

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of  
intra corporate merger of PaeTec  
Communications, Inc. (holder of  
IXC Certificate No. 5757 and  
ALEC Certificate No. 5756) and  
East Florida Communications,  
Inc. (holder of IXC Certificate  
No. 51 and ALEC Certificate No.  
4796), both wholly owned  
subsidiaries of PaeTec Corp.,  
and for cancellation of  
Certificate Nos. 51 and 4796.

DOCKET NO. 001739-TP  
ORDER NO. PSC-01-0164-PAA-TP  
ISSUED: January 22, 2001

The following Commissioners participated in the disposition of  
this matter:

E. LEON JACOBS, JR., Chairman  
J. TERRY DEASON  
LILA A. JABER  
BRAULIO L. BAEZ  
MICHAEL A. PALECKI

NOTICE OF PROPOSED AGENCY ACTION  
ORDER APPROVING INTRA CORPORATE MERGER AND  
CANCELLATION OF INTEREXCHANGE TELECOMMUNICATIONS AND  
ALTERNATIVE LOCAL EXCHANGE TELECOMMUNICATIONS CERTIFICATES

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.

Section 364.33, Florida Statutes, provides that a person may  
not acquire ownership or control of any telecommunications

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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 November 28, 2000, PaeTec Communications, Inc. (PaeTec Communications) and East Florida Communications, Inc. (East Florida Communications), both wholly owned subsidiaries of PaeTec Corp., filed with this Commission an application for approval of intra corporate merger of PaeTec Communications and East Florida Communications, with PaeTec Communications as the surviving entity. The companies have further requested for the cancellation of Interexchange Telecommunications (IXC) Certificate No. 51 and Alternative Local Exchange Telecommunications (ALEC) Certificate No. 4796.

PaeTec Communications is the holder of IXC Certificate No. 5757 and ALEC Certificate No. 5756. East Florida Communications is the holder of IXC Certificate No. 51 and ALEC Certificate No. 4796. PaeTec Communications has stated that the transaction will not affect the services being provided to its customers in Florida.

In accordance with our authority under Section 364.33, Florida Statutes, to approve the acquisition or transfer of majority organizational control or controlling stock ownership of a telecommunications company providing service in Florida, we have reviewed the Petition of PaeTec Communications and East Florida Communications, 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.

East Florida Communications has complied with the provisions of Rules 25-24.474(2) and 25-24.820(2), Florida Administrative Code, by providing adequate notice in writing of its request for cancellation of its IXC and ALEC certificates and by submitting its Regulatory Assessment Fees (RAFs) for both certificates for the year 1999. Accordingly, we find it appropriate to cancel IXC Certificate No. 51 and ALEC Certificate No. 4796, effective December 31, 2000. East Florida Communications shall return to this Commission the Orders granting authority to provide IXC and

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ALEC services. The Commission is vested with jurisdiction over this matter pursuant to Section 364.337, Florida Statutes.

In addition, under Section 364.336, Florida Statutes, certificate holders must pay a minimum annual RAFs of \$50 if the certificate was active during any portion of the calendar year. A RAFs Return notice for the year 2000 has been mailed to East Florida Communications. Neither the cancellation of its certificate nor the failure to receive a RAFs Return notice for the year 2000 shall relieve East Florida Communications from its obligation to pay RAFs for the year 2000.

Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that PaeTec Communications, Inc. and East Florida Communications, Inc.'s request for approval of intra corporate merger of PaeTec Communications, Inc. and East Florida Communications, Inc. is hereby approved. It is further

ORDERED that East Florida Communications, Inc.'s Interexchange Telecommunications services Certificate No. 51 and Alternative Local Exchange Telecommunications services Certificate No. 4796 are hereby canceled, effective December 31, 2000. It is further

ORDERED that East Florida Communications, Inc. shall return to this Commission the Orders granting authority to provide Interexchange Telecommunications services and Alternative Local Exchange Telecommunications and remit Regulatory Assessment Fees for the year 2000. 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.

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By ORDER of the Florida Public Service Commission this 22nd  
Day of January, 2001.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records

( S E A L )

KMP

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 February 12, 2001.

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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.