

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint application for approval of transfer of control whereby VarTec Telecom, Inc. d/b/a VarTec Telecom and Clear Choice Communications (holder of ALEC Certificate No. 5687 and IXC Certificate No. 2963), through its wholly owned subsidiary, VarTec Telecom Holding Company, will acquire control of affiliated telecommunications companies Excel Telecommunications, Inc. (holder of IXC Certificate No. 2440 and ALEC Certificate No. 4695), eMeritus Communications, Inc. (holder of ALEC Certificate No. 4699 and IXC Certificate No. 3496), and Long Distance Wholesale Club, Inc. (holder of IXC Certificate No. 3596).

DOCKET NO. 011337-TP
ORDER NO. PSC-01-2341-PAA-TP
ISSUED: December 5, 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 CONTROL

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in

DOCUMENT NUMBER-DATE

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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.

On October 5, 2001, VarTec Telecom, Inc. d/b/a VarTec Telecom and Clear Choice Communications (VarTec Telecom), VarTec Telecom Holding Company (VarTec Telecom Holding), Excel Telecommunications, Inc. (Excel), eMeritus Communications, Inc. (eMeritus), and Long Distance Wholesale Club, Inc. (LDWC) filed with this Commission an application for approval of transfer of control whereby VarTec Telecom, through its wholly owned subsidiary, VarTec Telecom Holding, will acquire control of affiliated telecommunications companies, Excel, eMeritus, and LDWC.

VarTec Telecom is the holder of Alternative Local Exchange Telecommunications (ALEC) Certificate No. 5687 and Interexchange Telecommunications (IXC) Certificate No. 2963. Excel is the holder of ALEC Certificate No. 4695 and IXC Certificate No. 2440. eMeritus is the holder of ALEC Certificate No. 4699 and IXC Certificate No. 3496. LDWC is the holder of IXC Certificate No. 3596. The certificated companies have stated that the transaction will be virtually transparent to their customers in Florida and it will not affect the services being provided. They have further stated that they will continue to operate under their existing certificated names and tariffs 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 VarTec Telecom, VarTec Telecom Holding, Excel, eMeritus, and LDWC, 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

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service. We are vested with jurisdiction over this matter pursuant to Section 364.33, Florida Statutes.

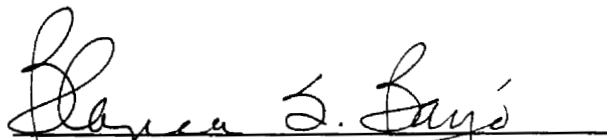
Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that VarTec Telecom, Inc. d/b/a VarTec Telecom and Clear Choice Communications, VarTec Telecom Holding Company, Excel Telecommunications, Inc., eMeritus Communications, Inc., and Long Distance Wholesale Club, Inc.'s request for approval of transfer of control of Excel Telecommunications, Inc., eMeritus Communications, Inc., and Long Distance Wholesale Club, Inc. to VarTec Telecom, Inc. d/b/a VarTec Telecom and Clear Choice Communications 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 the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" 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 5th Day of December, 2001.



BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

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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 the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 26, 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.