



Davis Wright Tremaine LLP

ANCHORAGE BELLEVUE BOISE CHARLOTTE HONOLULU LOS ANGELES NEW YORK
 PORTLAND RICHLAND SAN FRANCISCO SEATTLE WASHINGTON, D.C. SHANGHAI

JANE WHANG
 Direct (415) 276-6571
 janewhang@dwt.com

SUITE 600 TEL (415) 276-6500
 ONE EMBARCADERO CENTER FAX (415) 276-6599
 SAN FRANCISCO, CA 94111-3834 www.dwt.com

VIA Federal Express

June 30, 1999

Division of Records and Reporting
 Florida Public Service Commission
 2540 Shumard Oak Blvd.
 Tallahassee, FL 32399-0850

990868-TI

Re: Notice of Transfer of Control of Shared Communications Services, Inc.

Dear Sir or Madam:

On behalf of Advanced TelCom Group, Inc. ("ATGI"), Trailblazer Acquisition Corporation ("Trailblazer"), and Shared Communications Services, Inc. ("SCS"), please find enclosed one original and three copies of this letter, which serves to notify the Florida Public Service Commission ("Commission") of a proposed transaction among ATGI, Trailblazer, and SCS.

It is our understanding that because there will be no transfer of Certificates of Public Convenience and Necessity and SCS, a certified long distance reseller, will remain the surviving corporation and will not change its name, the transaction would not require formal approval by the Commission pursuant to Rule 25.4005. This letter serves as notification to the Commission of this proposed transaction. Under the proposed transaction, ATGI, through Trailblazer, intends to acquire all outstanding shares of SCS from SCS shareholders through a statutory merger of Trailblazer and SCS.

Parties to the Transaction

ATGI is a Delaware corporation whose principal office is located at 100 Stony Point Road, Suite 130, Santa Rosa, CA 95401. Trailblazer is an Oregon corporation that is a wholly-owned subsidiary of ATGI. Trailblazer does not hold its own certificate to provide interexchange resale or competitive local exchange services. ATGI is currently in the process of entering the interexchange and competitive local exchange telecommunications services market.¹ ATGI is

¹ ATGI received its Florida corporation certification on April 28, 1999. See Qualifications Document No. F99000002193.

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also authorized to provide competitive local exchange services in California, Colorado, Idaho, Nevada, Oregon, Washington, and Texas.

SCS is an Oregon corporation whose principal office is located at 3723 Fairview Industrial Drive, SE, Salem, OR 97302. By Case No. 960669-TI, SCS was authorized to provide long distance resale telecommunications services in Florida. SCS is authorized to provide competitive local exchange services in Oregon, Nevada and Washington and is authorized to provide interexchange resale throughout almost all of the fifty states.

Description of Transaction

On June 16, 1999, Trailblazer and its parent, ATGI, and SCS entered into an Agreement and Plan of Reorganization ("Agreement"), whereby ATGI agreed to acquire SCS through a statutory merger of SCS with Trailblazer.

Pursuant to this merger, all the issued and outstanding capital stock of SCS shall be converted into the right to receive cash consideration, and all issued and outstanding options, warrants, and other rights to purchase stock of SCS shall be cancelled. Upon the effective date of the merger, Trailblazer will be merged with and into SCS, and the separate corporate existence of Trailblazer will cease, while SCS shall continue as the surviving corporation, and as a wholly-owned subsidiary of ATGI. There will be no transfers of certificates of authority.

Applicants expect that for the foreseeable future both SCS and ATGI will continue to operate their respective telecommunications businesses under their current names, and will continue to provide high quality, affordable telecommunications services to the public. As such, this transaction will not in any way disrupt service or cause inconvenience or confusion to the customers of SCS. Further, because the surviving corporation is SCS, the effect of the acquisition will be seamless for SCS' retail customers in Florida.

Public Interest

This proposed transaction will serve the public interest because it will provide SCS and ATGI with the ability to achieve economies of scale by combining their financial resources, complementary services, facilities, and expertise. The transaction also provides SCS with a strengthened financial position, because of the larger capital base of ATGI. Further, the proposed transaction will provide SCS and ATGI with significant synergies in marketing, network performance, and other telecommunications operations and will also allow the combined company to provide a larger variety of new products and services to its customers. For example, ATGI has a complete Operation Support Services (OSS) system for facilities-based and resale services ordering, provisioning, billing and customer records maintenance, and also has switches and networks that will benefit SCS' operations. Moreover, SCS possesses a fully-equipped and experienced sales and sales support team, with a customer call-in center, which will complement ATGI's operations. Ratepayers will benefit from the combined company's economies of scale. Finally, the principals and senior management of both SCS and ATGI have broad technical and managerial experience that will benefit the combined company's operations.



Accordingly, the proposed acquisition will benefit the public interest and create more competitive choices by providing consumers with a wide variety of efficient services.

Finally, the merger will not affect the Commission's ability to regulate effectively and audit the merged company. SCS provides long distance resale in Florida, and as surviving corporation of the merger, will continue to provide these services after the merger.

Please acknowledge receipt of this filing by date-stamping and returning one copy of this letter of notice in the self-addressed, stamped envelope provided for this purpose. If you have any questions, please do not hesitate to call me. Thank you for your attention to this matter.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in cursive script, appearing to read 'Jane Whang'.

Jane Whang

cc: Kathryn L. Thomas, ATGI
Pamela Ballard, SCS
Mark P. Trinchero, Esq.

Tom Williams,
Communications Division
Florida Public Service Commission