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June 8, 1999

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Ms. Blanca S. Bayó
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

990732-TI

RECEIVED-FPSC
59 JUN -8 PM 4:08
RECORDS AND REPORTING

Dear Ms. Bayó:

Enclosed for filing are the original and fifteen copies of the Application of MCI WorldCom, Inc. and others for Approval of Internal Corporate Restructuring.

If you have any questions regarding this filing, please call.

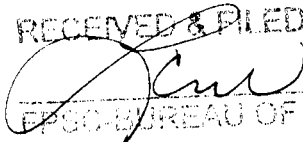
Very truly yours,



Richard D. Melson

RDM/kcg
Enclosures
cc: Parties of Record

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DOCUMENT NUMBER-DATE

07049 JUN-8 99

RECORDS AND REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Application of)
)
MCI WorldCom, Inc.)
WorldCom Network Services, Inc.)
MFS Communications Company, Inc.)
MCI Communications Corp.)
MCI Telecommunications Corp.)
WorldCom Technologies, Inc.)
Biz-Tel Corp.)
TTI National, Inc., and)
ALD Communications, Inc.)
)
For Approval of Internal Corporate)
Restructuring and Related Transactions)
_____)

Docket No. _____

Filed: June 8, 1999

**APPLICATION FOR APPROVAL
OF INTERNAL CORPORATE RESTRUCTURING**

MCI WorldCom, Inc. ("MCI WorldCom"), and its operating subsidiaries, WorldCom Network Services, Inc. ("WNS"), MFS Communications Company, Inc. ("MFSCC"), MCI Communications Corp. ("MCIC"), MCI Telecommunications Corp. ("MCIT"), WorldCom Technologies, Inc. ("WT"), Biz-Tel Corporation, TTI National, Inc., and ALD Communications, Inc. (collectively "Applicants"), through undersigned counsel, and pursuant to Section 364.33, Florida Statutes, respectfully request authority from the Commission, to the extent required, to reorganize Applicants' corporate structure and to complete a series of internal transactions in order to consolidate Applicants' long-distance operations.¹ These actions will consolidate several related companies that currently provide intrastate long-distance telecommunication service in

¹ In 1997, the Commission approved a comparable pro forma restructuring to reduce the number of related companies, by Order No. PSC-97-1135-FOF-TP in Docket No. 970900-TI.

Florida, thus lessening the regulatory burden on this Commission, and will further the consumer benefits and operational efficiencies identified by the Applicants when the Commission approved the merger of WorldCom, Inc. and MCI Communications Inc. by Order Nos. PSC-98-1025-FOF-TI (January 22, 1998) and PSC-98-0702-FOF-TP (May 20, 1998) in Docket No. 971064-TI.

Specifically, Applicants seek authority to:

1. Merge MFSCC, a holding company for WT, into MCIC, which is also a holding company. After the merger, MFSCC will no longer exist as a legal entity.
2. Transfer the stock of WT from MCIC to MCIT, so that WT will become a subsidiary of MCIT.
3. Merge WNS into MCIT.² Because WNS will no longer exist as a legal entity, applicants also seek to cancel WNS' operating authority. That authority is evidenced by Certificate No. 552, as amended by Order No. PSC-98-0387-FOF-TI issued on March 12, 1998. MCIT will file a notice fully adopting any applicable WNS tariffs.
4. Transfer MCIT's retail operations to WT. Following this transfer, regulated intrastate telecommunications services currently provided by MCIT will be provided by WT.
5. Rename the surviving entities to reflect the WorldCom/MCI merger. WorldCom Technologies, Inc., will be renamed MCI WorldCom Communications, Inc.; MCI Telecommunications Corp. will be renamed MCI WorldCom Network Services, Inc.
6. Merge Biz-Tel Corp. with and into TTI National, Inc. Biz-Tel will cease to exist and its tariff will be consolidated with TTI National's.

² Solely for purposes of operations in Virginia, Virginia WorldCom, Inc. will be merged into MCIT of Virginia, a subsidiary of MCIT. In addition, WorldCom Technologies of VA, Inc., will continue to operate in Virginia as a subsidiary of WT.

7. Cancel the certificate of operating authority (Certificate No. 3965) issued to ALD Communications, Inc., an entity that has no customers.

The principal result of the proposed internal restructuring will be that (i) WT, under the new name of MCI WorldCom Communications, Inc., will provide retail long-distance service to its existing customers and to customers formerly served by MCIT, and (ii) MCIT, under the new name of MCI WorldCom Network Services, Inc. will primarily provide long-distance service to other carriers formerly served by WNS.³

In support of their application, Applicants provide the following information:

I. The Applicants

As a result of the merger of WorldCom and MCI, approved by the Florida Commission by Order Nos. PSC-98-0125-FOF-TP and PSC-98-0702-FOF-TP, MCI WorldCom now serves millions of consumers and businesses with long-distance, local, data, Internet and other communications services.

MCI WorldCom, a publicly held Georgia corporation whose principal offices are located at 500 Clinton Center Drive, Clinton, Mississippi 39056, is the ultimate parent of all of the Applicants. MCI WorldCom's operating subsidiaries are authorized to provide telecommunications services in 50 states, including Florida.

MCIC is a Delaware corporation that is a holding company for a number of entities including applicant MCIT.

³ Due to regulatory requirements unique to Virginia, MCIT of Virginia, Inc. and WorldCom Technologies of Virginia, Inc., will continue to provide service in Virginia, and will be renamed MCI WorldCom Telecommunications of Virginia, Inc. and MCI WorldCom Technologies of Virginia, Inc., respectively.

MFSCC is a Delaware corporation that currently is a holding company for a number of entities including applicant WT

WT is a Delaware corporation whose current operations include the provision of telecommunications services.

WNS is a Delaware corporation whose current operations include the provision of long-distance telecommunications service primarily to other carriers.

MCIT is a Delaware corporation whose current operations include the provision of long-distance telecommunications service to end users and to other carriers.

Biz-Tel Corp. is a Florida corporation whose current operations include the provision of intrastate long-distance telecommunications services.

TTI, National, Inc. is a Delaware corporation whose current operations include providing intrastate long-distance telecommunications services.

ALD Communications, Inc. is a California corporation that was formerly engaged in the resale of long-distance telecommunications services but which no longer has any customers. ALD is a subsidiary of Brooks Fiber Properties, Inc., which is a subsidiary of MCI WorldCom.

The organizational chart attached hereto as Exhibit A depicts the current organizational structure of the entities affected by the proposed restructuring.

The designated contacts for purposes of this Application are:

Richard D. Melson
Hopping Green Sams & Smith, P.A.
P.O. Box 6526
Tallahassee, FL 32314

Copies of all correspondence, notices, inquiries and orders should also be sent to:

Leigh Ann Cox
MCI WorldCom, Inc.
Regulatory Affairs
500 Clinton Center Drive
Building Three, 3rd Floor
Clinton, Mississippi 39056

Donna McNulty
MCI WorldCom, Inc.
325 John Knox Road, The Atrium
Suite 105
Tallahassee, FL 32303

II. REQUEST FOR APPROVAL OF INTERNAL REORGANIZATION AND TRANSFER OF ASSETS

The proposed reorganization is an internal administrative action needed to further implement the merger of WorldCom, Inc. and MCIC previously approved by this Commission. The merger resulted in the addition of several more entities to an already complex corporate structure. Following the WorldCom/MCI merger, MCIT, WT, and WNS all have been providing intrastate interexchange telecommunications services. WT, WNS and MCIT have been providing intrastate interexchange telecommunication service to end users, and both WNS and MCIT have been providing interexchange service to other carriers. This structure can be greatly simplified in a manner that will reduce both regulatory complexity and the possibility of customer confusion. Following the reorganization, MCIT, under the new name of MCI WorldCom Network Services, Inc., will provide interexchange service primarily to other carriers, and WT, under the new name of MCI WorldCom Communications, Inc. will continue to provide interexchange service and, in many states, local service to end users. The redundant operations of WNS will cease to exist.

