

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for waiver of) DOCKET NO. 950134-TI
customer deposit bond for IDB) ORDER NO. PSC-95-1218-FOF-TI
WorldCom Services, Inc., d/b/a) ISSUED: October 3, 1995
IDB WorldCom and WilTel, Inc.,)
by LDDS Communications, Inc.,)
d/b/a LDDSMetromedia)
Communications.)
_____)

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 GRANTING PETITION FOR
WAIVER OF CUSTOMER DEPOSIT BOND

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.

Under Rule 25-24.490(3), Florida Administrative Code,

A minor interexchange company [IXC] may require a deposit as a condition for service and may collect advance payments for more than one month of service if it maintains on file with the Commission a bond covering its current balance of deposits and advance payments (for more than one month's service). A company may apply to the Commission for a waiver of the bond requirement by demonstrating that it possess the financial resources and income to provide assurance of continued operation under its certificate over the long term.

On February 2, 1995, LDDS Communications, Inc. d/b/a LDDSMetromedia Communications (LDDS), petitioned for a waiver of the requirement that a bond be maintained on file with this Commission for two of its subsidiaries - IDB Worldcom Services, Inc. d/b/a Worldcom (IDB), and Wiltel, Inc. (Wiltel).

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On April 11, 1995, LDDS requested that Certificate Number 522 be amended to reflect a change in name from WilTel, Inc., to WorldCom Network Services, Inc. d/b/a WilTel Network Services, Inc. We granted its request by Order No. PSC-95-0868-FOF-TI, issued July 17, 1995. By letter dated August 28, 1995, LDDS agreed to be responsible for the customer deposits of IDB and Wiltel.

We have analyzed the financial statements of LDDS for fiscal years 1992, 1993, and 1994. LDDS has sufficient cash, and its current ratio is adequate, when compared with the industry average of 1.07. LDDS also has an equity ratio of 67 percent, which is higher than the industry average. Although LDDS suffered a loss for 1994, it appears that it would have reported a profit if it had not recorded nonrecurring merger costs in that year.

LDDS is already the fourth largest IXC in the United States. With the acquisitions of IDB and Wiltel, its scope has broadened significantly. IDB provides international service, and the acquisition of Wiltel will allow LDDS to rely more on its own facilities.

Based upon LDDS's market and financial strength, and the fact that the amount of customer deposits currently held by IDB does not exceed \$10,000, the request for waiver of the bond requirement is granted.

It is, therefore,

ORDERED by the Florida Public Service Commission that the petition for waiver of Rule 25-24.490(3), Florida Administrative Code, as it applies to IDB Worldcom Services, Inc. d/b/a Worldcom, and Wiltel, Inc., filed by LDDS Communications, Inc. d/b/a LDDSMetromedia Communications, is granted. It is further

ORDERED that, unless a petition is filed in the form and by the date specified in the Notice of Further Proceedings or Judicial Review, this docket shall be closed.

By ORDER of the Florida Public Service Commission, this 3rd day of October, 1995.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay DeLeon
Chief, Bureau of Records

(S E A L)
RJP

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 October 24, 1995.

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.