

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of pro forma corporate restructuring whereby RCN Telecom Services, Inc. and RCN Long Distance Company (holder of IXC Certificate No. 4011) will merge with and into RCN Telecom Services, Inc. (f/k/a RCN Telecom Services of Pennsylvania, Inc.), IXC Certificate No. 4011 will be re-assigned to RCN Telecom Services, Inc. (f/k/a RCN Telecom Services of Pennsylvania, Inc.), and the name on IXC Certificate No. 4011 will be changed to RCN Telecom Services, Inc. (f/k/a RCN Telecom Services of Pennsylvania, Inc.).

DOCKET NO. 991496-TP  
ORDER NO. PSC-99-2264-PAA-TP  
ISSUED: November 18, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman  
J. TERRY DEASON  
SUSAN F. CLARK  
E. LEON JACOBS, JR.

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING INTERNAL CORPORATE RESTRUCTURING AND  
REASSIGNMENT OF INTEREXCHANGE 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.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

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Section 364.33, Florida Statutes, provides that 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.

By letter dated October 4, 1999, RCN Long Distance Company (RCN LD) requested approval of a pro forma corporate restructuring, and approval to reassign its interexchange certificate (No. 4011). The restructuring will merge RCN LD and RCN Telecom Services, Inc. (RCN TS) with and into RCN Telecom Services, Inc. (f/k/a RCN Telecom Services of Pennsylvania, Inc.) (RCN PA). RCN LD and RCN TS are wholly owned subsidiaries of RCN PA. RCN PA is a wholly owned subsidiary of RCN Corp., and RCN Corp. will remain as the parent company of RCN PA. RCN LD will reassign its interexchange certificate to RCN PA, a name which is registered with the Department of State.

The restructuring is purely pro forma in nature and will not change the ultimate ownership or control of RCN LD's certificate. All of RCN LD's customers will be served by the same group of consumer representatives, and will be provided service under contracts and tariffs that offer all of the services currently offered by RCN LD, at the same rates, terms and conditions. There will be no change in the ownership or control of RCN PA or in the management of daily operations in Florida. RCN PA will file revised tariffs to reflect the restructuring. The restructuring is a paper transaction that will be transparent to consumers in Florida.

In accordance with our authority under Section 364.33, Florida Statutes, to approve the acquisition, transfer or assignment of majority organizational control or controlling stock ownership of a telecommunications company providing service in Florida, we have reviewed the Petition of RCN LD, RCN TS, and RCN PA and find it appropriate to approve it. We have based our review and decision upon an analysis of the public's interest in efficient, reliable telecommunications service. Our decision does not address the potential impact of the transfer on the competitive market in Florida, or on the companies' or their competitors' interests. We

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emphasize, however, that our approval of the Petition pursuant to our authority under Section 364.33, Florida Statutes, does not preclude us from addressing any of our concerns that may arise regarding this transaction to the appropriate federal or state agencies.

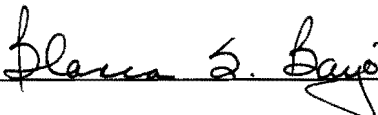
Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that the request of RCN Long Distance Company, RCN Telecom Services, Inc., and RCN Telecom Services, Inc., f/k/a RCN Telecom Services of Pennsylvania, Inc., for approval of corporate restructuring and the reassignment interexchange certificate No. 4011 is hereby approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, 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 18th day of November, 1999.



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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 that is available under Section 120.57, 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 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. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, 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 December 9, 1999.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating 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.