

100000-07

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

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EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

In re: PATHNET OPERATING, INC. § Case No. 01-12266-SSM
DBA PATHNET OPERATING INC §
Debtor(s) §

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SUMMARY OF TRUSTEE'S FINAL REPORT
AND APPLICATIONS FOR COMPENSATION

In re: PATHNET OPERATING, INC. § Case No. 01-12266-SSM
DBA PATHNET OPERATING INC §
Debtor(s) §

NOTICE OF TRUSTEE'S FINAL REPORT AND
APPLICATIONS FOR COMPENSATION
AND DEADLINE TO OBJECT (NFR)

Pursuant to Fed. R. Bankr. P. 2002(a)(6) and 2002(f)(8), please take notice that GORDON P. PEYTON, trustee of the above styled estate, has filed a Final Report and the trustee and the trustee's professionals have filed final fee applications, which are summarized in the attached Summary of Trustee's Final Report and Applications for Compensation.

The complete Final Report and all applications for compensation are available for inspection at the Office of the Clerk, at the following address:

200 S. Washington Street
Alexandria, VA 22314-0247

Any person wishing to object to any fee application that has not already been approved or to the Final Report, must file a written objection within 21 days from the mailing of this notice, together with a request for a hearing and serve a copy of both upon the trustee, any party whose application is being challenged and the United States Trustee. If no objections are filed, the Court will act on the fee applications and the trustee may pay dividends pursuant to FRBP 3009 without further order of the Court.

Any person wishing to object to any fee application that has not already been approved or to the Final Report, must file a written objection within 21 days from the mailing of this notice, serve a copy of the objections upon the trustee, any party whose application is being challenged and the United States Trustee. A hearing on the fee applications and any objection to the Final Report will be held at 10:00am on 12/07/2010 in Courtroom 1, United States Courthouse, 200 S. Washington Street, Alexandria, VA 22314-0247.

If no objections are filed, upon entry of an order on the fee applications, the trustee may pay dividends pursuant to FRBP 3009 without further order of the Court.

Date Mailed: 11/03/2010 By: /s/GORDON P. PEYTON
Trustee

GORDON P. PEYTON
P.O. BOX 25456
ALEXANDRIA, VA 22313-5456
(703) 684-2000

COM _____ 1
APA _____
ECR _____
GCL _____
RAD _____
BSC _____
ADM _____
OPC _____
CLK Grant

The Final Report shows receipts of \$ 26,858,919.45
and approved disbursements of \$ 25,199,730.81
leaving a balance on hand of \$ 1,659,188.64
Balance on hand: \$ 1,659,188.64

Claims of secured creditors will be paid as follows:

Claim No.	Claimant	Claim Asserted	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
N/A					

Total to be paid to secured creditors: \$ 0.00
Remaining balance: \$ 1,659,188.64

Applications for chapter 7 fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments to Date	Proposed Payment
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The balance of funds on hand in the estate may continue to earn interest until disbursed. The interest earned prior to disbursement will be distributed pro rata to creditors within each priority category. The trustee may receive additional compensation not to exceed the maximum compensation set forth under 11 U.S.C. § 326(a) on account of the disbursement of the additional interest.

UST Form 101-7-NFR (10/1/2010)

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DOCUMENT NUMBER-01

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Trustee, Expenses - GORDON P. PEYTON	3,920.64	0.00	3,920.64
Attorney for Trustee, Fees - REDMON, PEYTON & BRASWELL, LLP	5,745.00	0.00	5,745.00
Accountant for Trustee, Fees - BARRY STRICKLAND & COMPANY	13,162.85	0.00	13,162.85
Accountant for Trustee, Expenses - BARRY STRICKLAND & COMPANY	271.01	0.00	271.01
Other Expenses: 360NETWORKS (USA), INC.	56,664.00	0.00	56,664.00

Total to be paid for chapter 7 administration expenses: \$ 79,763.50
 Remaining balance: \$ 1,579,425.14

Applications for prior chapter fees and administrative expenses have been filed as follows:

Reason/Applicant	Total Requested	Interim Payments to Date	Proposed Payment
Other Expenses: UNITED STATES TRUSTEE	500.00	0.00	500.00

Total to be paid for prior chapter administrative expenses: \$ 500.00
 Remaining balance: \$ 1,578,925.14

In addition to the expenses of administration listed above as may be allowed by the Court, priority claims totaling \$3,091.62 must be paid in advance of any dividend to general (unsecured) creditors.

