

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for approval ) DOCKET NO. 960136-TI  
of merger between LCI ) ORDER NO. PSC-96-0636-FOF-TI  
International Telecom Corp. and ) ISSUED: May 10, 1996  
LCI Telemanagement Corp. )  
\_\_\_\_\_ )

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 APPROVING MERGER

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.

On February 7, 1996, LCI International Telecom Corp. (LCI Telecom) and LCI Telemanagement Corp. (LCI Telemanagement) filed an application for approval to merge LCI Telemanagement into LCI Telecom. By Order No. PSC-95-1054-FOF-TI, issued August 24, 1995, LCI Telemanagement was granted authority to provide interexchange telecommunications services in Florida. By Order No. 21608, issued July 26, 1989, LCI Telecom was granted authority to provide interexchange telecommunications services in Florida.

LCI Telecom is a wholly-owned subsidiary of LCI International Management Services, Inc. (LCIM). In turn, LCIM is a wholly-owned subsidiary of LCI International, Inc. (LCII). LCI Telemanagement is a wholly-owned by LCII. The parent companies, LCII and LCIM, propose to accomplish the merger by first merging LCI Telemanagement into LCIM. Then, LCI Telemanagement's operations will be transferred from LCIM to LCI Telecom. Thereafter, LCI Telecom will provide telecommunications services to LCI Telemanagement's former customers.

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FPSC-RECORDS/REPORTING

The exact date of the merger is unknown, and is dependent upon first receiving the requisite regulatory approvals. Therefore, we shall not cancel LCI Telemanagement's existing certificate at this time. Upon such time as the proposed merger is consummated, LCI Telecom shall notify this Commission so that LCI Telemanagement's certificate can be canceled.

LCI Telecom states that its tariff will be amended as necessary to incorporate all of LCI Telemanagement's services at current rate levels. In order to facilitate a smooth transition, we hereby authorize LCI Telecom to concur in LCI Telemanagement's existing tariff for an interim period of six months from date this order becomes final. By the end of this interim period, LCI Telecom shall amend its own tariff as necessary to have added the service offerings currently provided by LCI Telemanagement.

Upon review of the application, we find that the proposed merger is in the public interest. Combining operations should enable the merged firm to realize significant economies of scale, and thereby operate more efficiently. In addition, the merger should reduce customer confusion stemming from redundant operations.

Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that the application to merge LCI Telemanagement Corp. into LCI International Telecom Corp. is hereby approved. It is further

ORDERED that upon consummation of the proposed merger, LCI International Telecom Corp. shall notify this Commission so that LCI Telemanagement Corp.'s certificate can be canceled. It is further

ORDERED that LCI International Telecom Corp. is hereby authorized to concur in LCI Telemanagement Corp.'s existing tariff for an interim period of six months from date this order becomes final. By the end of this interim period, LCI International Telecom Corp. shall amend its own tariff as necessary to have added the service offerings currently provided by LCI Telemanagement Corp. It is further

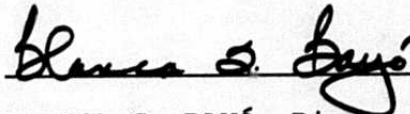
ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth

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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 10th day of May, 1996.



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 120.59(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

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Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 31, 1996.

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.