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August 26, 1997

VIA FACSIMILE AND OVERNIGHT DELIVERY

Blanca S. Bayo
Director, Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0870

Re: Docket No. 970706-TI: Notification of Dial & Save of Florida, Inc. and Telco Holdings, Inc. d/b/a Dial & Save Pro Forma Reorganization and Assignment of License

Dear Ms. Bayo:

On behalf of Dial & Save of Florida, Inc. d/b/a Dial & Save, Dial & Save of Florida, Alpha, Inc. d/b/a Dial and Save, Inc., Dial & Save of Florida, Beta, Inc. d/b/a Dial and Save, Inc., Dial & Save of Florida, Delta, Inc. d/b/a Dial and Save, Inc., and Dial & Save of Florida, Gamma, Inc. d/b/a Dial and Save, Inc., (collectively "Dial & Save"), and Telco Holdings, Inc. d/b/a Dial & Save ("Telco Holdings"), this letter is to clarify the letter filed on May 12, 1997, by the aforementioned parties, advising the Commission of the *pro forma* corporate reorganization (the "Reorganization") and assignment of license from Dial & Save to Telco Holdings.

As described in the May 12, 1997 letter, as part of the Reorganization of Dial & Save's parent, Telco Communications Group, Inc. ("Telco"), Dial & Save along with its sister Dial & Save Corporations will be merged into Telco Holdings.¹ As a result of the Reorganization, each Dial & Save subsidiary will cease to exist and Dial & Save's certificate will be assigned to Telco Holdings. Thus, upon completion of the Reorganization, Dial & Save of Florida, Inc. d/b/a Dial & Save, Dial & Save of Florida, Alpha, Inc. d/b/a Dial and Save, Inc., Dial & Save of Florida, Beta, Inc. d/b/a Dial and Save, Inc., Dial & Save of Florida, Delta, Inc. d/b/a Dial and Save, Inc., and Dial & Save of Florida, Gamma, Inc. d/b/a Dial and Save, Inc. will all cease to exist, and Telco Holdings will be certificated to provide telecommunications services throughout the United States. As stated in the May 12, 1997 letter, the Reorganization involves no change in ultimate ownership or control of Dial & Save's license and operations. The management team and ultimate ownership

¹ Dial & Save currently has 48 subsidiaries that are certificated to provide service throughout the United States. Specifically, as Dial & Save subsidiary is certificated or registered to provide service in each of the continental states.

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Docket No. 970706
August 26, 1997
Page 2

of the proposed licensee (Telco Holdings) following the Reorganization will be the same as that of Dial & Save.

In light of the aforementioned reorganization, Dial & Save and Telco Holdings respectfully request that the Commission transfer Dial & Save of Florida, Inc.'s authority to provide interexchange telecommunications services (Certificate No. 3496, granted to Dial & Save of Florida, Inc. d/b/a Dial & Save on October 5, 1994, in Docket No. 940784) and authority to provide alternative local exchange telecommunications services statewide, except within the territories of earnings-regulated small local exchange companies (Certificate No. 4699, granted to Dial & Save of Florida, Inc. on August 7, 1996, in Docket No. 960647-TX) to Telco Holdings, Inc. d/b/a Dial & Save.

In addition, Dial & Save requests that the Commission cancel the following authorizations to provide interexchange telecommunications services:

Dial & Save of Florida Entity	Authority to Provide Interexchange Telecommunications Services²
Dial & Save of Florida, Alpha, Inc.	Certificate No. 4057
Dial & Save of Florida, Beta, Inc.	Certificate No. 4058
Dial & Save of Florida, Delta, Inc.	Certificate No. 4059
Dial & Save of Florida, Gamma, Inc.	Certificate No. 4060

Subsequent to the transfer of Dial & Save of Florida, Inc.'s interexchange certificate to Telco Holdings, Inc. d/b/a Dial & Save and the cancellation of the interexchange certificates of Dial & Save of Florida, Alpha, Inc., Dial & Save of Florida, Beta, Inc., Dial & Save of Florida, Delta, Inc. and Dial & Save of Florida, Gamma, Inc., Telco Holdings, Inc. d/b/a Dial & Save will maintain one tariff that duplicates the service offerings, rates, terms and conditions as filed in each Dial & Save tariff currently on file with the Commission.

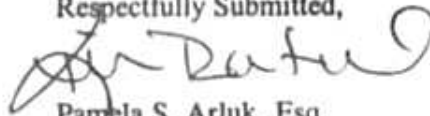
² See Order No. PSC-95-099-FOF-TI, in Docket Nos. 950460-TI through 950463-TI (granted August 17, 1995.)

Docket No. 970706
August 26, 1997
Page 3

Conclusion

This letter is forwarded to the Commission for informational purposes, to be included in the appropriate file. Please do not hesitate to contact the undersigned with any questions or comments regarding this transaction.

Respectfully Submitted,



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Their Counsel

cc: Tom Williams

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