

State of Florida



Public Service Commission

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RECORDS AND REPORTING

DATE: March 28, 2000

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

FROM: DIVISION OF COMMUNICATIONS (WILLIAMS) *W*
DIVISION OF LEGAL SERVICES (PEÑA/KEATING) *WMP CB/BK*

RE: DOCKET NO. 000031-TL - REQUEST FOR APPROVAL OF TRANSFER OF MAJORITY ORGANIZATIONAL CONTROL OF GTC, INC. D/B/A GT COM, HOLDER OF LOCAL EXCHANGE TELECOMMUNICATIONS CERTIFICATE NO. 29, FROM THE FOUR SHAREHOLDERS OF TPG COMMUNICATIONS, INC. TO MJD VENTURES, INC.

AGENDA: 03/28/00 - REGULAR AGENDA - INTERESTED PERSONS MAY PARTICIPATE - CLARIFICATION

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\CMU\WP\000031.RCM

CASE BACKGROUND

By letter dated January 10, 2000, GTC, Inc. d/b/a GT Com (GT Com), TPG Communications, Inc. (TPG Communications), and MJD Ventures, Inc. (MJD Ventures) filed with this Commission an application for approval of transfer of majority organizational control of GT Com, holder of Local Exchange Telecommunications Certificate No. 29, from TPG Communications and four shareholders to MJD Ventures.

By Order No. PSC-00-0377-PAA-TL, issued on February 22, 2000, the Commission approved the transaction. No protest to the proposed agency action was filed, and, therefore, Consummating Order No. PSC-00-0560-CO-TL was issued on March 17, 2000, to reflect that the action was final and effective, and the docket was closed.

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On March 27, 2000, the companies contacted staff and requested a clarification to the Orders to include all entities involved in the transaction.

DISCUSSION OF ISSUES

ISSUE 1: Should the Commission clarify Order No. Order PSC-00-0377-PAA-TL, as consummated by Order No. PSC-00-0560-CO-TL, to indicate that an entity other than GTC, Inc. d/b/a GT Com is involved in the approved corporate transaction?

RECOMMENDATION: Yes. The Commission should clarify Order No. Order No. PSC-00-0377-PAA-TL, as consummated by Order No. PSC-00-0560-CO-TL, to indicate that TPG Communications, Inc., parent company of GTC, Inc. d/b/a GT Com, is also involved in the approved corporate transaction. (K. Peña, Keating, Williams)

STAFF ANALYSIS: On January 20, 2000, prior to the Commission's approval of the transaction, the companies filed an amended application to clarify that majority control of GT Com's parent company, TPG Communications, will also be transferred to MJD Ventures, Inc. as part of the stock transaction. However, the intent of the companies was not clearly interpreted by staff, such that staff's recommendation only reflected that majority control of GT Com was being transferred, rather than both GT Com, the certificated company, and TPG Communication, its parent.

On March 27, 2000, the companies contacted staff and requested an emergency clarification to Order No. PSC-00-0377-PAA-TL, as consummated by Order No. PSC-00-0560-CO-TL, to include all entities involved in the transaction. The companies indicate that the finalization of this transaction is largely dependent upon this clarification. They further emphasize that finalization of the transaction is scheduled to take place March 31, 2000. The companies have reaffirmed that this transaction will be virtually transparent to GT Com's Florida customers and will not affect the services being provided in Florida. Moreover, GT Com will continue to operate under the same name and tariff on file with this Commission.

Staff recommends that the Commission clarify Order No. PSC-00-0377-PAA-TL, as consummated by Order No. PSC-00-0560-CO-TL, to reflect that TPG Communications, Inc., parent company of GTC, Inc. d/b/a GT Com, is also involved in the approved corporate transaction. Staff believes that this clarification is appropriate

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to indicate that GT Com is not the only entity involved in this transaction, although it is the only Florida-certificated entity. Staff emphasizes that this recommended clarification does not change the underlying approval of transfer of control of GT Com, Inc., pursuant to Section 364.33, Florida Statutes, as set forth in Order No. PSC-00-0377-PAA-TL. This clarification will merely describe the full extent of the transaction more clearly.

ISSUE 2: Should this Docket be closed?

RECOMMENDATION: Yes. If the Commission approves staff's recommendation in Issue 1, no further action will remain for the Commission to take. Therefore, this Docket should be closed.
(K. Peña, Keating)

STAFF ANALYSIS: If the Commission approves staff's recommendation in Issue 1, no further action will remain for the Commission to take. Therefore, this Docket should be closed.