

REQUEST TO ESTABLISH DOCKET  
(PLEASE TYPE)

Date: June 17, 1999

Docket No. 990793-TP

- 1. Division Name/Staff Name: Communications/T.Williams
- 2. OPR: T.Williams
- 3. OCR: \_\_\_\_\_

4. Suggested Docket Title: Request for transfer of control of Gulf Coast Services, Inc., and its subsidiaries, Gulf Long Distance, Inc. (IXC Certificate No. 3493), Gulftel Communications (ALEC Certificate No. 5254), and Gulf Telephone Company (d/b/a Gulf Payphone Enterprises, Pay Telephone Certificate No. 5582) to Madison River Telephone Company.

5. Suggested Docket Mailing List (attach separate sheet if necessary)

- A. Provide NAMES ONLY for regulated companies or ACRONYMS ONLY regulated industries, as shown in Rule 25-22.104, F.A.C.
- B. Provide COMPLETE name and address for all others. (Match representatives to clients.)

1. Parties and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. Interested Persons and their representatives (if any)

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

6. Check one:

- Documentation is attached.
- Documentation will be provided with the recommendation.

JUN 15 1999



**GULF LONG DISTANCE** INC.

June 14, 1999

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MAIL ROOM  
COMMUNICATIONS  
SERVICE DIVISION

**VIA OVERNIGHT DELIVERY**

Mr. Walter D'Haeseleer, Director of Communications  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

**Re: Notification of the Transfer of Control of Gulf Coast Services, Inc. and its subsidiaries, Gulf Long Distance, Inc. and Gulf Telephone Company, to Madison River Telephone Company**

Dear Mr. D'Haeseleer:

On behalf of Gulf Coast Services, Inc. ("GCSI"), its subsidiaries, Gulf Long Distance, Inc. ("GLD") and Gulf Telephone Company ("GTC") (referred to herein collectively as the "Subsidiaries") and Madison River Telephone Company, ("Madison River") (together, the "Parties"), this letter is to advise and request approval of the Florida Public Service Commission ("Commission") of the proposed transfer of control of the Subsidiaries to Madison River. This transaction is the result of the execution on May 9, 1999, of an Agreement and Plan of Merger (the "Merger Agreement") by Madison River and GCSI, pursuant to which Madison River will acquire control of GCSI and its Subsidiaries.

**Description of the Companies**

Madison River is a Delaware limited liability company formed for the purpose of acquiring and operating rural telephone companies in the United States. In January 1998, Madison River acquired MebTel, Inc., a rural telephone company operating in North Carolina. In November 1998, Madison River's subsidiary Gallatin River Communications, L.L.C. acquired from Sprint Corporation its Illinois local exchange assets. Currently, Madison River operates over 90,000 access lines and its management team has over 120 years experience of combined telecommunications experience. Madison River's subsidiary Mebtel Integrated Communications Solutions, L.L.C. is certified at the federal level and in North Carolina and Illinois to provide long distance service and also has significant telecommunications experience in its management.

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GLD, doing business as Gulftel Communications, holds Certificate of Convenience and Necessity number 5254 from this Commission to provide alternative local exchange telecommunications service. GLD also hold Certificate number 3493 to provide interexchange telecommunications services in Florida. GLD provides interexchange and other telecommunications services through authority granted by the FCC and state regulatory bodies in Alabama, Georgia, Florida, Louisiana, Mississippi, Tennessee, North Carolina, South Carolina and Kentucky.

GTC was granted a Certificate of Public Convenience and Necessity number 5582 to provide pay telephone service in the State of Florida, doing business as Gulf Payphone Enterprises.

### **Description of the Transaction**

The Merger Agreement calls for Madison River to create a new acquisition subsidiary, organized under the laws of the State of Alabama. The acquisition subsidiary will merge into and with GCSI. As the surviving corporation, GCSI will become a wholly owned, direct subsidiary of Madison River. The corporate structure of the subsidiaries will not change as a result of the merger. The transaction thus does not involve an assignment of the certificate of authority held by GLD. GLD will retain the same corporate relationships with GCSI as it had prior to the merger, and will thus become an indirect subsidiary of Madison River.

Madison River has the technical, managerial, and financial qualifications to acquire control of GCSI. Madison River has strong technical qualifications, including a highly qualified management team with extensive experience in the telecommunications industry. Madison River's financial qualifications are demonstrated by its successful operation of telecommunications businesses in other states.

### **Public Interest Considerations**

Madison River and GCSI are leaders in the telecommunications industry. Neither Madison River or GCSI significantly competes in the geographic market sectors served by the other. The two companies' management and resources will complement the other and will thereby enhance the range of telecommunications services and choices available to consumers far more rapidly than either company could do independently.

The proposed merger will cause no adverse impact upon GLD's or GTC's customers. There will be no change in corporate structure other than the addition of Madison River as an ultimate parent corporation, holding all the stock of GCSI. The transaction will not result in a change in the address of the GCSI subsidiaries or their designated contact person with the Commission. Madison River and GCSI are strongly committed to continuing to provide telecommunications services at a high quality level.

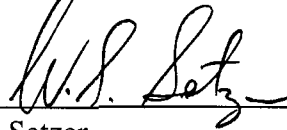
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**Conclusion**

The parties respectfully request expeditious approval of the change of control of GLD and GTC. Please date-stamp the enclosed extra copy of this letter and return it in the self-addressed, stamped envelope provided herein. Should you have any questions or comments regarding this transaction, do not hesitate to contact the undersigned.

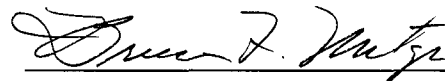
Respectfully submitted,

**Gulf Coast Services, Inc., Gulf Long  
Distance, Inc., and Gulf Telephone  
Company**



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**Madison River Telephone Company**



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