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BEFORE THE PUBLIC UTILITIES COMMISSION
OF OHIO

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INFOTELECOM, LLC

Complainant,

v.

Ohio Bell Telephone Company
D/B/A AT&T Ohio

Defendant.

Case No. 11-4887-TP-CSS

SUBMISSION OF SUPPLEMENTAL AUTHORITY
REGARDING THE BANKRUPTCY STAY

Infotelecom, LLC ("Infotelecom") hereby submits this Supplemental Authority
Regarding the Bankruptcy Automatic Stay.

On October 18, 2011, Infotelecom filed a petition for bankruptcy in Case No. 11-18945 (Bankr. N.D. Ohio). Shortly afterwards, Infotelecom filed a notice of bankruptcy and suggestion of stay in this proceeding. As the Commission is aware, this proceeding is one of several involving Infotelecom and related AT&T entities. Attached as **Exhibit 1** is an Order Staying Proceedings issued by the Michigan Public Service Commission in Case No. U-16858 on November 10, 2011, ordering that the escrow dispute proceedings be stayed pending completion of the bankruptcy proceeding. The Michigan Public Service Commission states:

AT&T Michigan argues that there is no action against the debtor in this case because Infotelecom filed the petition and that therefore, the conditions for applying Section 362 do not apply. However, the Commission concludes that the essence of the dispute before it is a determination as to whether the debtor must pay amounts into escrow under the interconnection agreement. The case, although filed by the debtor, seeks to preserve the estate from actions

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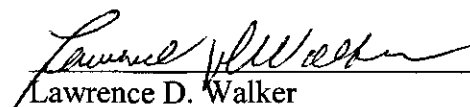
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against it by a creditor seeking to enhance the security of its eventual payment. If the final order renders a determination in the debtor's favor, the bankruptcy estate remains unchanged. If the order finds in the creditor's favor, the bankruptcy estate will be diminished to the extent that the debtor must place funds in escrow. Further, as pointed out by Infotelecom, it filed the petition here solely in defense of AT&T Michigan's threat to discontinue service over the disputed failure to place funds in escrow.

The Commission should likewise stay this proceeding pending the resolution of Infotelecom's bankruptcy proceeding.

Dated: November 11, 2011

Respectfully submitted,



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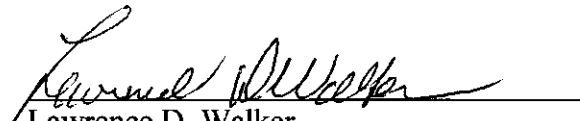
Counsel for Infotelecom, LLC

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing document was served by electronic mail on the following persons this 11th day of November 2011.

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Case No. U-16858

EXHIBIT
1

On October 21, 2011, AT&T Michigan filed a response in which it moved for a Commission determination that the automatic stay provisions of Section 362 are not applicable to this proceeding because it was initiated by the debtor rather than the creditor. AT&T Michigan argued that only proceedings against the debtor are stayed under 11 USC 362.

On October 24, 2011, Infotelecom filed a response to AT&T Michigan's motion in which it cites precedent from the United States Court of Appeals for the Sixth Circuit in support of its proposition that the automatic stay does apply to this proceeding.

11 USC 362 (a) provides:

Except as provided in subsection (b) of this section, a petition filed under section 301, 302, or 303 of this title, or an application filed under section 5(a)(3) of the Securities Investor Protection Act of 1970, operates as a stay, applicable to all entities, of—

(1) the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other action or proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title;

(2) the enforcement, against the debtor or against property of the estate, of a judgment obtained before the commencement of the case under this title;

(3) any act to obtain possession of property of the estate or of property from the estate or to exercise control over property of the estate;

(4) any act to create, perfect, or enforce any lien against property of the estate;

(5) any act to create, perfect, or enforce against property of the debtor any lien to the extent that such lien secures a claim that arose before the commencement of the case under this title;

(6) any act to collect, assess, or recover a claim against the debtor that arose before the commencement of the case under this title;

(7) the setoff of any debt owing to the debtor that arose before the commencement of the case under this title against any claim against the debtor; and

(8) the commencement or continuation of a proceeding before the United States Tax Court concerning a tax liability of a debtor that is a corporation for a taxable period the bankruptcy court may determine or concerning the tax liability of a debtor who is an individual for a taxable period ending before the date of the order for relief under this title.

When a debtor files a petition in bankruptcy, this section provides an automatic stay of any actions that seek to enforce rights against the debtor, with certain exceptions contained in subsection (b), none of which appear to be applicable here. AT&T Michigan argues that there is no

action against the debtor in this case because Infotelecom filed the petition and that therefore, the conditions for applying Section 362 do not apply. However, the Commission concludes that the essence of the dispute before it is a determination as to whether the debtor must pay amounts into escrow under the interconnection agreement. The case, although filed by the debtor, seeks to preserve the estate from actions against it by a creditor seeking to enhance the security of its eventual payment. If the final order renders a determination in the debtor's favor, the bankruptcy estate remains unchanged. If the order finds in the creditor's favor, the bankruptcy estate will be diminished to the extent that the debtor must place funds in escrow. Further, as pointed out by Infotelecom, it filed the petition here solely in defense of AT&T Michigan's threat to discontinue service over the disputed failure to place funds in escrow.

At this juncture, it appears to the Commission that the dispute belongs in the bankruptcy court unless some party seeks and is granted a lift of stay to continue the proceeding. However, the Commission notes that Infotelecom has failed to post the bond or other security required in the September 13 order and reaffirmed in the October 4 order in order for the protections of MCL 484.2203(13) to arise. Therefore, the protections against discontinuance under state law are not in force, and the debtor must rely on the federal protections to avail itself of that relief.

THEREFORE, IT IS ORDERED that the proceedings in this matter are stayed pending completion of the bankruptcy proceeding or the successful petition for lift of stay.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party aggrieved by this order may file an action in the appropriate federal District Court under 47 USC 252(e)(6).

MICHIGAN PUBLIC SERVICE COMMISSION

John D. Quackenbush, Chairman

Orjiakor N. Isiogu, Commissioner

Greg A. White, Commissioner

By its action of November 10, 2011.

Mary Jo Kunkle, Executive Secretary