Allowed priority claims are:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
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33	STATE OF MICHIGAN, DEPT OF TREAS REVENUE DIV	1,128.11	0.00	1,128.11
34	STATE OF MICHIGAN, DEPT OF TREAS REVENUE DIV	1,713.51	0.00	1,713.51
35	RHODE ISLAND DIV OF TAXATION	250.00	0.00	250.00

Total to be paid for priority claims: \$ 3,091.62
 Remaining balance: \$ 1,575,833.52

The actual distribution to wage claimants included above, if any, will be the proposed payment less applicable withholding taxes (which will be remitted to the appropriate taxing authorities).

Timely claims of general (unsecured) creditors totaling \$91,305,215.87 have been allowed and will be paid *pro rata* only after all allowed administrative and priority claims have been paid in full. The timely allowed general (unsecured) dividend is anticipated to be 1.7 percent, plus interest (if applicable).

Timely allowed general (unsecured) claims are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
3	INDIANA BELL TELEPHONE COMPANY	24,343.13	0.00	420.15
4	ILLINOIS BELL TELEPHONE COMPANY	203,562.00	0.00	3,513.28
9	THE BURLINGTON NORTHERN	4,034,709.44	0.00	69,634.91
10	LUCENT TECHNOLOGIES	7,673,763.46	0.00	132,441.22
11	CUMMINS SOUTHERN PLAINS, INC.	101,748.42	0.00	1,756.08
26	DOLORES LANDRY GUILLOT	8,750.00	0.00	151.03
30	ALCOA FUJIKURA, LTD	1,276,956.99	0.00	22,038.95
32	CSC	19,700.00	0.00	340.00
36	BURNS & MCDONNELL, INC.	148,775.00	0.00	2,567.70
38	WPS MANAGEMENT, LLC	20,000.00	0.00	345.18
39	OZZIES TECHNICAL SERVICES	691,608.65	0.00	11,936.45
40	RPCI, INC.	30,000.00	0.00	517.77
44	NORTEL NETWORKS	19,933,066.00	0.00	344,024.07
45	CISCO SYSTEMS CAPITAL CORPORATION	30,143,089.85	0.00	520,238.50

1-RB	MICROWAVE TRANSMISSION	13,654.24	0.00	235.66
12-RB	SAN JUAN ELECTRIC	1,891.00	0.00	32.64
22-RB	WALKER & ASSOCIATES	33,567.82	0.00	579.35
25-RB	BEMIS ELECTRIC	1,410.75	0.00	24.35
26-RB	SDN COMMUNICATIONS	26,782.02	0.00	462.23
28-RB	DATA AIRE, INC.	45,326.46	0.00	782.29
33-RB	K&S COMMUNICATIONS	4,070.00	0.00	70.24
34-RB	UNDERGROUND LOCATORS, L.L.C.	1,642.00	0.00	28.34
54-RB	GRAYBAR ELECTRIC CO	1,753.51	0.00	30.26
56-RB	RAMSEY COMMUNICATIONS, INC.	12,295.03	0.00	212.20
94-RB	TESCOM	1,309.26	0.00	22.60
110-RB	SHAWNEE INSTALLATION SERVICES	299,320.00	0.00	5,165.95
119-RB	GEM ENGINEERING COMPANY	290,704.64	0.00	5,017.26
156-RB	CSX TRANSPORTATION/CSX REAL PROPERTY, INC.	1,800,000.00	0.00	31,066.14
157-RB	CSX TRANSPORTATION/CSX REAL PROPERTY	37,324.53	0.00	644.18
161-RB	SIERRA ELECTRIC COOPERATIVE	1,015.84	0.00	17.53
196-RB	NORLIGHT TELECOMMUNICATIONS, INC.	1,080,787.80	0.00	18,653.28
201-RB	LYNCH ASSOCIATES	2,226.15	0.00	38.42
202-RB	BROADMARGIN, INC.	50,000.00	0.00	862.95
206-RB	ELECTRONIC AND UNIT RECORD DATA CENTER, INC.	35,146.75	0.00	606.60
217-RB	RENEGADE OF IDAHO, INC.	12,124,410.92	0.00	209,254.77
242-RB	NORTEL, C/O JOHN G. MCJUNKIN	416,404.76	0.00	7,186.71
249-RB	SPRINT	120,732.34	0.00	2,083.72
262-RB	VELOCITA (PF NET NETWORK SERVICES)	178,610.10	0.00	3,082.63
263-RB	CAPROCK TELECOMMUNICATIONS CORP	5,415,809.50	0.00	93,471.26
269-RB	VERIZON OPERATING TELEPHONE COMPANIES	81,303.82	0.00	1,403.22

