

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of merger of Eastern Telecom, Inc., d/b/a InterQuest, holder of Interexchange Telecommunications Certificate No. 3502, and Interstate FiberNet, holder of Interexchange Telecommunications Certificate No. 4392, into ITC Transmission Systems, Inc., and cancellation of Eastern Telecom, Inc. d/b/a InterQuest Interexchange Telecommunications' Certificate No. 3502 and tariff.

DOCKET NO. 970233-TI
ORDER NO. PSC-97-0761-FOF-TI
ISSUED: June 26, 1997

The following Commissioners participated in the disposition of this matter:

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

NOTICE OF PROPOSED AGENCY ACTION ORDER
APPROVING MERGER AND CANCELING
INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE

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.

By letter dated May 6, 1997, Eastern Telecom, Inc. d/b/a InterQuest (InterQuest), holder of Interexchange Telecommunications Certificate Number 3502, Interstate FiberNet (FiberNet), holder of Interexchange Telecommunications Certificate Number 4392, and ITC

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Transmission Systems, Inc. (ITC) requested the approval of the merger of InterQuest and FiberNet into ITC. The companies also requested the cancellation of InterQuest's Interexchange Telecommunications Certificate Number 3502. By Order No. PSC-93-1716-FOF-TI, issued December 22, 1993, InterQuest was granted authority to provide interexchange telecommunications services in Florida. By Order No. PSC-96-0521-FOF-TI, issued May 7, 1996, FiberNet was granted authority to provide interexchange telecommunications services in Florida.

ITC Holding Company, Inc. (ITC Holding) owns 100% of the corporate stock of InterQuest and ITC. Pursuant to the proposed reorganization of ITC Holding, FiberNet will dissolve by operation of law when this merger takes place. ITC, as the surviving corporation after the merger, will then change its name to Interstate FiberNet, Inc. Following the merger, ITC Holding will hold 100% of the corporate stock of Interstate FiberNet, Inc. Thus, following the merger, both FiberNet and InterQuest will operate as ITC Transmission Systems, Inc.; and InterQuest will no longer use its Certificate of Public Convenience and Necessity and tariff.

We find that the merger of InterQuest and FiberNet into ITC is in the public interest and, accordingly, we hereby approve the merger. We also hereby cancel Certificate Number 3502.

InterQuest shall return its certificate to this Commission. In addition, under Section 364.336, Florida Statutes, certificate holders must pay a minimum annual regulatory assessment fee of \$50 if the certificate was active during any portion of the calendar year. A Regulatory Assessment Fee Return notice will be mailed to InterQuest; however, neither the cancellation of its certificate nor the failure to receive a Regulatory Assessment Fee Return notice shall relieve InterQuest from its obligation to pay due and owing regulatory assessment fees.

Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that the request for approval of merger of Eastern Telecom, Inc. d/b/a InterQuest and Interstate FiberNet into ITC Transmission Systems, Inc. is hereby approved. It is further

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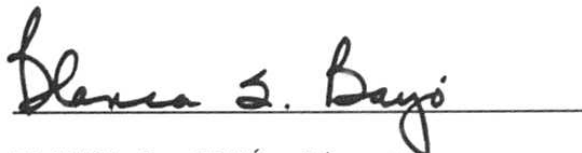
ORDERED by the Florida Public Service Commission that the Interexchange Telecommunications Certificate Number 3502 held by Eastern Telecom, Inc. d/b/a InterQuest is hereby canceled. It is further

ORDERED that Eastern Telecom, Inc. d/b/a InterQuest shall return its certificate to this Commission and remit all due and owing regulatory assessment fees. 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.

By ORDER of the Florida Public Service Commission, this 26th day of June, 1997.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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 July 17, 1997.

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

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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.