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FLORIDA PUBLIC SERVICE COMMISSION
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MEMORANDUM

August 6, 1997

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (BIEGALSKI) *LB*
DIVISION OF LEGAL SERVICES (BOWMAN) *JB*

RE: DOCKET NO. 970915-TI - CANCELLATION BY FLORIDA PUBLIC SERVICE COMMISSION OF INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE NO. 3579 ISSUED TO CORPORATE COMMUNICATIONS GROUP, INC. FOR VIOLATION OF RULE 25-4.043, FLORIDA ADMINISTRATIVE CODE, RESPONSE TO COMMISSION STAFF INQUIRIES, AND RULE 25-4.0161, FLORIDA ADMINISTRATIVE CODE, REGULATORY ASSESSMENT FEE.

AGENDA: 08/18/97 REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CIRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:PSC/CMU/WP/970915TI.RCM

CASE BACKGROUND

- Corporate Communications Group, Inc. (CCGI) obtained Florida Public Service Commission Interexchange Telecommunications certificate number 3579 on September 14, 1994.
- CCGI's bankruptcy case was converted from Chapter 11 to Chapter 7 bankruptcy on February 24, 1997. (Attachment A, Page 5)
- Staff mailed a certified letter to CCGI on May 22, 1997, to determine the status of CCGI's operations. This letter was returned by the U.S. Postal Service stamped "Forwarding Order Expired". (Attachment B, Page 8)
- Staff attempted unsuccessfully to reach CCGI by calling the telephone number listed in the Master Commission Directory. This number has been disconnected.

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- Staff was notified on July 16, 1997 by the Division of Administration that CCGI has not submitted its regulatory assessment fees for 1994 and 1996.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission cancel Corporate Communications Group, Inc.'s Interexchange Telecommunications Certificate No. 3579 for apparent violation of Rule 25-4.043, Florida Administrative Code, Response to Commission Staff Inquiries, and Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees?

RECOMMENDATION: Yes. Since CCGI is in bankruptcy proceedings, staff recommends the Commission cancel certificate number 3579 issued to CCGI at the conclusion of the protest period for apparent violation of Rule 25-4.043, Florida Administrative Code and Rule 25-4.0161, Florida Administrative Code in lieu of a fine. (Biegalski)

STAFF ANALYSIS: Pursuant to Section 364.285, Florida Statutes, the Commission may impose a fine or cancel a certificate if a company refuses to comply with Commission rules. Rule 25-24.474, Florida Administrative Code, establishes the requirements for cancellation of an interexchange telephone company (IXC) certificate. The rule provides for the Commission to cancel a certificate on its own motion for violation of Commission Rules and Orders.

Mail sent to CCGI has been returned by the U.S. Postal Service. CCGI's telephone number has been disconnected. In addition, on July 16, 1997, staff learned that CCGI had not submitted the regulatory assessment fees for 1994 and 1996, or applicable statutory penalties and interest. Therefore, CCGI is in apparent violation of Rule 25-4.043, Florida Administrative Code, Response to Commission Staff Inquiries, and Rule 25-4.0161, Florida Administrative Code, Regulatory Assessment Fees.

In this regard, due to the status of CCGI's operations, staff believes it is unlikely the Commission will receive any delinquent regulatory assessment fees. Therefore, staff recommends the Commission cancel certificate number 3579 issued to CCGI at the conclusion of the protest period.

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ISSUE 2: Should the Commission order all certificated interexchange companies (IXCs) to discontinue providing interexchange telecommunications service to Corporate Communications Group, Inc. pursuant to Rule 25-24.4701(3), Florida Administrative Code, if certificate number 3579 is canceled?

RECOMMENDATION: Yes. Pursuant to Rule 25-24.4701(3), Florida Administrative Code, the Commission should order all certificated IXCs to discontinue providing interexchange telecommunications service to CCGI if CCGI's certificate is canceled at the conclusion of the protest period in this docket. The Order should state that any IXC providing service to CCGI must contact the Commission at the conclusion of the protest period as set forth in the Order to determine whether the certificate has been canceled. (Biegalski)

STAFF ANALYSIS: Rule 25-24.4701(3), Florida Administrative Code, states in part:

(3) The Commission, upon making a determination that a customer of an interexchange company is unlawfully reselling or rebilling intrastate interexchange service may issue an order that directs the customer to cease and desist reselling or rebilling such service and simultaneously directs the interexchange company to discontinue providing such service to such customer and/or to cease providing service to such customer at additional locations within Florida, provided that such discontinuance or limitation of service is technically feasible within the context of existing facilities and technology.