270-RB	POWER CONVERSION PRODUCTS, C/O EDWARD S. WEIL, ESQ	456,206.26	0.00	7,873.65
278-RB	WESTERN ENERGY SERVICES OF DURANGO, INC.	7,831.75	0.00	135.17
281-RB	WILGER ENTERPRISES	312,677.24	0.00	5,396.49
283-RB	360NETWORKS (USA), INC.	2,976,351.93	0.00	51,368.75
327-RB	THE OHIO BELL TELEPHONE COMPANY	324,460.88	0.00	5,599.86
328-RB	MICHIGAN BELL TELEPHONE COMPANY	233,312.66	0.00	4,026.73
329-RB	SOUTHWESTERN BELL TELEPHONE COMPANY	32,057.94	0.00	553.29
330-RB	AMERITECH	90,704.70	0.00	1,565.47
411-RB	ILLUMINET, INC.	39,040.33	0.00	673.80
452-RB	CLIFFORD POWER SYSTEMS, INC.	45,000.00	0.00	776.65
MAGTEN	FRIED, FRANK HARRIS SRIVER & JACOBSON, LLP	400,000.00	0.00	6,903.59

Total to be paid for timely general unsecured claims: \$ 1,575,833.52
 Remaining balance: \$ 0.00

Tardily filed claims of general (unsecured) creditors totaling \$ 0.00 have been allowed and will be paid *pro rata* only after all allowed administrative, priority and timely filed general (unsecured) claims have been paid in full. The tardily filed claim dividend is anticipated to be 0.0 percent, plus interest (if applicable).

Tardily filed general (unsecured) claims are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA

Alexandria Division

In re:)
) Bankruptcy Case
PATHNET OPERATING, INC.) 01-12266-SSM
DBA PATHNET OPERATING INC) Chapter 7
)
Debtors.)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on November 3, 2010 the foregoing Notice Of Trustee's Final Report was sent by either ECF or first class mail, postage prepaid, to all creditors and parties in interest on the attached service list (service list attached only to original filed with Court).

/s/ Gordon P. Peyton
GORDON P. PEYTON

N/A

Total to be paid for tardy general unsecured claims: \$ 0.00
Remaining balance: \$ 0.00

Subordinated unsecured claims for fines, penalties, forfeitures, or damages and claims ordered subordinated by the Court totaling \$ 0.00 have been allowed and will be paid *pro rata* only after all allowed administrative, priority and general (unsecured) claims have been paid in full. The dividend for subordinated unsecured claims is anticipated to be 0.0 percent, plus interest (if applicable).

Subordinated unsecured claims for fines, penalties, forfeitures or damages and claims ordered subordinated by the Court are as follows:

Claim No	Claimant	Allowed Amount of Claim	Interim Payments to Date	Proposed Payment
N/A				

Total to be paid for subordinated claims: \$ 0.00
Remaining balance: \$ 0.00

Prepared By: /s/GORDON P. PEYTON
Gordon P. Peyton

GORDON P. PEYTON
P.O. BOX 25456
ALEXANDRIA, VA 22313-5456
(703) 684-2000

STATEMENT: This Uniform Form is associated with an open bankruptcy case, therefore, Paperwork Reduction Act exemption 5 C.F.R. §1320.4(n)(2) applies.

Gordon P. Peyton
Trustee in Bankruptcy
510 King Street, Suite 301
Alexandria, VA 22314



Florida Public Service
Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

32399-0850

