

FLORIDA PUBLIC SERVICE COMMISSION
Capital Circle Office Center • 2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

M E M O R A N D U M

December 23, 1997

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FPSC - Records/Reporting

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF COMMUNICATIONS (PRUITT) *NP*
DIVISION OF LEGAL SERVICES (PENA) *WPCB* *200*

RE: DOCKET NO. ~~971026~~-TP - REQUEST FOR APPROVAL OF MERGER OF SHARED TECHNOLOGIES FAIRCHILD INC., PARENT COMPANY OF ACCESS NETWORK SERVICES, INC., HOLDER OF INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE NO. 3512, ALTERNATIVE LOCAL EXCHANGE CERTIFICATE NO. 4797 AND SHARED TENANT CERTIFICATE NO. 1669 WITH TSHCO, INC., A SUBSIDIARY OF TEL-SAVE HOLDINGS, INC., PARENT COMPANY OF TEL-SAVE, INC. D/B/A NETWORK SERVICES D/B/A THE PHONE COMPANY, HOLDER OF INTEREXCHANGE TELECOMMUNICATIONS CERTIFICATE NO. 2985 AND TEL-SAVE, INC. D/B/A THE PHONE COMPANY, HOLDER OF ALTERNATIVE LOCAL EXCHANGE CERTIFICATE NO. 4692.

AGENDA: 01/06/98 REGULAR AGENDA - PROPOSED AGENCY ACTION - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:PSC/CMU/WP/971026.RCM

CASE BACKGROUND

The above docket was initiated pursuant to a request for approval of a merger filed jointly by Tel-Save, Inc. and Access Network Services, Inc. on August 8, 1997.

The Commission approved the merger in Order No. PSC-97-1246-FOF-TP, issued October 13, 1997. (Attachment A)

On December 10, 1997, staff was notified by Allan C. Hubbard, Regulatory Counsel for Shared Technologies Fairchild, that the merger did not take place. (Attachment B) Therefore, staff is requesting that Order No. PSC-97-1246-FOF-TP, issued October 13, 1997, be vacated.

DOCUMENT NUMBER DATE

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FPSC-RECORDS/REPORTING

DOCKET NO. 971026-TP
DATE: December 23, 1997

DISCUSSION OF ISSUES

ISSUE 1: Should Order No. PSC-97-1246-FOF-TP, issued October 13, 1997, in Docket No. 971026-TP be vacated?

RECOMMENDATION: Yes.

STAFF ANALYSIS: Since the merger did not take place, staff is recommending that Order No. PSC-97-1246-FOF-TP, issued October 13, 1997, be vacated.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, this docket should be closed upon issuance of the Commission's vacating order.

STAFF ANALYSIS: This docket should be closed when the Commission's order is issued vacating its approval of the merger.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of merger of Shared Technologies Fairchild Inc., parent company of Access Network Services, Inc., holder of Interexchange Telecommunications Certificate No. 3512, Alternative Local Exchange Certificate No. 4797, and Shared Tenant Certificate No. 1669, with TSHCo, Inc., a subsidiary of Tel-Save Holdings, Inc., parent company of Tel-Save, Inc. d/b/a Network Services d/b/a The Phone Company, holder of Interexchange Telecommunications Certificate No. 2985, and Tel-Save, Inc. d/b/a The Phone Company, holder of Alternative Local Exchange Telecommunications Certificate No. 4692.

DOCKET NO. 971026-TP
ORDER NO. PSC-97-1246-FOF-TP
ISSUED: October 13, 1997

The following Commissioners participated in the disposition of this matter:

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

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.

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Pursuant to Section 364.33, Florida Statutes, a person may not acquire ownership or control of any telecommunications facility, or any extension thereof for the purpose of providing telecommunications services to the public, including the acquisition, transfer, or assignment of majority organizational control or controlling stock ownership, without prior approval from this Commission.

On July 25, 1997, Tel-Save, Inc. d/b/a Network Services d/b/a The Phone Company (Network Services), holder of Interexchange Telecommunications (IXC) Certificate No. 2985; Tel-Save, Inc. d/b/a The Phone Company (The Phone Company), holder of Alternative Local Exchange (ALEC) Certificate No. 4692; and Access Network Services, Inc. (ANSI), holder of IXC Certificate No. 3512, ALEC Certificate No. 4797, and Shared Tenant Certificate No. 1669, filed a joint request for Commission approval of merger of Shared Technologies Fairchild Inc. (STFI), parent company of ANSI with TSHCo, Inc. (TSHCo), a subsidiary of Tel-Save Holdings, Inc., parent company of Network Services and The Phone Company, where TSHCo will be the surviving corporation. The companies have stated that following the consummation of the merger, they will continue to provide service to their respective existing customers. Therefore, the transaction will be virtually transparent to their customers. The companies have also stated that the proposed merger will benefit their customers through improved services and lower rates, thereby promoting competition in Florida.

We determine that the proposed merger between STFI and TSHCo is in the public interest and, accordingly, we hereby approve the merger.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the merger between Shared Technologies Fairchild Inc. and TSHCo, Inc., whereby TSHCo will be the surviving corporation, is hereby approved. It is further

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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 13th day of October, 1997.

/s/ Blanca S. Bayó

BLANCA S. BAYÓ, Director
Division of Records and Reporting

This is a facsimile copy. A signed copy of the order may be obtained by calling 1-850-413-6770.

(S E A L)

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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 November 3, 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 fee with the appropriate court.

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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.