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# Missouri Public Serbice Commission

POST OFFICE BOX 360 JEFFERSON CITY, MISSOURI 65102 573-751-3234 573-751-1847 (Fax Number) http://www.ecodev.state.mo.us/psc/

January 19, 2000

GORDON L. PERSINGER Acting Executive Director Director, Research and Public Affairs

> WESS A. HENDERSON Director, Utility Operations

ROBERT SCHALLENBERG Director, Utility Services

DONNA M, KOLILIS Director, Administration

DALE HARDY ROBERTS Secretary/Chief Regulatory Law Judge

> DANA K. JOYCE General Counsel

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102

RE: Case No. TM-2000-377

Dear Mr. Roberts:

FILED<sup>2</sup>
JAN 1 9 2000

Missouri Public Service Commission

E. Snodgaw

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a STAFF RECOMMENDATION.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Cliff E. Snodgrass Senior Counsel

(573) 751-3966

(573) 751-9285 (Fax)

CES:sw Enclosure

cc: Counsel of Record

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

FILED <sup>2</sup>
JAN 1 9 2000

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#### **STAFF RECOMMENDATION**

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its recommendation states:

In the attached Memorandum, which is labeled Appendix A, the Staff recommends that the Missouri Public Service Commission (Commission) issue an Order which approves the Joint Petition of Robert E. Mocas and Teligent, Inc. for Consent to the Transfer of Control of Easton Telecom Services, Inc (Easton) from Robert E. Mocas to Teligent, Inc. (Teligent) (The Petition states that this transfer of control will be accomplished through a merger in which Winston 1 Corp. will be merged with and into Easton, leaving Easton as the surviving entity and wholly owned by Teligent. Through stock contributions from Teligent, Easton will become a subsidiary of Teligent's current subsidiary, Teligent Services, Inc., thereby making Easton an indirect, wholly-owned subsidiary of Teligent.)

Respectfully submitted,

DANA K. JOYCE General Counsel

Cliff Snodgrass

Senior Counsel

Illinois Bar No. 3123645

Attorney for the Missouri Public Service Commission P. O. Box 360 Jefferson City, MO 65102 (573) 751-3966 (Telephone) (573) 751-9285 (Fax)

#### Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 19<sup>th</sup> day of January, 2000.

### MEMORANDUM

To:

Missouri Public Service Commission Official Case File

Tariff File No. N/A

Case No. TM-2000-377

From:

Amonia Moore +

Telecommunications Department

West Staden 1-13.00

Utility Operations Division/Date

General Counsel's Office/Date

É & C 1 1 15 - 7 v v v v

Date:

January 12, 2000

Subject:

Recommendation to Approve Joint Petition of Robert Mocas and Teligent,

Inc. for Consent to the Transfer of Control of Easton Telecom Services, Inc.

from Robert E. Mocas to Teligent, Inc.

On December 21, 1999, Robert E. Mocas ("Mocas"), Easton Telecom Services, Inc. ("Easton"), and Teligent, Inc. and its affiliates ("Teligent") (collectively, the "Petitioners") filed a Joint Petition for Consent to the Transfer of Control of Easton Telecom Services, Inc. from Robert E. Mocas to Teligent, Inc. The purpose of this Petition is the ultimate control of Easton's authorization to provide telecommunications services in the State of Missouri.

Teligent was granted authority to provide basic local exchange telecommunications service effective September 22, 1998 in Case No. TA-98-258. Teligent was granted authority to provide interexchange telecommunications service effective May 1, 1998 in Case No. TA-98-259. Easton was granted authority to provide competitive interexchange telecommunications services effective August 11, 1996 in Case No. TA-96-453.

The Petition states that this transfer of control will be accomplished through a "proposed reverse triangular merger" in which Winston 1 Corp. (the "Merger Sub") will be established as a wholly-owned subsidiary of Teligent solely to effectuate the merger. The Merger Sub will be merged with and into Easton, leaving Easton the surviving entity and wholly-owned by Teligent. Through stock contributions from Teligent, Easton will become a subsidiary of Teligent's current subsidiary, Teligent Services, Inc. ("TSI"), thereby making Easton an indirect wholly-owned subsidiary of Teligent.

Pursuant to 4 CSR 240-2.060(5)(G)-(H), the Petition states that

- (1) Easton will continue to provide service under its current name.
- Easton will provide service in accordance with currently effective tariff(s), and (2) Easton's management and employees will remain the same.

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Appendix A

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Easton Telecom Services, Inc. Page 2 of 2

- (3) the proposed reorganization will not have any impact on the tax revenues of the political subdivisions in which any structures, facilities or equipment of the companies involved in the transaction are located
- (4) Neither Teligent nor Easton has any pending or final judgements or decisions against it from any state or federal agency that involve customer service or rates.

In a related matter, on August 10, 1999, Teligent and TSI filed a Joint Application for Consent to the Pro Forma Assignment to Teligent Services, Inc. of Existing Certificates of Authority to Provide Local Exchange and Interexchange Telecommunications Services in the State of Missouri (Case No. TM-2000-103). The Joint Application requested approval to transfer Teligent's certificates to TSI. The Telecommunications Department Staff ("Staff") recommended that the Commission deny this previous Joint Application because "TSI, as the company seeking to provide service in Missouri, is not certificated and has not filed an Application requesting any authority to provide service in Missouri." On December 23, 1999, Teligent withdrew this Joint Application. A copy of the withdrawal letter is attached.

For the current Petition, Teligent is seeking to acquire a competitive interexchange telecommunications company that is certificated in the State of Missouri. Therefore, Staff recommends that the Commission approve the Joint Petition of Robert E. Mocas and Teligent, Inc. for Consent to the Transfer of Control of Easton Telecom Services, Inc. from Robert E. Mocas to Teligent, Inc.

Telephone (202) 626-6600 Cable Lquire D6 Telecapier (202) 626-6780 Squire, Sanders & Dempsey
LL.P.

Counsellors at Law
1201 Pennsylvania Avenue, N.W.
P.O. Box 407 Washington, D. C. 200440407

Direct Dial Number

December 22, 1999

DEC 23 1999

#### VIA OVERNIGHT DELIVERY

Mr. Dale Hardy Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission Harry S. Truman State Office Building 301 W. High Street Jefferson City, MO 65101

Missouri Public Service Commission

In the Matter of the Joint Application of Teligent, Inc. and Teligent Services, Inc., for consent to the Pro Forma Assignment to Teligent Services, Inc. of Existing Certificates of Service Authority to Provide Telecommunications Service Throughout the State of Missouri Case No. TM-2000-103

Withdrawal of Joint Application

Dear Mr. Roberts:

Teligent, Inc. and Teligent Services, Inc., by counsel, hereby withdraw the abovereferenced Joint Application. If you have any questions or require additional information, please call my associate Robb Stup at (202) 626-6884.

Respectfully submitted,

Carl M. Bennett

(Missouri Bar #0036381)

Robert E. Stup, Jr.

Counsel to Teligent, Inc. and

Teligent Services, Inc.

Office of the Public Counsel cc:

Bratislava . Brussels . Budapest . Cleveland . Columbus . Hong Kong . Houston Jacksonville . Kryin . London . Madrid . Miami . Moscow . New York . Phoenia . Prague . Taipei Service List for Case No. TM-2000-377 January 19, 2000

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102 Carl M. Bennett/Robert E. Stup, Jr./ Stephen J. Duall Squire, Sanders & Dempsey, L.L.P. P.O. Box 407 Washington, DC 20044