

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Zone Telecom, Inc., indirect wholly owned subsidiary of e-Kong Group Limited, for approval to acquire selected assets of The Furst Group, Inc. (holder of IXC Certificate No. 3171), and request for variance or waiver of rules.

DOCKET NO. 001518-TI
ORDER NO. PSC-01-0235-PAA-TI
ISSUED: January 25, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING TRANSFER OF CERTAIN ASSETS AND WAIVER OF
RULE 25-4.118 FLORIDA ADMINISTRATIVE CODE

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

By letter dated September 29, 2000, Zone Telecom, Inc. (Zone), indirect wholly owned subsidiary of e-Kong Group Limited, and The Furst Group, Inc. (TFG) filed with this Commission an application

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for approval of transfer of certain assets from Zone to TFG. Zone application for an Interexchange Telecommunications Company (IXC) Certificate was approved at the December 19, 2000 Agenda Conference and TFG is the holder of IXC Certificate No. 3171. Zone has stated that the transaction will be virtually transparent to its customers in Florida and it will not affect the services being provided. TFG 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 Zone and TFG, 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.

Pursuant to Rule 25-24.455(4), Florida Administrative Code, this Commission may grant a waiver of Rule 25-4.118, Florida Administrative Code, to the extent that we determine that it is consistent with the public interest to do so. Further, the Commission may grant the petition in whole or in part, may limit the waiver to certain geographic areas and/or may impose reasonable alternative regulatory requirements on the petitioning company.

The companies have provided for a seamless transition while ensuring that the affected customers understand available choices with the least amount of disruption to the customers. The customers will receive ample notification of the transfer and have the opportunity to participate or change to another carrier at no cost to the customer. If prior authorization is required in this event, customers may fail to respond to a request for authorization, neglect to select another carrier, and lose their

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long distance service. Granting the waiver will avoid unnecessary slamming complaints during this transition.

The Commission is vested with jurisdiction over the matter through the provision of Sections 364.33 and 364.337, Florida Statutes.

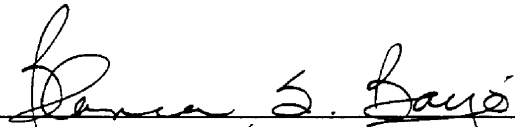
Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that Zone Telecom, Inc. and The Furst Group, Inc.'s request for transfer of assets from The Furst Group, Inc. to Zone Telecom, Inc. 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 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 25th Day of January, 2001.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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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 Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on February 15, 2001.

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.