganization, secured creditors are given the highest priority in the distribution and, normally, receive all of the distributed assets. Regulatory Assessment Fees, late payment charges, and penalties owed by a company to the Florida Public Service Commission, as well as monetary settlements of cases resolving issues of failure to pay such fees, are not secured debts and, as a practical matter, are uncollectible in a bankruptcy proceeding where liquidation occurs. Therefore, this Commission would be prevented from collecting the Regulatory Assessment Fees owed by this company, and from assessing and collecting a penalty for failure to pay the fees.

We are vested with jurisdiction over this matter pursuant to Sections 364.02, 364.336, 364.337, and 364.285, Florida Statutes. Accordingly, we hereby find that International Exchange Communications, Inc. d/b/a IE Com shall be granted cancellation of its IXC Registration No. TJ184 and CLEC Certificate No. 4582 due to Chapter 11 bankruptcy, effective October 29, 2004. In addition, the 2002, 2003, 2004 Regulatory Assessment Fees for the IXC registration and the CLEC certificate and the statutory late payment charges for the years 1999, 2000, 2002, and 2003 for the company's IXC registration and statutory late payment charges for the years 1997, 2000, and 2003 for its CLEC certificate, shall not be sent to the Florida Department of Financial Services for collection, and permission for this Commission to write-off the uncollectible amount shall be requested. International Exchange Communications, Inc. d/b/a IE Com shall immediately cease and desist providing intrastate interexchange telecommunications and competitive local exchange services in Florida.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that International Exchange Communications, Inc. d/b/a IE Com 's Registration No. TJ184 to provide intrastate interexchange telecommunications service is hereby cancelled, effective October 29, 2004, due to bankruptcy. It is further

ORDERED by the Florida Public Service Commission that International Exchange Communications, Inc. d/b/a IE Com's Certificate No. 4582 to provide competitive local exchange telecommunications service is hereby cancelled, effective October 29, 2004, due to bankruptcy. It is further


ORDERED that the outstanding Regulatory Assessment Fees, including statutory late payment charges, shall not be sent to the Department of Financial Services for collection. The Division of the Commission Clerk and Administrative Services, instead, shall request permission to write-off the uncollectible amount. It is further

ORDERED that if International Exchange Communications, Inc. d/b/a IE Com's Registration No. TJ184 and CLEC Certificate No. 4582 are cancelled in accordance with this Order, it shall immediately cease and desist providing intrastate interexchange company and competitive local exchange 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 23rd day of May, 2005.



BLANCA S. BAYO, 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 June 13, 2005.

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.