To accomplish this internal reorganization, the following steps will be taken, in addition to renaming the entities to reflect the WorldCom/MCI merger. Exhibit B to this Application is a flow chart describing each step:

1. MFSCC, a holding company for WT, will be merged into MCIC, also a holding company. MFSCC will no longer exist as a legal entity. (See Exhibit B, pp. 1-2).
2. The stock of WT will be transferred from MCIC to MCIT, so that WT will become a subsidiary of MCIT. (See Exhibit B, pp. 3-4).
3. WNS will be merged into MCIT. MCIT will then serve all current carrier customers of WNS. Because WNS will no longer exist as a legal entity, Applicants also seek to cancel WNS' operating authority.⁴ (See Exhibit B, pp. 5-6).
4. Retail operations and certain assets relating to sales will be transferred from MCIT to WT. (See Exhibit B, p. 7).
5. The surviving entities would then be renamed to reflect the WorldCom/MCI merger.⁵ (See Exhibit B, p. 8).
6. Biz-Tel Corp. will be merged with and into TTI National, Inc. Biz-Tel will cease to exist and its tariff will be consolidated with TTI National's (Exhibit B, p.9-10).

⁴ Solely for purposes of operations in Virginia, Virginia WorldCom, Inc. will be merged into MCIT of Virginia, a subsidiary of MCIT. In addition, WorldCom Technologies of VA, Inc., will continue to operate in Virginia as a subsidiary of WT.

⁵ WorldCom Technologies, Inc., will be renamed MCI WorldCom Communications, Inc.; MCI Telecommunications Corp. will be renamed MCI WorldCom Network Services, Inc.; WorldCom Technologies of Virginia, Inc., will be renamed MCI WorldCom Communications of Virginia, Inc.; and MCIT of Virginia will be renamed MCI WorldCom Network Services of Virginia, Inc.

7. The certificate of operating authority issued to ALD Communications, Inc., an entity that has no customers, would be canceled. (Exhibit B, p. 11).

Tariff revisions will be filed to reflect the approved organizational changes and name changes. Page 12 of Exhibit B depicts the proposed structure of the affected entities following the reorganization.

Exhibit C contains documentation from the Florida Secretary of State reflecting the name changes referred to above.

The proposed reorganization will have no adverse impact on consumers in Florida. Interexchange service will continue to be provided over the same reliable transmission facilities and infrastructure MCI WorldCom is currently using, and customer service will continue to be provided by the same teams of qualified consumer representatives. Affected customers will be given notice of the change in the name of their telecommunications service provider in accordance with appropriate Florida regulations.

To reflect changes as the result of the reorganization, MCI WorldCom will make the following tariff changes.⁶

1. WorldCom Technologies, Inc. F.P.S.C. Tariff No. 4 will be renamed MCI WorldCom Communications, Inc. F.P.S.C. Tariff No.2.

2. MCI Telecommunications Corporation and MCI Telecommunications Corporation d/b/a MCI WorldCom F.P.S.C. Tariff No. 2 will be renamed MCI WorldCom Communications, Inc. F.P.S.C. Tariff No. 1.

⁶ These changes will not revise the rates, terms or conditions of any intrastate service currently offered by the MCI WorldCom subsidiaries operating in Florida.

3. WorldCom Network Services, Inc. F.P.S.C. Tariff No. 2 will be renamed MCI WorldCom Network Services, Inc. F.P.S.C. Tariff No. 1.

4. The Biz-Tel Corporation and TTI National tariffs will be consolidated.

As with the reorganization, these tariff changes will have no adverse impact on consumers. Rather they will align the tariffs with the appropriate entities providing the service.

The reorganization will further the public interest by allowing MCI WorldCom to implement the procompetitive synergies and efficiencies identified in the WorldCom/MCI merger application already granted by the Commission. By consolidating the intellectual energy, capital, personnel, and management of the separate companies, as well as their marketing and sales expertise, the merger created a state-of-the-art, efficient telecommunications provider that is well positioned in the increasingly competitive domestic and international telecommunications marketplaces.

The integration of WorldCom and MCI operations permits the combined company to achieve savings in designing and operating its long-distance network and in procuring the required equipment and facilities. For example, MCI WorldCom anticipates significant efficiencies will result from combining redundant WNS and MCIT network facilities. The integration will also reduce the number of disparate billing platforms currently being used, thereby leading to a more efficient billing process.

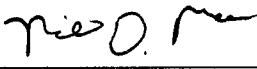
The internal reorganization required to implement the merger allows the efficiencies identified above to be achieved. In addition, the reorganization eliminates potential customer confusion and lessens the burden on this Commission and other regulatory agencies resulting from the current organizational structure in which MCIT, WNS and WT provide overlapping services. In short, the reorganization is the next step in implementing the efficiencies identified by MCI and

WorldCom in their merger application approved by the Commission, and will thereby lead to MCI WorldCom becoming an even more effective competitor in the state of Florida.

WHEREFORE, to the extent required, Applicants respectfully request that the Commission authorize the internal reorganization summarized above and in the accompanying flow chart, and that the Commission grant any and all authority required to accomplish this reorganization.

RESPECTFULLY SUBMITTED this 8th day of June, 1999.

HOPPING GREEN SAMS & SMITH, P.A.

By: 

