

REQUEST TO ESTABLISH DOCKET
(PLEASE TYPE)

Date: April 9, 1998

Docket No. 480508 TI

1. Division Name/Staff Name: Communications/T. Williams
2. OPR: T. Williams
3. OCR: _____

4. Suggested Docket Title: Request for transfer of control of SNET AMERICA, INC. (IXC Certificate No. 4055) to SBC COMMUNICATIONS, INC.

5. Suggested Docket Mailing List (attach separate sheet if necessary)

- A. Provide NAMES ONLY for regulated companies or ACRONYMS ONLY regulated industries, as shown in Rule 25-22.104, F.A.C.
- B. Provide COMPLETE name and address for all others. (Match representatives to clients.)

1. Parties and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. Interested Persons and their representatives (if any)

_____	_____
_____	_____
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6. Check one:

Documentation is attached.

Documentation will be provided with the recommendation.

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PSC/RAR 10 (Revised 01/96)

DOCUMENT NUMBER - DATE

04094 APR-98

FPSC-REGISTRATION

SBC COMMUNICATIONS INC.
SOUTHERN NEW ENGLAND TELECOMMUNICATIONS CORP.

March 31, 1998

Mr. W.D. D'Haeseleer
Director of Communications
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

RECEIVED
FLORIDA PUBLIC
SERVICE COMMISSION
APR - 8 AM
MAIL ROOM
Re: Notification of SBC Communications Inc.
Regarding the Transfer of Control of SNET
America, Inc. to SBC Communications Inc.

Dear Mr. D'Haeseleer:

On behalf of SBC Communications Inc. ("SBC") and Southern New England Telecommunications Corporation ("SNET"), this letter advises the Florida Public Service Commission ("Commission") of a proposed indirect transfer of control of the authorization held by SNET America, Inc. ("SNET America"), a wholly-owned subsidiary of SNET, to SBC. SNET America is an authorized reseller of intrastate, interexchange telecommunications services in Florida pursuant to certification granted by this Commission on July 5, 1995 in Docket No. 950413-TI (Certificate No. 4055). On January 4, 1998, SBC and SNET entered into an Agreement and Plan of Merger (the "Plan") under which SNET would become a first tier, wholly-owned subsidiary of SBC (the "Merger"). It should be noted that the transaction being reported to the Commission is part of a larger transaction, involving similar authorizations in 45 other states.

The Parties

SBC Communications Inc. SBC is a Delaware holding company publicly traded on the New York Stock Exchange under the symbol "SBC." Headquartered in San Antonio, Texas, SBC is among the largest telecommunications companies in the United States and one of the world's leading diversified telecommunications companies. Through its subsidiaries, SBC provides innovative telecommunications products and services under the Southwestern Bell, Pacific Bell, Nevada Bell, and Cellular One brand names. SBC's seven in-region states include Arkansas, Missouri, Kansas, Oklahoma, and Nevada, as well as the nation's most populous states - California and Texas. SBC and its subsidiaries also serve seven of the country's ten largest metropolitan areas and 16 of the top 50. Through its international holdings, SBC serves selected markets on five continents.

SBC has the managerial experience and technical and financial qualifications to acquire control of the authorizations held by SNET and SNET America. Through its operating subsidiaries, SBC provides customers an expansive array of services and products, including voice and data telephone services, wireless communications, Internet access, telecommunications equipment, voice mail, and directory advertising. SBC serves approximately 33 million local exchange access lines in seven states. As indicated in SBC's consolidated financial statements for 1996, SBC's 1996 revenues were \$23.5 billion, while its 1996 earnings were \$3.2 billion.

Southern New England Telecommunications Corp. SNET is a Connecticut corporation publicly traded on the New York Stock Exchange under the stock symbol "SNG." Headquartered in New Haven, Connecticut, SNET is Connecticut's largest telecommunications provider, with 2.26 million access lines and 1.5 million business and residential customers. SNET's subsidiaries offer a full range of telecommunications products and services, including voice and data telephone services, long distance and international telephone service, video services, wireless services, Internet access, and wholesale network services. As indicated in SNET's consolidated financial statements for 1997, SNET's 1997 revenues were \$2.02 billion while its 1997 earnings were \$193.8 million.

SNET is the parent company of SNET America, Inc. ("SNET America") a nondominant carrier authorized to provide resold, intrastate, interexchange telecommunications services in 46 states.¹

The Transaction

The proposed transaction is structured as a merger of SBC (CT) Inc. ("Merger Sub"), a newly formed Connecticut subsidiary of SBC created specifically for the purpose of consummating the transaction,² and SNET. Pursuant to the Plan, Merger Sub will merge with and into SNET, with SNET being the surviving entity. The surviving Connecticut corporation will continue under the name of Southern New England Telecommunications Corporation and will be a wholly-owned subsidiary of SBC.

