

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building  
101 East Gaines Street  
Tallahassee, Florida 32399-0850

M E M O R A N D U M

AUGUST 19, 1993

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF COMMUNICATIONS [WILLIAMS, COLEMAN] *WC*  
DIVISION OF LEGAL SERVICES [ADAMS] *KA*

RE : DOCKET NO. 930492-TI; APPLICATION OF METROMEDIA  
COMMUNICATIONS CORPORATION TO MERGE INTO LDDS  
COMMUNICATIONS, INC. *FL*

AGENDA: AUGUST 31, 1993 - CONTROVERSIAL - PROPOSED AGENCY ACTION  
- PARTIES MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\930492.RCM

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DISCUSSION OF ISSUES

ISSUE 1: Should the Commission approve the merger of LDDS COMMUNICATIONS, INC. with METROMEDIA COMMUNICATIONS CORPORATION?

RECOMMENDATION: Yes.

STAFF ANALYSIS: The applicant has respectfully requested approval of the merger of LDDS Communications, Inc. (LDDS), a publicly owned Tennessee corporation with Metromedia Communications (MCC), a privately owned Delaware corporation that is providing intrastate telecommunications service in Florida under FPSC certificate 1528.

Currently LDDS is the parent company of a number of non-dominant carrier subsidiaries that resell domestic intrastate, interstate, and international services in all 50 states.

At present, LDDS is able to provide intrastate telecommunications service in Florida through a subsidiary named Telemarketing Corporation of Louisiana d/b/a LDDS Communications, Inc. (FPSC Certificate No. 1526).

Further, Telemarketing Corporation of Louisiana d/b/a LDDS Communications, Inc. has acquired the controlling interest in the following subsidiaries in Florida:

DOCUMENT NUMBER-DATE

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1. TFN Marketing Company, Inc. (cert. 2291).
2. Tele-Fiber Network Corporation. (cert. 1645).
3. Transcall America, Inc. d/b/a ATC Long Distance (ATC) (cert. 43).
4. Advanced Network Systems, Inc. d/b/a ANS, Inc. (cert. 2223).
5. Microtel, Inc. (cert. 87).
6. TMC of Southwest Florida, Inc. (cert. 1501).
7. Touch 1 Long Distance, Inc. (cert. 2363).

Presently, none of the names nor the terms and conditions of services offered by these companies will be affected by the transaction. Each certificated subsidiary will continue to operate under their present tariff on file with this Commission.

MCC is the outcome of a merger of the following intrastate telecommunications service companies:

1. Metromedia Long Distance, Inc. (cert. 41).
2. Metromedia Hotelnet, Inc. (cert. 2361).
3. Metromedia Communications Corporation (cert. 76).
4. Resurgens Communications Group (cert. 1528).

Per Order PSC-93-0702-FOF-TI, effective June 2, 1993, the merger transaction entailed cancelling Certificates Nos. 41, 2361, and their tariffs, and changing the name on Certificate 1528 from Resurgens Communication Group to Metromedia Communications Corporation. Certificate No. 76 was also canceled by Order PSC-93-0702-FOF-TI because of an inadvertent request by Metromedia. This is being addressed in Docket Number 930096-TI.

Presently, the merger of LDDS and MCC should not cause any inconvenience or confusion to its customers.

After the merger, (at a later date) the surviving entity MCC will file a request for a name change on Certificate No. 1528 and tariff from MCC to LDDS METRO Communications, Inc. The current services provided will not be altered and the customers will be notified in a timely matter.

**ISSUE 2:** Should this Docket be closed?

**RECOMMENDATION:** Yes, this docket should be closed after the effective date of the proposed agency action (PAA) order, assuming no protest is received.

**STAFF ANALYSIS:** This docket should be closed at the end of the PAA protest period assuming no timely protest is received.