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and

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Exhibit A

Pre-Reorganization

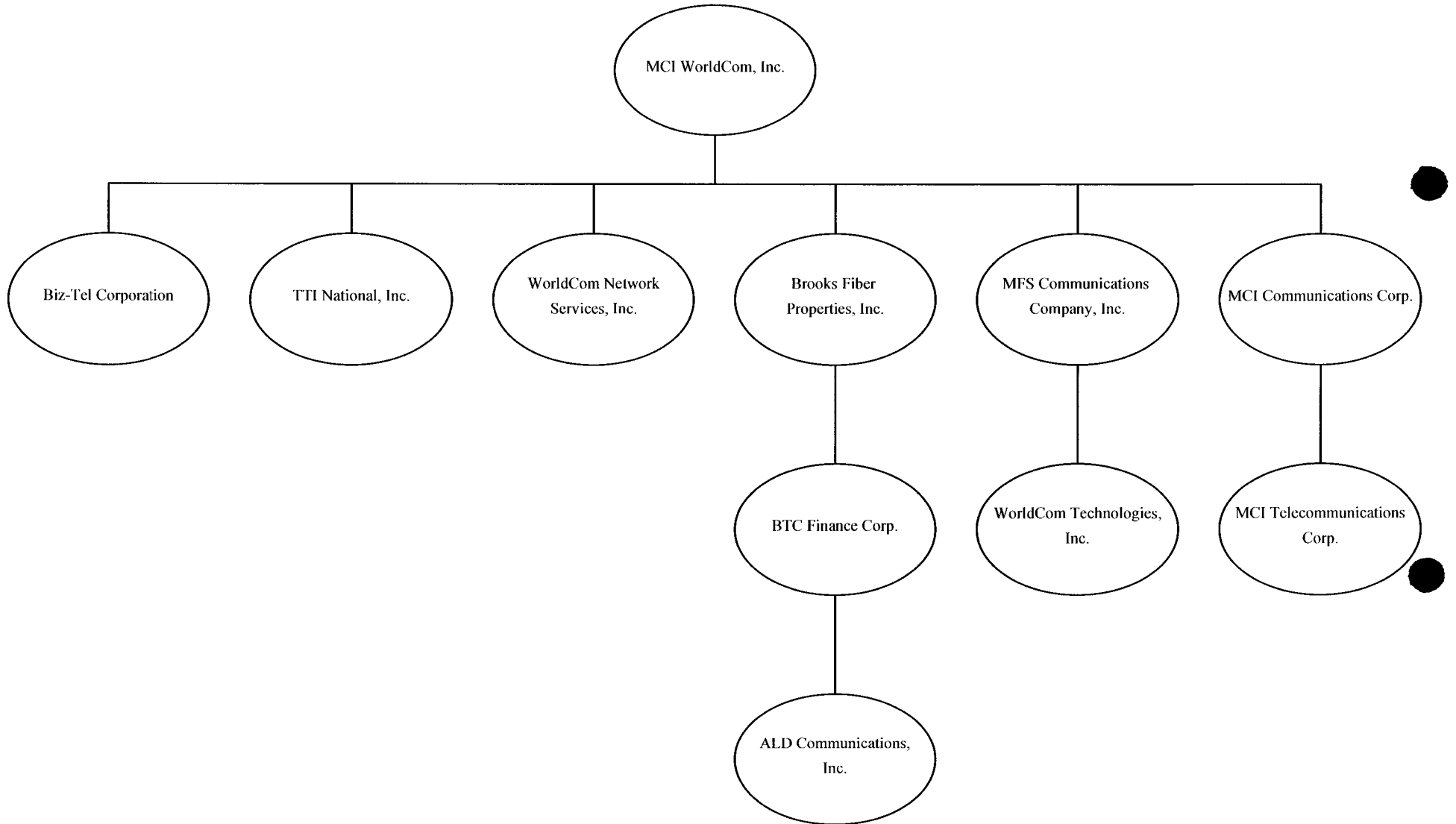
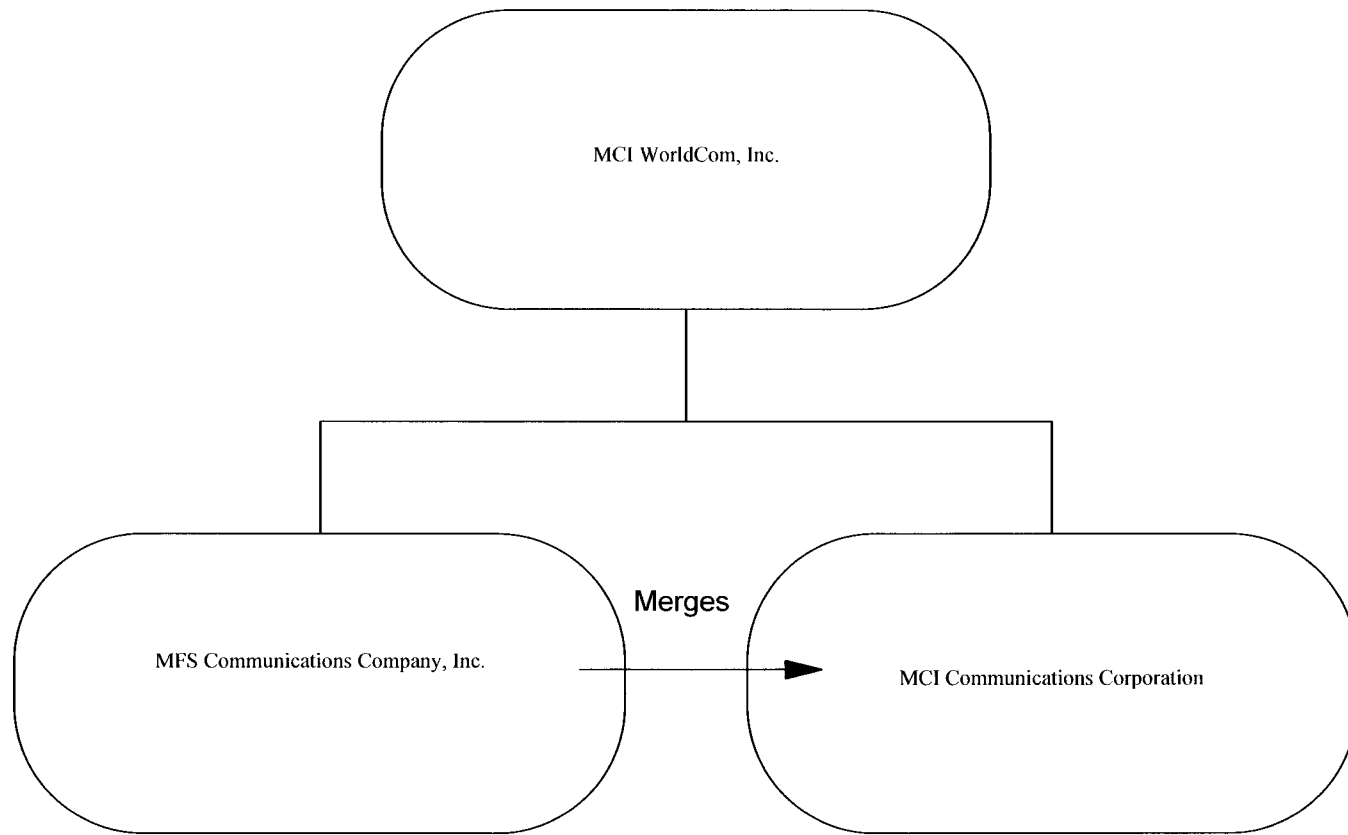
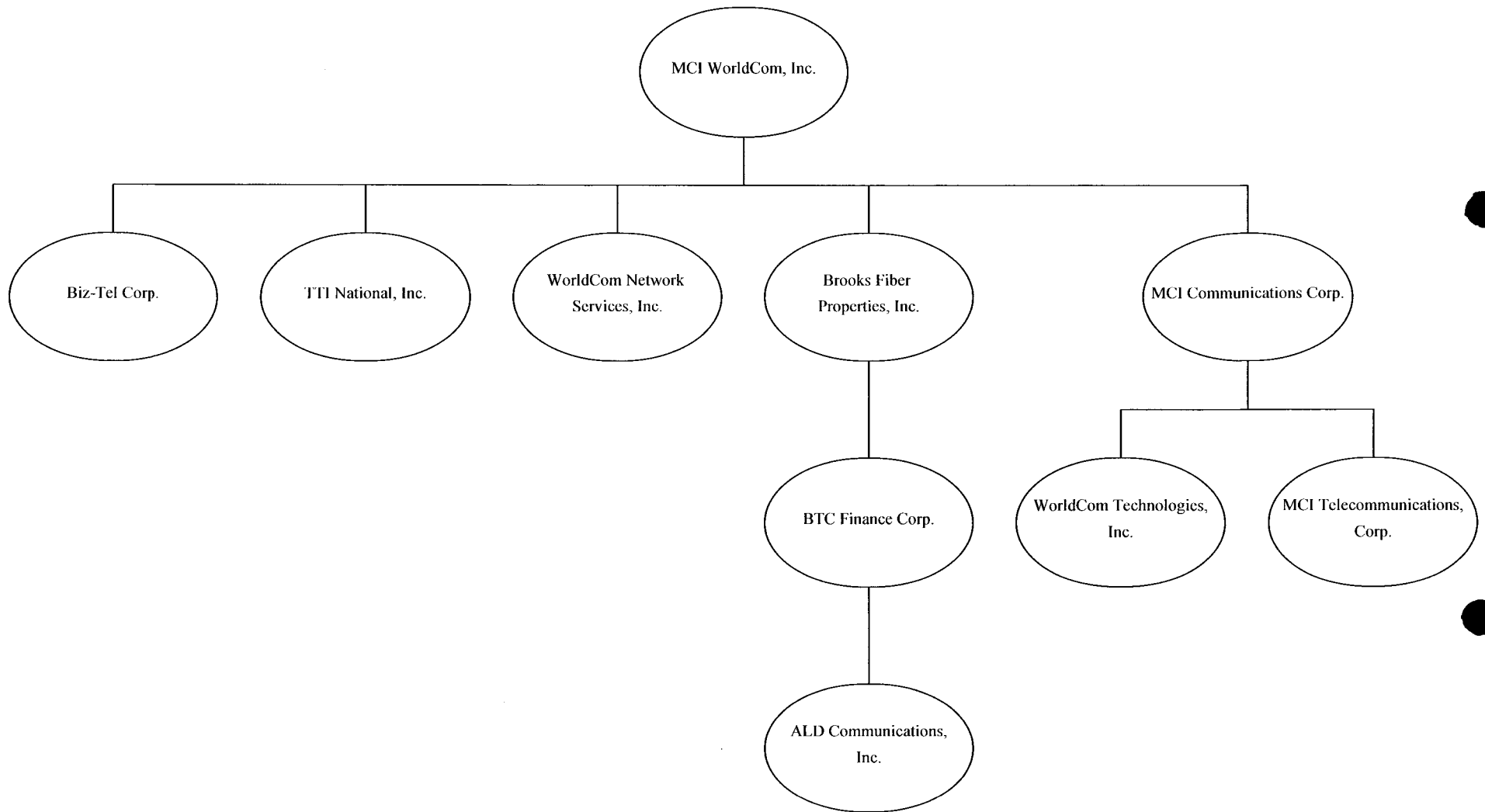
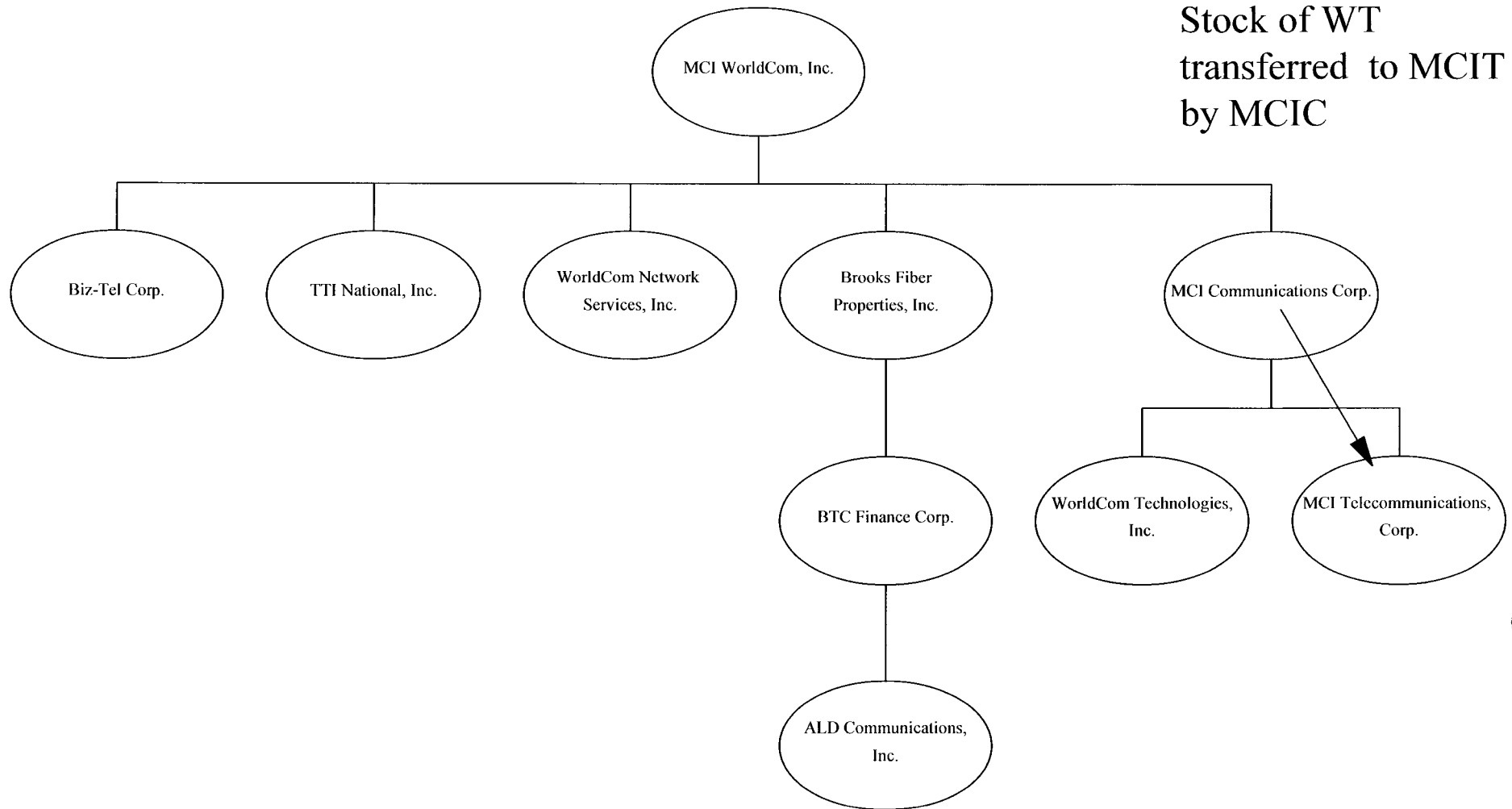