If CCGI's certificate is canceled, any intrastate interexchange service offered by CCGI would be in violation of Rule 25-24.474, Florida Administrative Code. Since the Commission cannot readily identify which IXC provides service to CCGI, the Commission should order all certificated IXCs to discontinue service to CCGI. The Order should state that any IXC providing service to CCGI must contact the Commission at the conclusion of the protest period as set forth in the Order to determine whether the certificate has been canceled.

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ISSUE 3: Should this docket be closed?

RECOMMENDATION: If no person whose substantial interests are affected files a protest within 21 days of the issuance date of the Order, CCGI's certificate should be canceled and the docket should be closed. (Bowman)

STAFF ANALYSIS: Unless a person whose substantial interests are affected by the Commission's order files a protest within 21 days of the issuance date of the Order, CCGI's certificate should be canceled and this docket should be closed.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA

CORPORATE COMMUNICATIONS
GROUP, INC., d/b/a CCGI

CASE NO. 97-10486-BKC-AJC
CHAPTER 7

Debtor.

**ORDER CONVERTING CASE TO CHAPTER 7,
APPOINTING JEFFREY H. BECK, CHAPTER 7 TRUSTEE,
AUTHORIZING TRUSTEE TO OPERATE BUSINESS,
AND SCHEDULING STATUS CONFERENCES**

THIS MATTER having come before the Court at a status conference held on Monday, February 24, 1997 at 2:30 p.m. The Court having heard the report and recommendations of Jeffrey H. Beck, Chapter 11 Trustee, and arguments of counsel, the Court having considered the circumstances of this case, and being otherwise fully advised in the premises, it is thereupon

ORDERED as follows:

1. This case is hereby immediately converted to a case under Chapter 7 of the Bankruptcy Code.
2. Jeffrey H. Beck is hereby appointed Chapter 7 Trustee.
3. Pursuant to 11 U.S.C. § 721, the Trustee is hereby authorized to continue to operate the business of the Debtor consisting primarily of the "One Plus" and "800" operations for a period not to exceed thirty days from the date of the entry of this Order unless extended by further order of this Court.
4. The Trustee is authorized to compensate the non-management employees of the Debtor at their ordinary rate of compensation for the two-week pay period ending on Friday,

February 21, 1997. Those non-management employees of the Debtor retained by the Trustee may be compensated on a going-forward basis at a salary not to exceed \$25,000 per annum.

5. The ruling articulated by the Court at the February 24, 1997 status conference is hereby adopted and incorporated herein.

6. The Trustee shall appear at 11:00 p.m. on Thursday, March 6, 1997; Thursday, March 20, 1997; and Thursday, March 27, 1997, and report to the Court on the status of this case.

ORDERED in the Southern District of Florida this 3 day of March

1997.

A. JAY CRISTOL

A. JAY CRISTOL
CHIEF UNITED STATES BANKRUPTCY JUDGE

Copies furnished to:

Lance H. Baker, Esq., who is requested to serve a conformed copy of this order immediately upon receipt of same to all creditors and interested parties.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA

In re:

CASE NO.: 97-10486 BKC-AJC

CHAPTER 7

CORPORATE COMMUNICATIONS
GROUP, INC. dba CCGI
ID#: 65-0426957

Debtor(s)/

NOTICE OF APPOINTMENT OF CHAPTER 7 TRUSTEE

Pursuant to 11 U.S.C. Section 701, Jeffrey Beck is hereby appointed as Trustee in the above referenced case and is hereby designated to preside at the meeting of creditors. The Trustee shall serve under the bond heretofore approved.

Dated: March 19, 1997

DONALD F. WALTON
Acting United States Trustee
Region 21

by: Robert A. Angueira
ROBERT A. ANGUIERA
Assistant U.S. Trustee

Office of the United States Trustee
51 S.W. First Avenue
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