# State of Florida



# Hublic Service Commission -M-E-M-O-R-A-N-D-U-M-

**DATE:** January 31, 2002

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

FROM: Kimberley Peña, Bureau of Telecommunications, Division of Legal Services Communications, Division of Legal Services

RE: Request for Permission from Comptroller's Office to Write-Off the RAFs for the years

2000 and 2001 for NorthPoint Communications, Inc. (TX198).

On March 28, 2001, Docket No. 010368-TX was established to address TX198's failure to remit RAFs for the year 2000. By Order No. PSC-01-1233-PAA-TX, issued on June 1, 2001, the Commission approved the cancellation of TX198's Alternative Local Exchange Telecommunications Certificate No. 5641 due to bankruptcy. The Commission further ordered that the outstanding Regulatory Assessment Fees not be sent to the Comptroller's Office 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 Comptroller's Office to write-off the uncollectible RAFs for the years 2000 and 2001 for TX198.

**KMP** 

cc: Jackie Knight

Paula Isler Jessica Elliot

AUS
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# STATE OF FLORIDA OFFICE OF THE COMPTROLLER BUREAU OF AUDITING DELINQUENT ACCOUNTS RECEIVABLE TRANSMITTAL

(PLEASE PRINT OR TYPE)

AGENCY:	FLORIDA PU	BLIC SERVICE CO	MMISSION	DA	ATE: <u>1/31/02</u>
CONTACT:	KAREN BELO	CHER, DIRECTOR,	FISCAL SERVICES		
PHONE NUN	MBER: 413-6	273			
SAMAS ACC	OUNT CODE:		3 610000 00 000300 1 610000 00 001200		
TX198 010368-TX		hPoint Communication	·		
AGENCY REFERENCE	#	LAST NAME FIRST	MIDDLE	SOCIAL SECURITY NUMBER	COMPTROLLER USE ONLY
NorthPoint Com	munications, Inc.,	555 Eleventh Street, N	.W., Suite 1000 Washington	, DC 20004	
		LAS	ST KNOWN ADDRESS (INCLUDE ŽIP)		
			\$100	\$12.50/\$7	\$119.50
HOME TE	LEPHONE	WORK TELEPHONE	PRINCIPLE AMOUNT	PENALTY/INTEREST AMOU	NT TOTAL
§ 364.336, F.S. § 350.113, F.S. Rule 25-4.0161, F.A.C.				January 31, 2001	8
	PENAL	TY/INTEREST AUTHORITY		DATE DEBT INCURRED	DEBT TYPE
2000 and 2001 I	DECITIATORY A	COECOMENT FEEC			
	CEGULATURI A	OSESSIMENT LEES			
	CEGULATURY A		VER LICENSE, SALARY OVERÞAYMENT, PROPE	ERTY DAMAGE	······································

# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Cancellation by Florida Public Service Commission of Alternative Local Exchange Telecommunications Certificate No. 5641 issued to NorthPoint Communications, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

DOCKET NO. 010368-TX ORDER NO. PSC-01-1233-PAA-TX ISSUED: June 1, 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

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING VOLUNTARY CANCELLATION OF
ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS CERTIFICATE

### 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.

NorthPoint Communications, Inc. (NorthPoint) currently holds Certificate of Public Convenience and Necessity No. 5641, issued by the Commission on June 13, 1998, authorizing the provision of Alternative Local Exchange Telecommunications (ALEC) service. The Division of Administration advised our staff by memorandum that NorthPoint had not paid the 2000 Regulatory Assessment Fees (RAFs). Also, accrued statutory penalties and interest charges for late RAFs payments for the year 2000 had not been paid. NorthPoint was scheduled to remit its RAFs by January 30, 2001.

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ORDER NO. PSC-01-1233-PAA-TX DOCKET NO. 010368-TX PAGE 2

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 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 ALEC service.

On March 26, 2001, staff received a letter from Mr. Michael E. Olsen, NorthPoint's Vice President and Deputy General Counsel. Mr. Olsen stated that the company is requesting cancellation of ALEC Certificate No. 5641 because the company is in Chapter 11 bankruptcy. Mr. Olsen stated in the letter that the company has no retail customers and that its only customers were businesses that resold NorthPoint's DSL services. NorthPoint has notified its customers that the service is being terminated and provided the customers with information concerning alternative service providers.

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 to collect a debt or engage in other economic regulation. However, in this case, the Company has requested cancellation of its certificate. Under those circumstances, we are free to do so. Accordingly, we find it appropriate to cancel ALEC Certificate No. 5641, effective March 26, 2001. In addition, the Division of Administration shall 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. NorthPoint shall return to this Commission the Order granting authority to provide ALEC services. We are vested with

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jurisdiction over this matter pursuant to Sections 364.336, 364.285, and 364.337, Florida Statutes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that NorthPoint Communications, Inc.'s Certificate No. 5641 to provide Alternative Local Exchange Telecommunications (ALEC) service is hereby canceled, effective March 26, 2001. It is further

ORDERED that the past due RAFs shall not be sent to the Comptroller's Office for collection and permission to write of the uncollectible amount shall be requested. It is further

ORDERED that this Docket is closed.

By ORDER of the Florida Public Service Commission this <u>lst</u> day of <u>June</u>, <u>2001</u>.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

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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

ORDER NO. PSC-01-1233-PAA-TX DOCKET NO. 010368-TX PAGE 4

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 Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on June 22, 2001.

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 docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Cancellation by Florida Public Service Commission of Alternative Local Exchange Telecommunications Certificate No. 5641 issued to NorthPoint Communications, Inc. for violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies.

DOCKET NO. 010368-TX
ORDER NO. PSC-01-1415-CO-TX
ISSUED: June 29, 2001

#### CONSUMMATING ORDER

# BY THE COMMISSION:

By Order No. PSC-01-1233-PAA-TX, issued June 1, 2001, 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. It is, therefore,

ORDERED by the Florida Public Service Commission that Order No. PSC-01-1233-PAA-TX has become effective and final. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 29th Day of June, 2001.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

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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 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 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.