

FLORIDA PUBLIC SERVICE COMMISSION  
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Tallahassee, Florida 32399-0850

MEMORANDUM

September 25, 1997

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FPSC - Records/Reporting

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

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS) *TFW*  
DIVISION OF LEGAL SERVICES (PEÑA) *KP MCB*

RE: DOCKET NO. 960667-TI - REQUEST FOR ACKNOWLEDGEMENT OF  
TRANSFER OF CONTROL OF CAPITAL NETWORK SYSTEM, INC. D/B/A  
CAPITAL LONG DISTANCE TO AMERICAN NETWORK EXCHANGE INC.  
D/B/A AMNEX..

AGENDA: 10/07/97 - REGULAR AGENDA - RECOMMENDATION TO REINSTATE  
ORDER NO. PSC-96-1016-FOF-TI - INTERESTED PERSONS MAY  
PARTICIPATE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\960667.RCM

CASE BACKGROUND

On May 21, 1996, staff received a request from American Network Exchange Inc. d/b/a AMNEX, American Network Exchange, Inc., and Capital Network System, Inc. d/b/a Capital Long Distance (the companies) for approval of a transfer of control from Capital Network System, Inc. d/b/a Capital Long Distance to American Network Exchange Inc. d/b/a AMNEX. By Order No. PSC-96-1016-FOF-TI, issued August 7, 1996, the Commission approved the transfer of control.

On April 28, 1997, staff received correspondence from the companies' attorneys advising the Commission that the companies had revised their business plans. Staff processed this information as a request to withdraw the approval of the transfer of control and opened a new docket to vacate Order No. PSC-96-1016-FOF-TI. The Commission approved staff's recommendation at the June 10, 1997 Agenda Conference. Prior to issuance of the Order, staff became aware of a discrepancy between the facts of the revised business plans and the issues presented to the Commission. Contrary to

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staff's understanding, the changes in the companies' business plans still included the transfer of control. This is staff's recommendation to reinstate Order No. PSC-96-1016-FOF-TI approving the transfer of control.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission reinstate Order No. PSC-96-1016-FOF-TI?

RECOMMENDATION: Yes.

STAFF ANALYSIS: The language in the April 28, 1997, letter from the companies led staff to conclude that the transfer of control would not take place. This conclusion was incorrect. The companies have completed the transfer. Accordingly, staff recommends that the Commission should re-instate Order No. PSC-96-1016-FOF-TI approving the transfer of control as a final order.

ISSUE 2: Should this docket closed?

RECOMMENDATION: Yes.

STAFF ANALYSIS: If the Commission re-instates Order No. PSC-96-1016-FOF-TI this docket should be closed.