Originally, the Plan provided for an exchange ratio of 0.8784 shares of SBC common stock for each share of SNET common stock. However, on January 30, 1998, SBC announced a two-for-one stock split which will modify the exchange ratio to allow each SNET stockholder to receive

¹ SNET America is also authorized by the Federal Communications Commission to provide domestic interstate and international services as a nondominant carrier nationwide.

² Merger Sub will conduct no business and hold no regulatory licenses from this or any other regulatory commission.

1.7568 shares of SBC stock for each share of SNET stock. Following the merger, SBC will own all of the stock of SNET. However, SNET will continue to own the stock of The Southern New England Telephone Company (which provides local exchange telecommunications service in Connecticut) and SNET America, among other subsidiaries.

The Merger will result in a change in the ultimate corporate parent of SNET America, but will not involve a change in the manner in which SNET America provides service to its customers. SNET America will continue to operate in Florida under its current name and tariffs. The company also will continue to be led by a team of well-qualified telecommunications managers comprised of existing SNET personnel.

Designated Contacts

The designated contacts for questions concerning this joint notification are:

For SBC:

Thomas W. Hartmann, Esq.
Senior Counsel
SBC Communications, Inc.
Mergers & Acquisitions, 11th Floor
175 East Houston Street
San Antonio, Texas 78205
(210) 351-3735 (Tel.)
(210) 351-3488 (Fax.)

For SNET

Alfred J. Brunetti, Esq.
Assistant General Counsel
Southern New England
Telecommunications Corporation
227 Church Street, 10th Floor
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(203) 771-5507 (Tel.)
(203) 771-6577 (Fax.)

Public Interest Considerations

Consummation of the Merger will serve the public interest by promoting competition among providers of intrastate, interexchange telecommunications services. By combining the resources, complementary managerial skills and experience of SBC and SNET, the two companies anticipate that the Merger will result in a company better equipped to accelerate its growth as a competitive telecommunications service provider.

Today, although there are hundreds of long distance carriers, including AT&T Corp., MCI Telecommunications Corp., Sprint Corp., and WorldCom, Inc., the market is still characterized by the lock-step pricing practices of the three major facilities-based carriers. This market would benefit by and become more competitive through the entry of other large-scale competitors, which SNET and SBC hope to be and which this merger will enhance.

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The transfer will afford SNET, and thus SNET America, the scale and scope that SNET America is currently lacking. The Merger will make available to SNET America's long distance operations SBC's superior purchasing power for long distance minutes sold by SNET America, which will lower its costs of providing long distance service.

The Merger will, therefore, ensure the continued provision of high quality and innovative telecommunications services to the existing customers of SNET America and should promote competition in this state's telecommunications service market. In sum, the Merger will benefit the public interest by enhancing the ability of SBC and SNET to offer competitively-priced, interexchange telecommunications services.

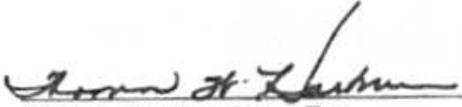
Conclusion

For the reasons stated herein, SBC and SNET respectfully request that, subject to the ultimate closing of the merger, the Commission promptly and unconditionally approve this indirect transfer of control of the authorization held by SNET America.

Please date-stamp the enclosed extra copy of this letter and return it in the self-addressed stamped envelope herein. Should you have any questions or comments regarding this transaction, please feel free to contact the undersigned.

Respectfully submitted,

SBC COMMUNICATIONS INC.


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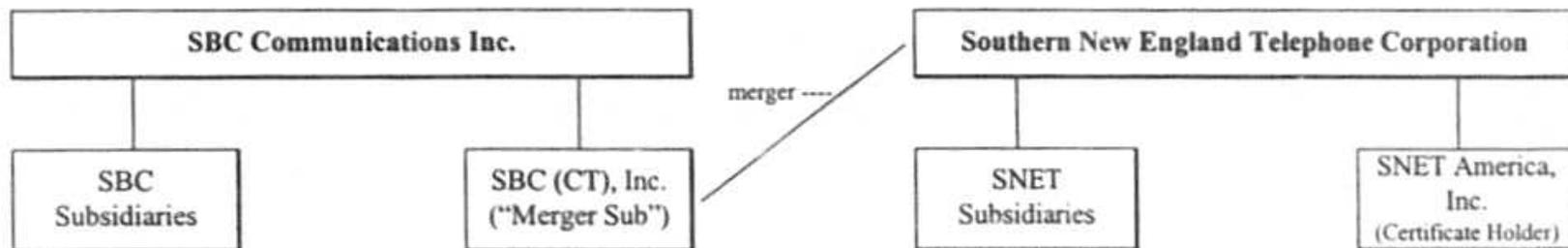
**SOUTHERN NEW ENGLAND
TELECOMMUNICATIONS CORP.**


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Dated: March 31, 1998

EXHIBIT
Applicants' Corporate Structure

Before Transaction



After Transaction