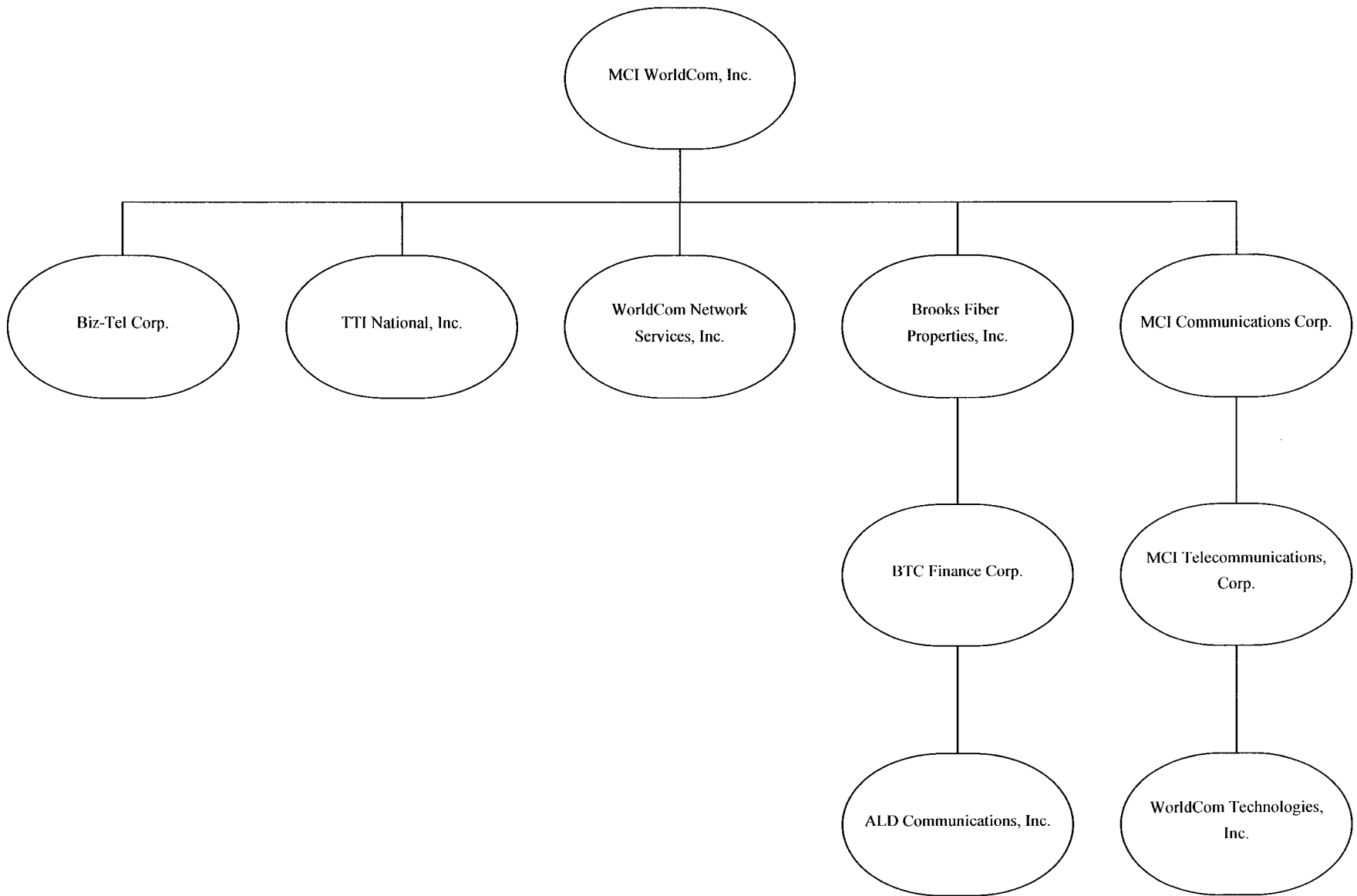
Exhibit B

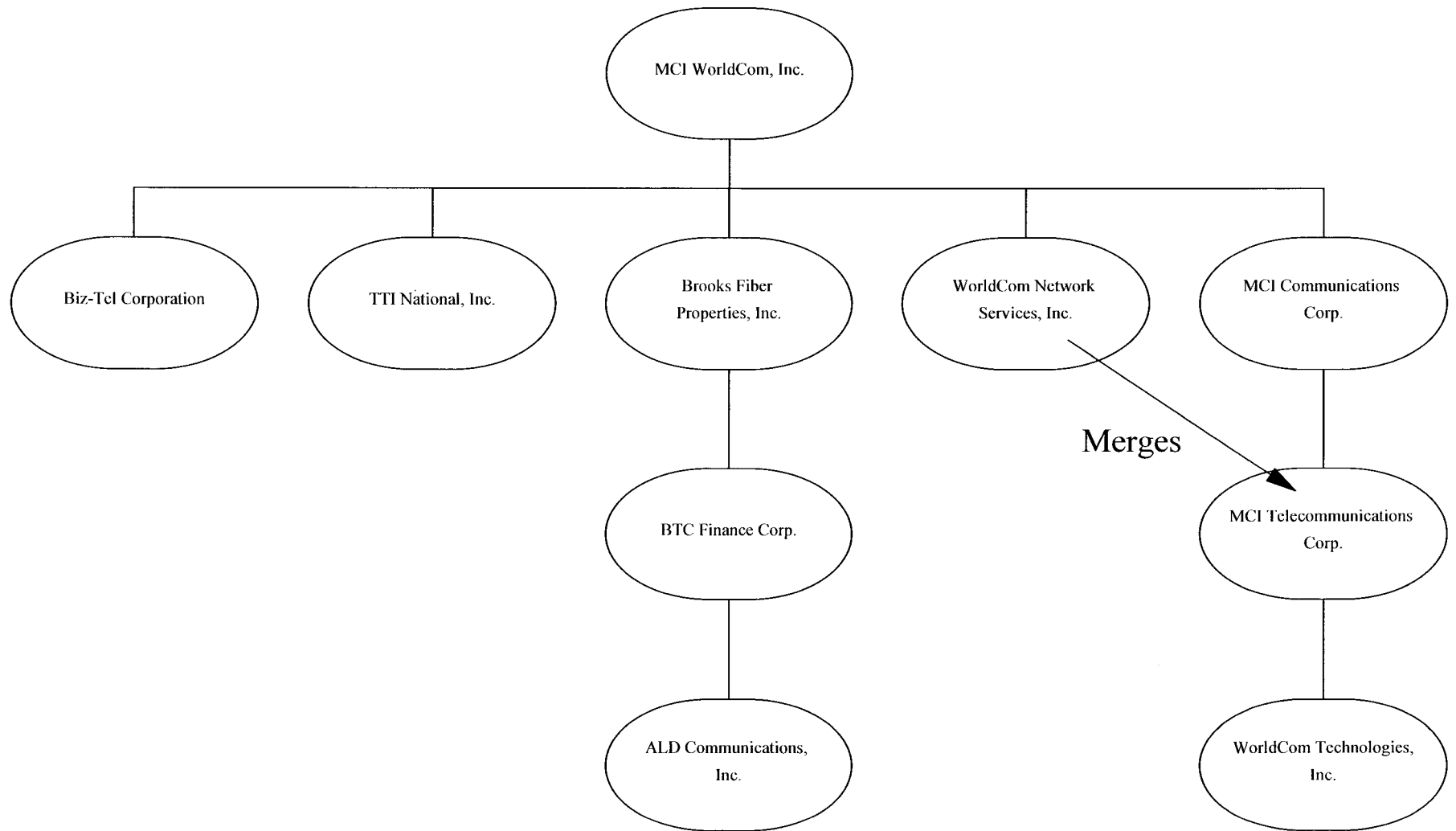


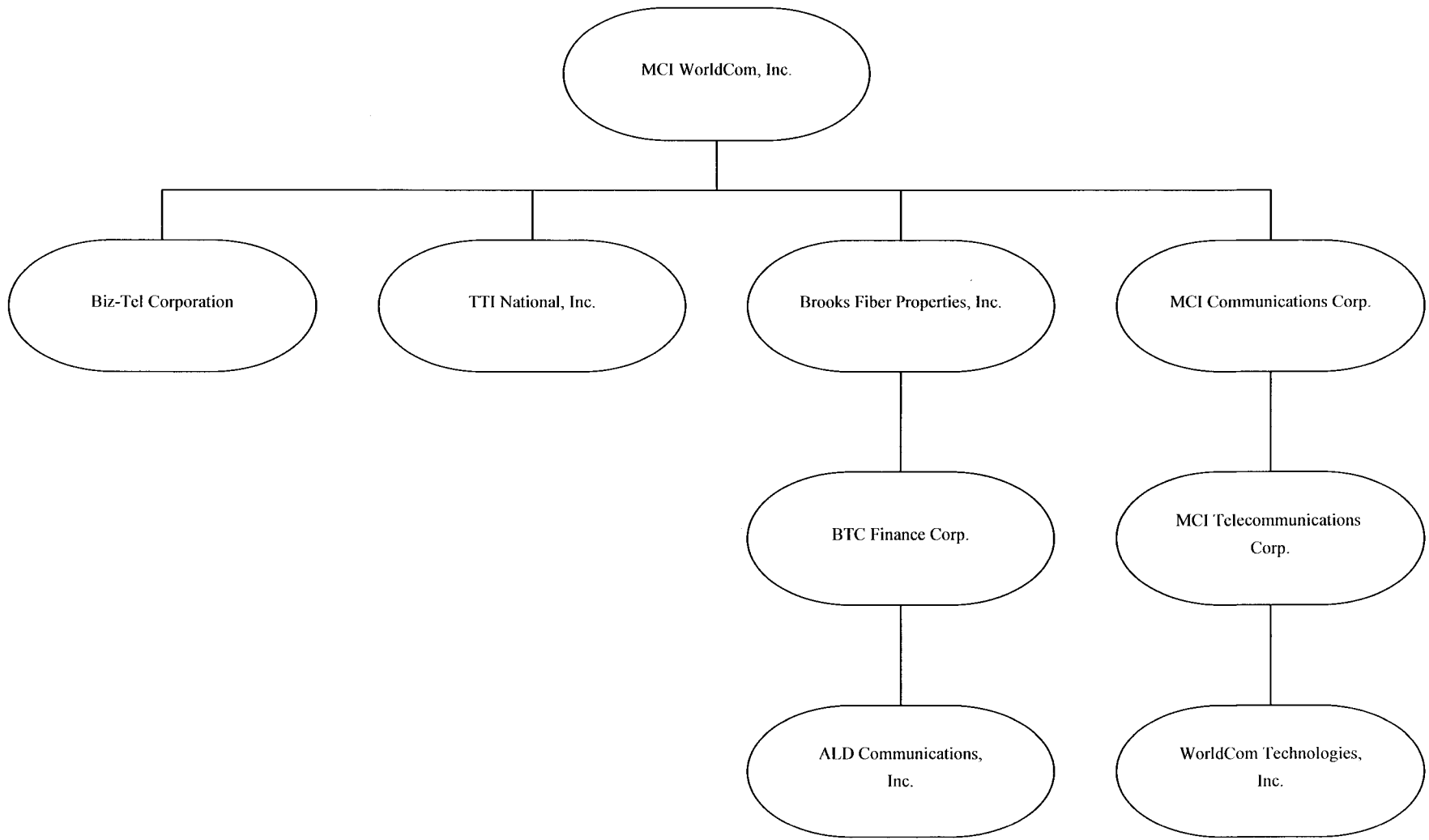


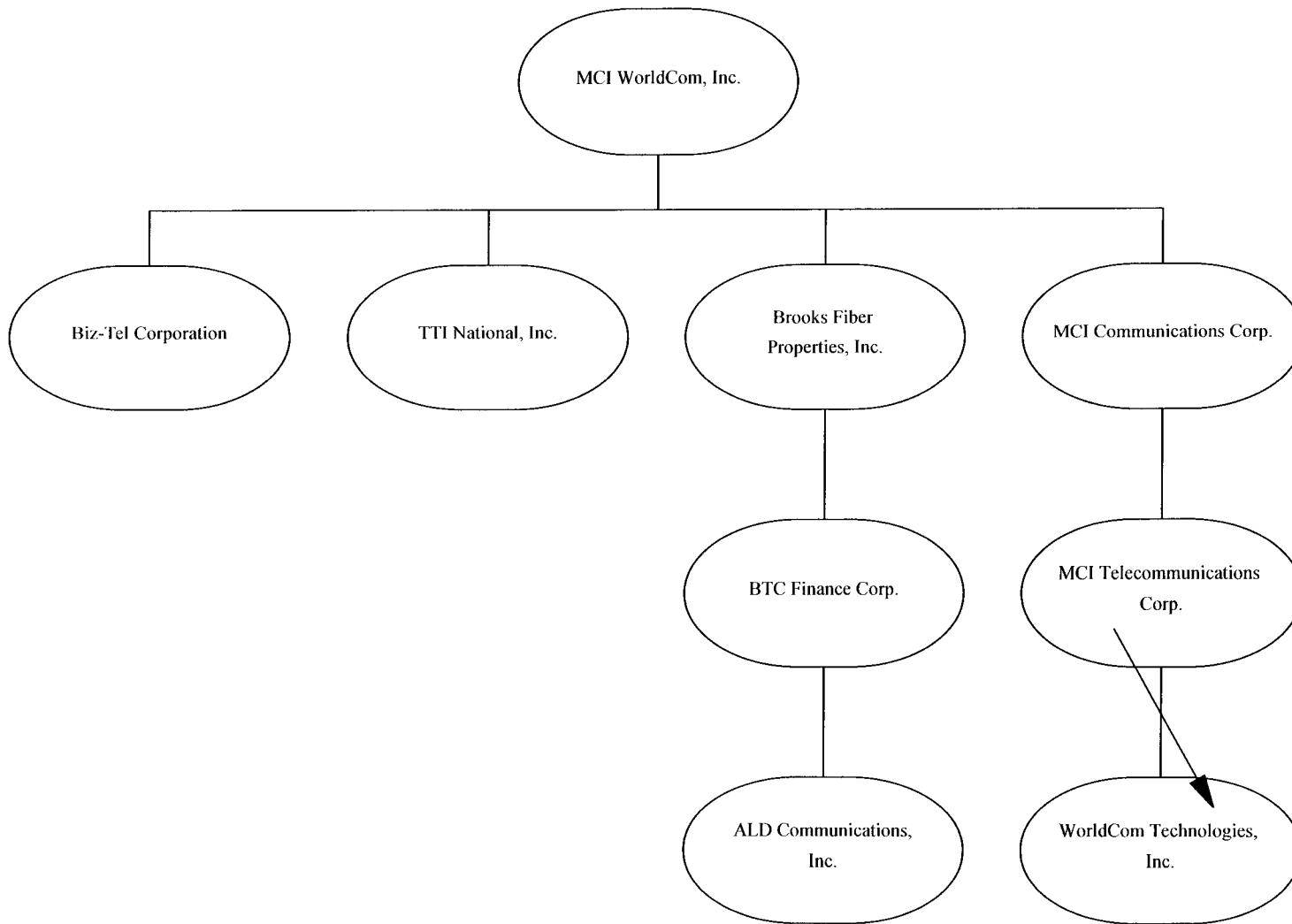
Stock of WT
transferred to MCIT
by MCIC



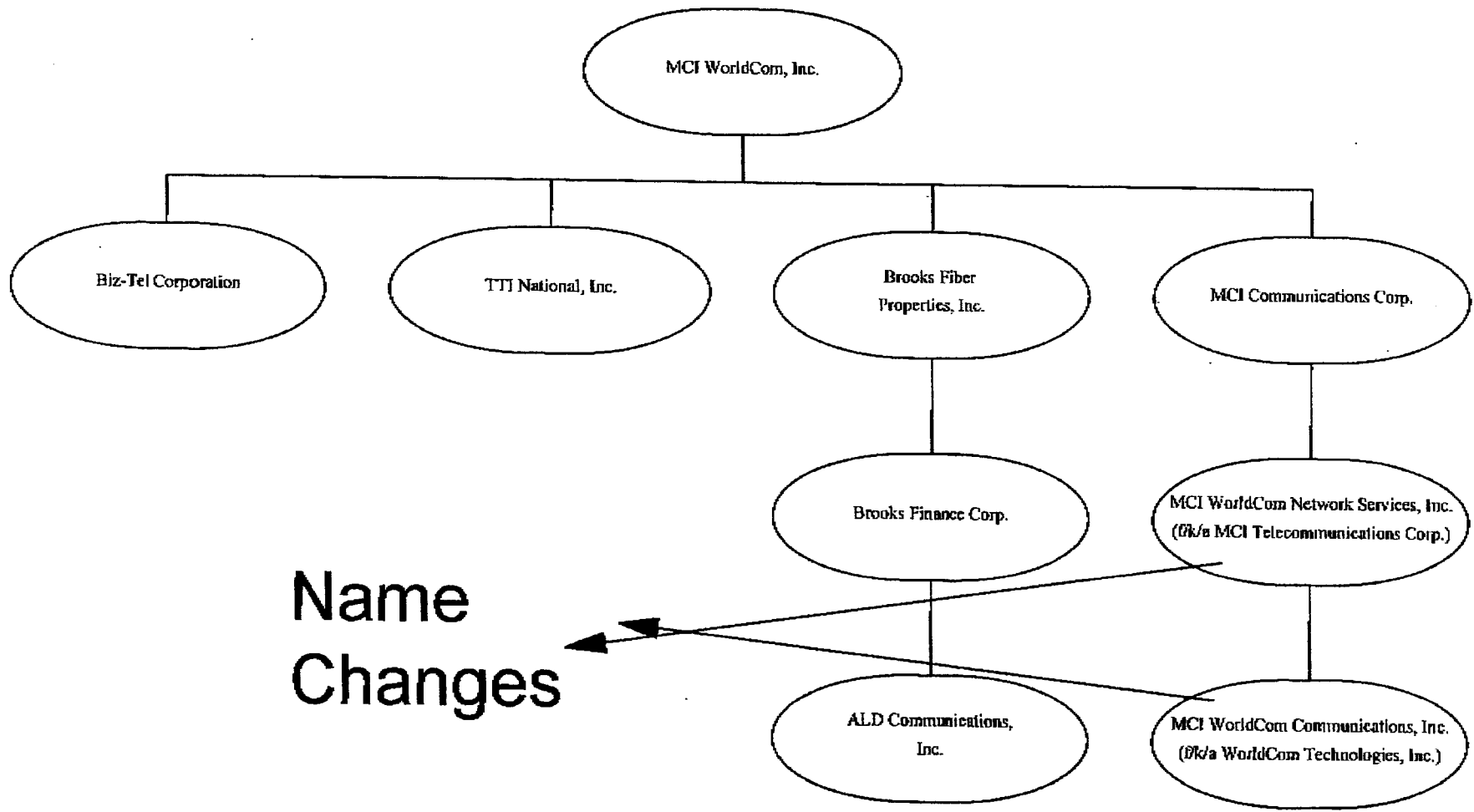


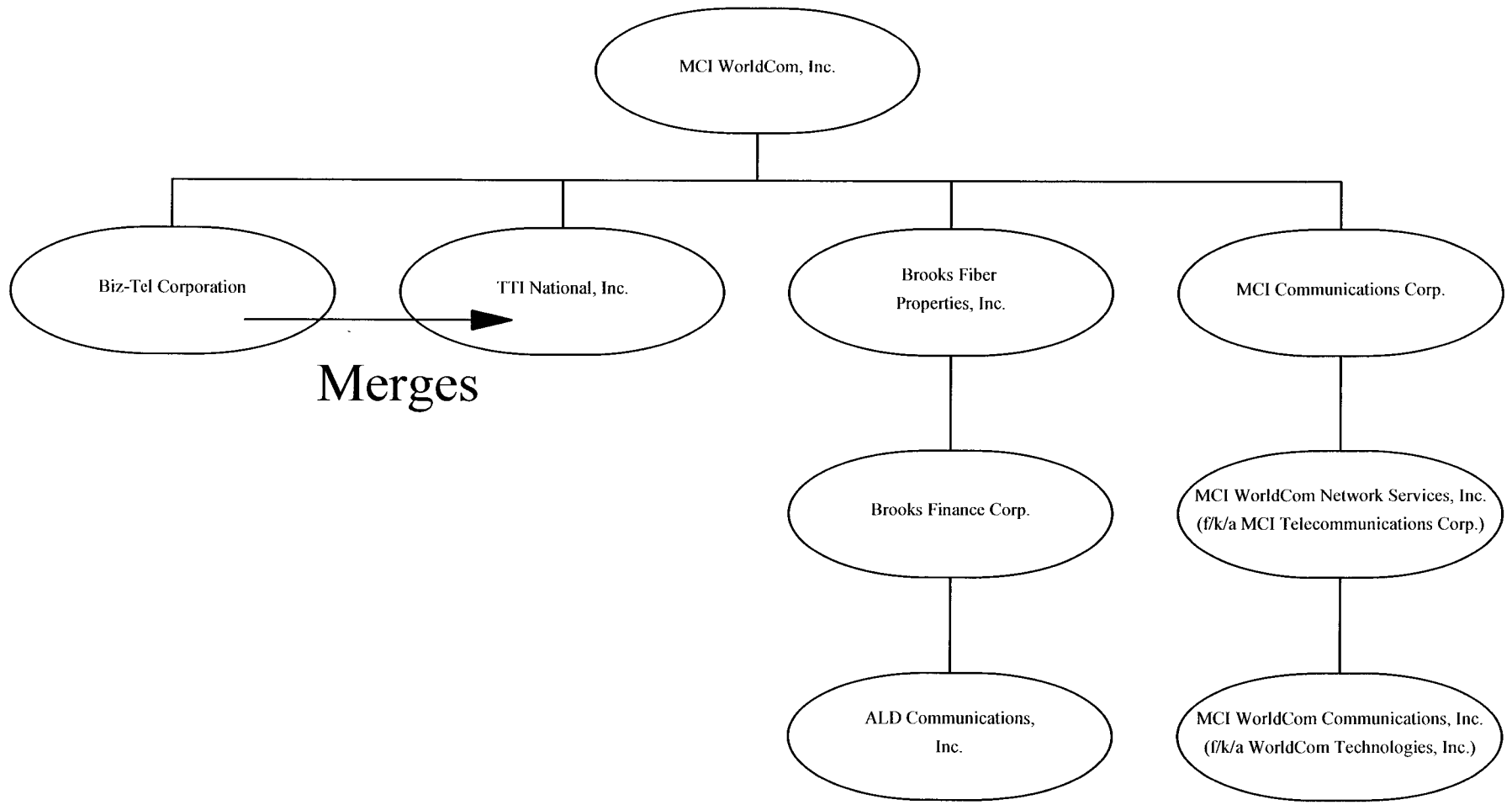


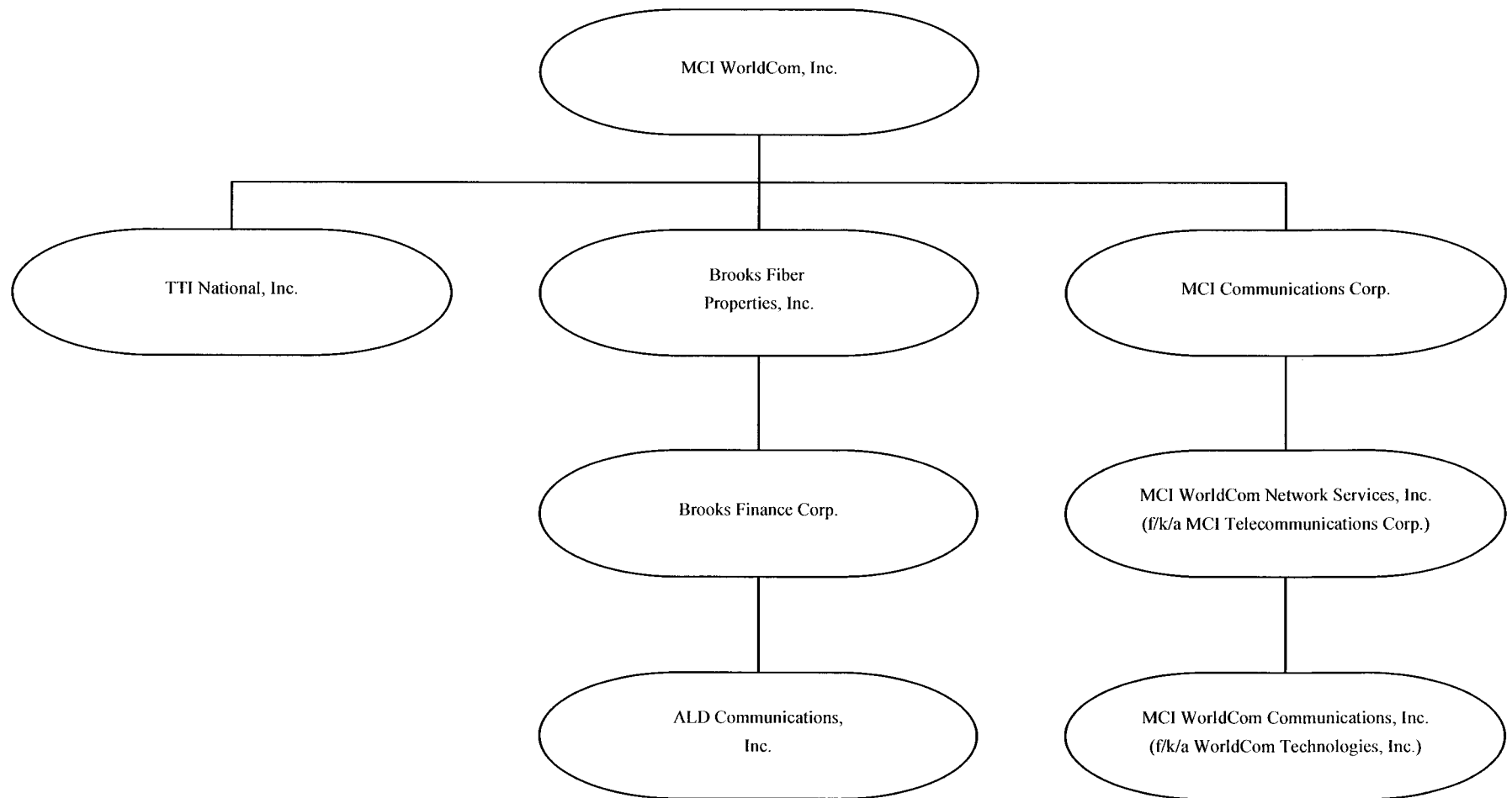


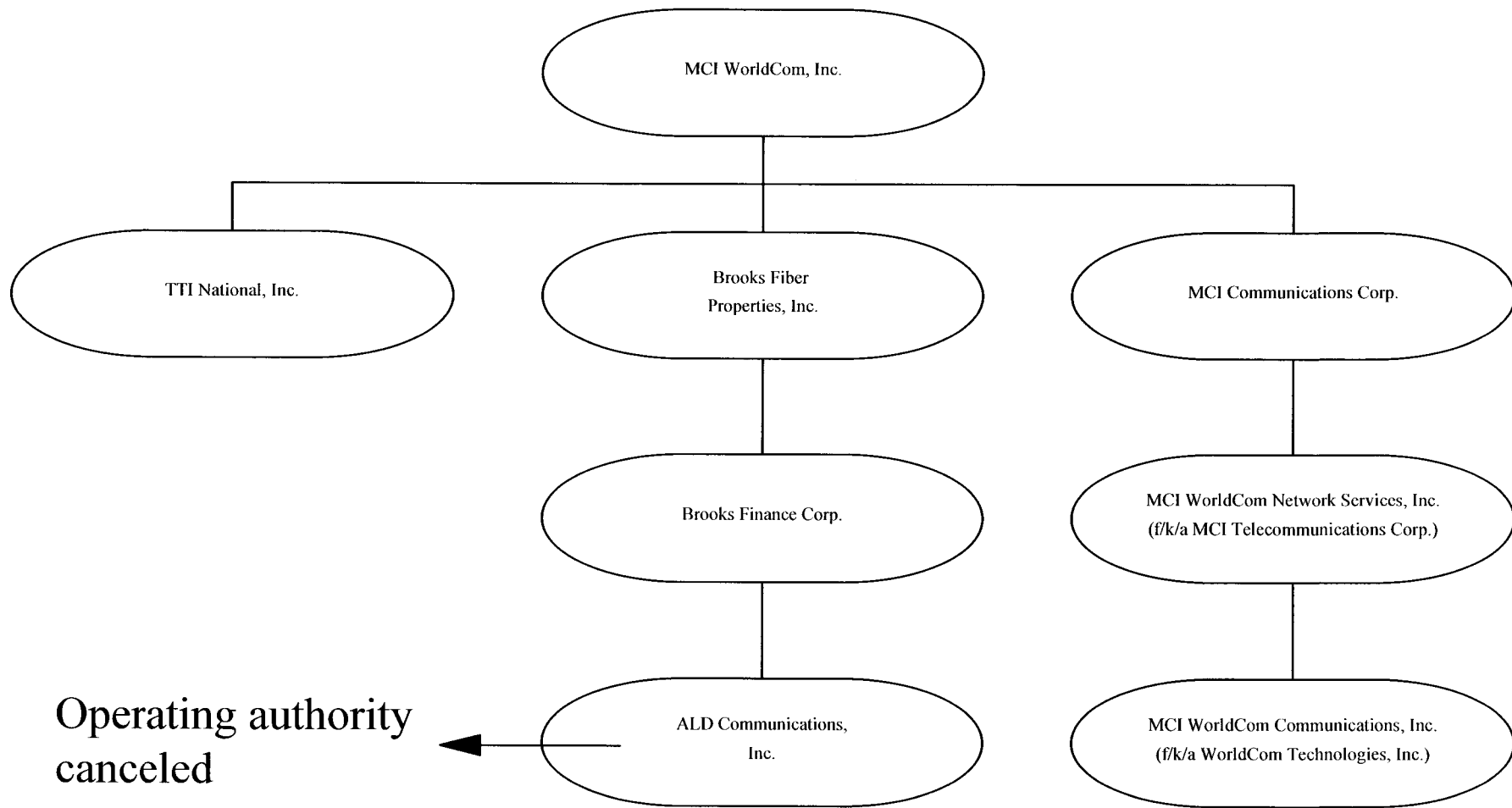


Transfer certain assets and retail customers









Post-Reorganization

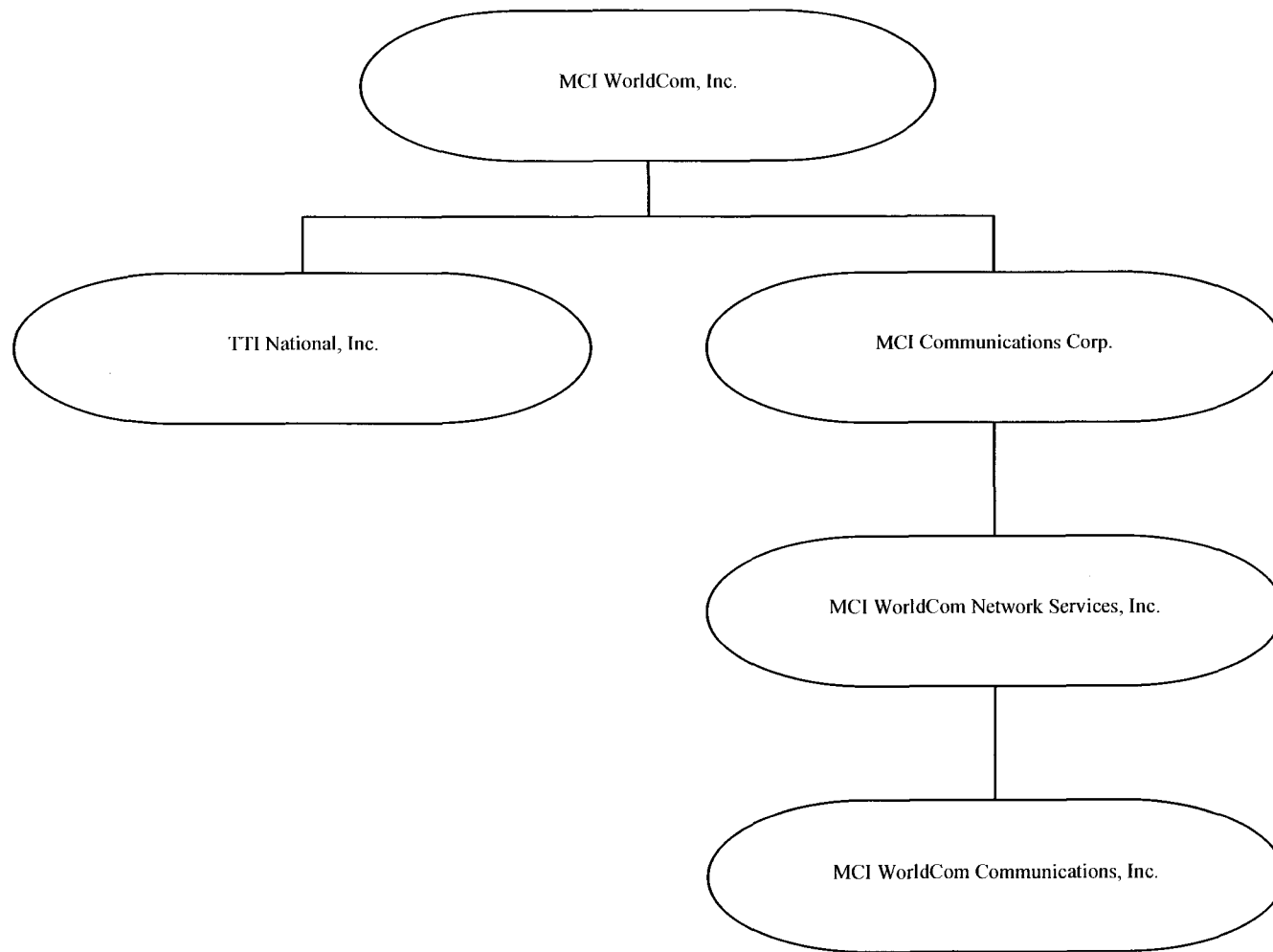


Exhibit C



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

May 17, 1999

CORPORATE ACCESS, INC.
TALLAHASSEE, FL

Re: Document Number F95000001133

The Amendment to the Application of a Foreign Corporation for WORLDCOM TECHNOLOGIES, INC. which changed its name to MCI