

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for acquisition	)	DOCKET NO. 900461-TI
of indirect control of SOUTHERNNET,	)	ORDER NO. 23052
INC. and SOUTHERNNET SYSTEMS, INC. by	)	ISSUED: 6-11-90
MCI COMMUNICATIONS CORPORATION.	)	
	)	

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman  
 THOMAS M. BEARD  
 BETTY EASLEY  
 GERALD L. GUNTER

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING APPLICATION FOR ACQUISITION  
OF INDIRECT CONTROL OF CERTIFICATES NOS. 47 AND 126

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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

On May 11, 1990, MCI Communications Corporation (MCI) and Telecom\*USA, INC. (Telecom) filed a joint application for transfer of control of Certificates Nos. 47 and 126 issued to SouthernNet, Inc. and SouthernNet Systems, Inc., respectively. MCI Capital is a corporation created by MCI to facilitate the merger. MCI Capital will be merged into Telecom, which will be the surviving company. As a result of the merger MCI Communications, through Telecom, parent of SouthernNet and SouthernNet Systems, will obtain control of interexchange carrier (IXC) Certificates Nos. 47 and 126 held by SouthernNet and SouthernNet Systems, respectively. MCI, a Delaware corporation, owns 100% of the outstanding stock of MCI Telecommunications, which is certificated as an IXC in Florida. SouthernNet Systems is a carrier's carrier that also provides private line service to commercial end users.

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SouthernNet provides long distance services to business and residential customers. It also provides resold private line services.

As a result of the merger SouthernNet and SouthernNet Systems will continue to provide the same services at the same rates currently on file with this Commission. Therefore, no tariff revisions will be required at this time.

Pursuant to Rule 25-24.473, Florida Administrative Code, and Section 364.33, Florida Statutes, MCI and Telecom have satisfied all the filing requirements necessary for approval of the transfer of control of the IXC certificates issued to SouthernNet and SouthernNet Systems. Therefore, we find the transfer of control of the two certificates to be in the public interest. As a result of the merger, SouthernNet and SouthernNet Systems will be owned by a company with experience in the provision of long distance service. The two companies may also benefit from the assets of MCI and could become more viable as long distance companies.

In a related docket, Southland Communications Corporation and Rochester Telephone Corporation have filed a joint petition for approval of the acquisition of stock of Southland Telephone Company by Rochester Telephone Corporation. Southland Communications Corporation is a subsidiary of Telecom. Southland Telephone Company is a certificated local exchange company (LEC) in Florida and is owned by Southland Communications Corporation. Although the sale of the stock is expected to occur prior to the merger of MCI Capital into Telecom, the possibility exists that the stock acquisition could be delayed. If this occurs, then MCI would control Southland Telephone Company during the time period between the Telecom merger and the sale of Southland Telephone Company. If the merger occurred before the sale of the LEC, the effect on any company or customer would be minimal because Southland Telephone Company would continue to operate with the same persons in direct control as before the merger. This occurrence would have no effect on the application for approval of the acquisition of this company being processed in Docket No. 900381-TL.

If the transient control of Southland Telephone Company by MCI does occur, we will take whatever action is appropriate, if any, at that time.

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This docket shall be closed after the effective date of the proposed agency action order, if no protest is received.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application for approval of the acquisition of indirect control of Certificates Nos. 47 and 126, held by SouthernNet, Inc., and SouthernNet Systems, Inc., is hereby approved as set forth in the body of this Order. It is further

ORDERED that the provisions of this Order are issued as proposed agency action and shall become final unless a petition in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director of the Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date set forth below. It is further

ORDERED that, if no protest is received within the 14 day protest period set out in the Notice of Further Proceedings below, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 11th day of JUNE, 1990.

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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

SFS

by: Kay Feiza  
Chief, Bureau of Records

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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 at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on June 25, 1990.

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, and as reflected in a subsequent order.

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 adversely 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 sewer 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.