BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Request for Approval of Proposed Agreement and Plan of Merger and Related Transactions) between WorldCom, Inc. (holder of IXC Certificate No. 1528 and ALEC Certificate No. 4040 in the) name WorldCom, Inc. d/b/a LDDS WorldCom) and MFS Communications) Company, Inc. (holder of ALEC Certifcate No. 3151 in the name Metropolitan Fiber Systems of Florida, Inc., and IXC Certificate No. 3573 in the name) MFS Intelnet of Florida, Inc., and IXC Certificate No. 2990 and) STS Certificate No. 3497 in the) name RealCom Office Communications, Inc.)

) DOCKET NO. 961039-TP) ORDER NO. PSC-96-1481-FOF-TP) ISSUED: December 4, 1996

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING PLAN OF MERGER

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.

On September 4, 1996, WorldCom, Inc. (WorldCom) and MFS Communications Company, Inc. (MFSCC), jointly requested approval of a proposed agreement and plan of merger between WorldCom, Inc., and its subsidiary WorldCom, Inc. d/b/a LDDS WorldCom (FPSC IXC Certificate No. 1528 and FPSC ALEC Certificate No. 4040) with MFS Communications Company, Inc. and its subsidiaries Metropolitan Fiber Systems of Florida, Inc. (FPSC ALEC Certificate No. 3151), MFS Intelnet of Florida, Inc. (FPSC IXC Certificate No. 3573), and RealCom Office Communications, Inc. (FPSC IXC Certificate No. 3573), and

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and FPSC STS Certificate No. 3497) (Florida Operating Subsidiaries).

WorldCom and MFSCC stated that significant economic and marketing efficiencies and enhancements will be accomplished by the merging of the two entities and establishing MFSCC as a whollyowned subsidiary of WorldCom. WorldCom created HIJ Corp. (HIJ), a wholly-owned subsidiary, specifically for the purpose of consummating the transaction. HIJ will merge into MFSCC. MFSCC will be the surviving entity following the merger, and will become a wholly-owned subsidiary of WorldCom.

WorldCom and MFSCC stated that the proposed transaction will not involve a change in the manner in which telecommunications services are provided to MFSCC customers. MFSCC will continue operating its Florida Operating Subsidiaries under their current names and no certificate holder name will change. The Florida Operating Subsidiaries will continue to operate under their tariffs on file with this Commission. MFSCC represents that the transaction will be virtually seamless to its customers and that it will notify all of its customers of the merger transaction.

The combined entity will offer its customers a full range of competitively priced services and increase competition in the local, long distance and other related market sectors.

We find the plan of merger and related transactions to be in the public interest, and, accordingly, we grant our approval.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that the joint request of WorldCom, Inc., and MFS Communications Company, Inc., for approval of the merger of MFS Communications Company, Inc., into WorldCom, Inc., as herein described, is granted. 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.

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By ORDER of the Florida Public Service Commission, this <u>4th</u> day of <u>December</u>, <u>1996</u>.

BLANCA S. BAYÓ, Director Division of Records and Reporting

(SEAL)

CJP

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), 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.

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 <u>December 26, 1996</u>.

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.