WORLDCOM COMMUNICATIONS, INC., a Delaware corporation authorized to transact business in Florida, was filed on May 17, 1999.

Should you have any questions regarding this matter, please telephone (850) 487-6050, the Amendment Filing Section.

Cheryl Coulliette
Document Specialist
Division of Corporation

Letter Number: 899A00027168

State of Delaware
Office of the Secretary of State

PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT THE SAID "WORLDCOM TECHNOLOGIES, INC.", FILED A CERTIFICATE OF AMENDMENT, CHANGING ITS NAME TO "MCI WORLDCOM COMMUNICATIONS, INC.", THE SEVENTH DAY OF MAY, A.D. 1999, AT 9:01 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CORPORATION IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE NOT HAVING BEEN CANCELLED OR DISSOLVED SO FAR AS THE RECORDS OF THIS OFFICE SHOW AND IS DULY AUTHORIZED TO TRANSACT BUSINESS.



2283958 8320

991187612

A handwritten signature in cursive script, reading "Edward J. Freel".

Edward J. Freel, Secretary of State

AUTHENTICATION:

9738001

DATE:

05-11-99



FLORIDA DEPARTMENT OF STATE

Katherine Harris
Secretary of State

May 17, 1999

CORPORATE ACCESS, INC.

TALLAHASSEE, FL

Re: Document Number 829591

The Amendment to the Application of a Foreign Corporation for MCI TELECOMMUNICATIONS CORPORATION which changed its name to MCI WORLDCOM NETWORK SERVICES, INC., a Delaware corporation authorized to transact business in Florida, was filed on May 17, 1999.

Should you have any questions regarding this matter, please telephone (850) 487-6050, the Amendment Filing Section.

Cheryl Coulliette
Document Specialist
Division of Corporation

Letter Number: 899A00027169

State of Delaware
Office of the Secretary of State

PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT THE SAID "MCI TELECOMMUNICATIONS CORPORATION", FILED A CERTIFICATE OF AMENDMENT, CHANGING ITS NAME TO "MCI WORLDCOM NETWORK SERVICES, INC.", THE SEVENTH DAY OF MAY, A.D. 1999, AT 9 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CORPORATION IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE NOT HAVING BEEN CANCELLED OR DISSOLVED SO FAR AS THE RECORDS OF THIS OFFICE SHOW AND IS DULY AUTHORIZED TO TRANSACT BUSINESS.



0788723 8320

991187609

A handwritten signature in cursive script, reading "Edward J. Freel".

Edward J. Freel, Secretary of State

AUTHENTICATION: 9737986
DATE: 05-11-99