ORIGINAL

State of Florida



Jublic Service Commission,

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

COMMISSION CLERK

-M-E-M-O-R-A-N-D-U-M-

DATE:

October 27, 2004

TO:

Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM:

Paula J. Isler, Research Assistant, Division of Competitive Markets & Enforcement

RE:

Docket No. 041180-TI - ATX Telecommunications

Attached is a letter from the company dated October 7, 2004, addressed to the Commission's Fiscal Section, in which ATX requested a waiver of the 2003 Regulatory Assessment Fee on the grounds of hardship due to the company's bankruptcy proceedings. Also attached is staff's response to the letter advising that collection of the 2003 fee would be temporarily suspended until the US Bankruptcy Court made a decision on the \$255.68 prepetition debt. Please document both letters in Docket No. 041180-TI.

Let me know if you have any questions.

cc:

Office of the General Counsel (Rojas) Fiscal Section (Belcher)

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DIVISION OF COMPETITIVE MARKETS & -ENFORCEMENT BETH W. SALAK DIRECTOR (850) 413-6600

Hublic Service Commission

October 27, 2004

Ms. Doreen Flash, Manager/External Affairs ATX Telecommunications Services (TI085) 15166 Neo Parkway Garfield Heights, OH 44128

Re: Docket No. 041180-TI

Dear Ms. Flash:

The Commission received your letter dated October 7, 2004, in which you requested a waiver of the Regulatory Assessment Fee on the "grounds of hardship." I have discussed this with the Commission's Office of the General Counsel and been advised that collection of the 2003 Regulatory Assessment Fee, which was due by January 30, 2004, will be temporarily suspended until the US Bankruptcy Court makes a decision on the \$255.68 debt. The 2004 Regulatory Assessment Fee, which will become due by January 30, 2005, is not, of course, considered pre-petition debt.

Staff is awaiting either labels with the company's new name or revised tariff sheets before going forward with the name change docket. As soon as they are received, we will finalize the company's request for the name change.

If you have any questions, just let me know. I can be reached at (850) 413-6502-phone, (850) 413-6503-fax, by internet e-mail at PIsler@psc.state.fl.us, or at the address below.

Sincerely,

Paula J. Isler, Research Assistant

Paula J. Isler

Bureau of Service Quality

cc: Docket No. 041180-TI

Office of the General Counsel (Rojas)

TMS #1701

October 7, 2004

Chief Fiscal Officer Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Voice dynamit 138-business | Data | Wireless



15166 Neo Parkway Garfield Heights, OH 44128 t | 216 332 4600 f | 216 332 4601 www.atx.com

Dear Sir/Madam:

By this letter, ATX Telecommunications Services, Inc. ("ATX"), for the reasons outlined below, requests a waiver of their regulatory fee payments on the grounds of hardship. Attached please find a copy of the Interexchange Company Regulatory Assessment Fee Keturn with the assessment due for the 2004 regulatory fees, based on 2003 revenue of ATX. Under the 2004 regulatory fee schedule, ATX would owe \$255.68, in regulatory fee payments.

On January 15, 2004, ATX, along with numerous other related entities, filed for protection under Chapter 11 of the U.S. Bankruptcy Code, and is currently undergoing a reorganization under the supervision of the U.S. Bankruptcy Court for the Southern District of New York, These cases were consolidated under In re ATX Communications Inc., et al., Chap. 11 Case No. 04-10214 (PCB).

ATX is respectfully requesting that the Commission grant a waiver of its regulatory fees based on hardship. As ATX is presently in bankruptcy and is working diligently to conserve the companies' resources as they work towards a successful emergence from Chapter 11 protection, ATX believes that such a waiver is appropriate. However, as the Commission's annual assessment is based on prior year gross revenues (calendar 2003 in this instance), ATX believes that the entire 2004 assessment is, in fact, a pre-petition debt. As such, the assessment cannot be paid absent approval of the U.S. Bankruptcy Court.

Because payment of the 2004 assessment would be a hardship and could constitute a violation of U.S. Bankruptcy laws, ATX hereby withholds payment.

If you have any questions regarding this matter, please do not hesitate to contact me.

Very Truly Yours,

Manager, External Affairs

Enclosures

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Cc: Bruce Bennett

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