

FLORIDA PUBLIC SERVICE COMMISSION
Capitol Circle Office Center - 2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

MEMORANDUM

NOVEMBER 20, 1997

RECEIVED

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10.00

FPSC - Records/Reporting

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF COMMUNICATIONS [WILLIAMS] *TEW*
DIVISION OF LEGAL SERVICES [PENA] *KPMCB*

RE: DOCKET NO. 970214-TI; REQUEST FOR ACKNOWLEDGMENT OF
TRANSFER OF OWNERSHIP AND CONTROL OF L.D. SERVICES, INC.
d/b/a L.D.S. TELECOMMUNICATIONS, INC. TO IXC LONG
DISTANCE, INCORPORATED.

AGENDA: 12/02/97 - REGULAR AGENDA - INTERESTED
PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:PSC/CMU/WP/970214TI.RCM

CASE BACKGROUND

The above docket was initiated pursuant to a request filed jointly by L.D. Services, Inc. d/b/a L.D.S. Telecommunications, Inc. (LDS) and IXC Long Distance, Inc. (IXC) on February 18, 1997.

The Commission approved the transfer of control in Order PSC-97-0453-FOF-TI, issued April 21, 1997 (Attachment A).

On September 12, 1997, staff was notified by Swidler and Berlin, legal counsel for LDS that the transfer did not take place (Attachment B). Therefore, staff is requesting that Order PSC-97-0453-FOF-TI, issued April 21, 1997, be vacated.

STAFF DISCUSSION

ISSUE 1: Should Order PSC-97-0453-FOF-TI, issued April 21, 1997, in Docket No. 970214-TI; Request for Acknowledgement of transfer of ownership and control of L.D. SERVICES, INC. d/b/a L.D.S. TELECOMMUNICATIONS, INC. to IXC LONG DISTANCE, INCORPORATED be vacated?

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Docket No. 970214-TI
Date: November 20, 1997

RECOMMENDATION: Yes.

STAFF ANALYSIS: Since the transfer did not take place staff is recommending that Order PSC-97-0453-FOF-TI, issued April 21, 1997, in Docket No. 970214-TI; Request for Acknowledgement of transfer of ownership and control of L.D. SERVICES, INC. d/b/a L.D.S. TELECOMMUNICATIONS, INC. to IXC LONG DISTANCE, INCORPORATED be vacated.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed upon issuance of the Commission's vacating order.

STAFF ANALYSIS: This docket should be closed, when the Commission's order is issued vacating its approval of the transfer of control.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for) DOCKET NO. 970214-TI
acknowledgment of transfer of) ORDER NO. PSC-97-0453-FOF-TI
ownership and control of L.D.) ISSUED: April 21, 1997
Services, Inc. d/b/a L.D.S.)
Telecommunications, Inc. to IXC)
Long Distance, Incorporated.)

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
SUSAN F. CLARK
J. TERRY DEASON
JOE GARCIA
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING TRANSFER
OF OWNERSHIP AND CONTROL

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Pursuant to Section 364.33, Florida Statutes, a person may not acquire ownership or control of any telecommunications facility, or any extension thereof for the purpose of providing telecommunications services to the public, including the acquisition, transfer, or assignment of majority organizational control or controlling stock ownership, without prior approval from this Commission.

By letter dated February 18, 1997, L.D. Services, Inc. d/b/a L.D.S. Telecommunications, Inc. (L.D.S.), holder of Interexchange Telecommunications Certificate Number 4073, and IXC Long Distance, Inc. (IXC-LD) holder of Interexchange Telecommunications Certificate Number 4031, jointly requested approval of transfer of ownership and control of L.D.S. to IXC-LD. As of January 17, 1997, IXC-LD and L.D.S. executed a Stock Acquisition Agreement and Plan of Merger, whereby IXC-LD will acquire ownership and control of L.D.S. L.D.S. has stated that it will continue to operate under

ORDER NO. PSC-97-0453-FOF-TI
DOCKET NO. 970214-TI
PAGE 2

its own name and will remain the holder of Interexchange Telecommunications Certificate Number 4073. The transaction will be virtually transparent to L.D.S. customers in terms of the services they receive. Similarly, the proposed transaction will have no effect on the operation of IXC-LD, which will continue to provide telecommunications services to intrastate customers pursuant to its existing authorizations.

We determine that the transfer of ownership and control of L.D.S. to IXC-LD is in the public interest and, accordingly, we hereby approve the transfer.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of ownership and control of L.D. Services, Inc. d/b/a L.D.S. Telecommunications, Inc. to IXC Long Distance, Inc. is hereby approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission, this 21st day of April, 1997.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: /s/ Kay Flynn
Chief, Bureau of Records

This is a facsimile copy. A signed copy of the order may be obtained by calling 1-904-413-6770.

(S E A L)
KMP

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 12, 1997.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party substantially affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

GRACE R. CHIU
ATTORNEY-AT-LAW

SWIDLER
&
BERLIN
CHARTERED

COPY
DIRECT DIAL
(202)424-7783
GRCHIU@SWIDLAW.COM

September 12, 1997

VIA OVERNIGHT DELIVERY

Mr. Walter D'Haeseleer
Director of the Communications Division
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 970214-TI -- Notification Letter for Authority for
IXC Long Distance, Inc. to Acquire Control of L. D. Services, Inc.

Dear Mr. D'Haeseleer:

On behalf of L.D. Services, Inc. ("L.D. Services"), this letter is to advise the Commission that the proposed transaction that was the subject of Docket No. 970214-TI will not be consummated. Due to a change in circumstances, the parties have determined not to proceed with the proposed acquisition of L.D. Services by IXC Long Distance, Inc., which transaction had been approved by the Commission by Order dated May 13, 1997. We would appreciate it if you would associate a copy of this letter in the appropriate Commission files.

An original and twelve (12) copies of this letter are enclosed. Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, stamped envelope provided. Should you have any questions, please do not hesitate to contact me at 202/424-7783.

Very truly yours,


Grace R. Chiu

Enclosures

cc: Richard A. Bishop
James E. Magee, Esq.
Dana Frix, Esq.

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(ATTACHMENT B)