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DECEMBER 23, 1997

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

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS) *WJW*
DIVISION OF LEGAL SERVICES (PENA) *AK/jak*

RE: DOCKET NO. ~~97-1604~~-TI; REQUEST FOR APPROVAL OF TRANSFER OF CONTROL OF MCI COMMUNICATIONS CORPORATION (PARENT CORPORATION OF MCI METRO ACCESS TRANSMISSION SERVICES, INC., HOLDER OF AAV/ALEC CERTIFICATE NO. 2986, AND MCI TELECOMMUNICATIONS CORPORATION, HOLDER OF IXC CERTIFICATE NO. 61, PATS CERTIFICATE NO. 3080, AND AAV/ALEC CERTIFICATE NO. 3996) TO TC INVESTMENTS CORP. A WHOLLY-OWNED SUBSIDIARY OF WORLDCom, INC. d/b/a LDDS WORLDCom.

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

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\CMU\WP\971604TI.RCM

CASE BACKGROUND

On October 16, 1997, Worldcom, Inc. d/b/a LDDS Worldcom (LDDS) petitioned the Commission (Docket No. 971375-TP) for approval of a transfer of control of MCI Communications Corporation (MCI) to LDDS. This change in control is necessary due to a proposed transaction between a new subsidiary of LDDS (TC Investments Corporation (TC)) and MCI. Before any action was taken, however a Petition to Withdraw Application was received on November 25, 1997, and the application was withdrawn.

On the same day (November 25, 1997) the Commission received another request to open a docket for approval of the transfer of control/merger of MCI Communications Corporation (MCI) to TC Investments Corp. a wholly-owned subsidiary of WorldCom, Inc.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Docket No. 971604-TI
Date: December 23, 1997

d/b/a LDDS Worldcom (LDDS). MCI is the parent corporation of MCI Metro Access Transmission Services, Inc. holder of AAV/ALEC Certificate No. 2986 and MCI Telecommunications Corporation holder of IXC Certificate No. 61, PATS Certificate No. 3080, and AAV/ALEC Certificate No. 3996.

It is noted that this transaction is between the parent companies. The two subsidiary companies of MCI will continue to operate in Florida under their existing certificated names and tariffs on file with this Commission.

Further, on December 15, 1997, GTE Corporation and GTE Communications Corporation (collectively "GTE") filed a Petition to Intervene in this docket. A ruling on GTE's petition has not yet been made pending conclusion of the response period.

STAFF DISCUSSION

ISSUE 1: Should the Commission approve the sale of outstanding stock and transfer of control of MCI COMMUNICATIONS CORPORATION (parent corporation of MCI Metro Access Transmission Services, Inc. holder of AAV/ALEC Certificate No. 2986 and MCI Telecommunications Corporation holder of IXC Certificate No. 61, PATS Certificate No. 3080, and AAV/ALEC Certificate No. 3996) with TC Investments Corp. a wholly-owned subsidiary of WorldCom, Inc. d/b/a LDDS Worldcom?

RECOMMENDATION: Yes.

STAFF ANALYSIS: As discussed in the Case Background, this transaction is between the parent company MCI Communications Corporation and TC Investments Corp., a subsidiary of WorldCom, Inc. d/b/a LDDS Worldcom. The subsidiaries of MCI Communications Corporation, MCI Metro Access Transmission Services, Inc. holder of AAV/ALEC Certificate No. 2986 and MCI Telecommunications Corporation holder of IXC Certificate No. 61, PATS Certificate No. 3080, and AAV/ALEC Certificate No. 3996 will continue to operate in Florida under their existing certificates and tariffs on file with this Commission.

Docket No. 971604-TI
Date: December 23, 1997

Staff believes that the transfer of control of MCI Communications, Corporation to TC Investments Corp. is in the public interest in accordance with Section 364.33, Florida Statutes. Accordingly, we recommend approval of the request.

ISSUE 2: Should this docket be closed?

RECOMMENDATION: Yes, if no person whose substantial interests are affected by the Commission's Proposed Agency Action files a protest within 21 days of the issuance date of the order.

STAFF ANALYSIS: This docket should be closed if no person whose substantial interests are affected by the Commission's Proposed Agency Action files a protest within 21 days of the issuance date of the order.