

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint petition of Matrix Telecom, Inc. (holder of IXC Certificate No. 2495), a wholly-owned subsidiary of AvTel Communications, Inc., and Matrix Acquisition Holdings Corp. a wholly-owned subsidiary of Energy TRACS Acquisition Corp. for approval of a proposed agreement to sell all issued and outstanding common stock of Matrix Telecom, Inc. to Matrix Acquisition Holdings Corp.

DOCKET NO. 991441-TI
ORDER NO. PSC-99-2209-PAA-TI
ISSUED: November 9, 1999

The following Commissioners participated in the disposition of this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.

NOTICE OF PROPOSED AGENCY ACTION
ORDER A PROPOSED AGREEMENT TO SELL ALL OF THE ISSUED AND
OUTSTANDING COMMON STOCK

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 facility, or any extension thereof for the purpose of providing telecommunications services to the public, including the acquisition, transfer, or assignment of majority organizational

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control or controlling stock ownership, without prior approval from this Commission.

By letter dated September 17, 1999, Matrix Telecom, Inc. (Matrix Telecom), a wholly-owned subsidiary of AvTel Communications, Inc., and Matrix Acquisition Holdings Corp. (Matrix Acquisition), a wholly-owned subsidiary of Energy TRACS Acquisition Corp., filed with this Commission an application for approval of a proposed agreement to sell all of the issued and outstanding common stock of Matrix Telecom to Matrix Acquisition. Matrix Telecom is the holder of Interexchange Telecommunications Certificate No. 2495. Matrix Telecom has stated that it will continue to operate under its existing certificated name and tariff on file with this Commission.

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 Matrix Telecom and Matrix Acquisition, 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. Our decision does not address the potential impact of the transfer on the competitive market in Florida, or on the companies' or their competitors' interests. We emphasize, however, that our approval of the Petition pursuant to our authority under Section 364.33, Florida Statutes, does not preclude us from addressing any of our concerns that may arise regarding this transaction to the appropriate federal or state agencies.

Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that Matrix Telecom, Inc. and Matrix Acquisition Holdings Corp.'s request for approval of a proposed agreement to sell all of the issued and outstanding common stock of Matrix Telecom, Inc. to Matrix Acquisition Holdings Corp. is hereby approved. 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

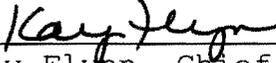
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close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission, this 9th day of November, 1999.

BLANCA S. BAYÓ, Director
Division of Records and Reporting



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

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Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on November 30, 1999.

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.