

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 3rd day of  
May, 2005.

In the Matter of the Proposed Merger of	)	<b><u>Case No. TM-2005-0370</u></b>
Verizon Communications, Inc. and MCI, Inc.	)	

**ORDER CLOSING CASE**

Syllabus: The Commission finds that it has no jurisdiction over a merger between Verizon Communications, Inc. and MCI, Inc. In light of its lack of jurisdiction, the Commission rejects a request by the Office of the Public Counsel to conduct an investigation into the transaction.

On April 15, 2005, the Office of the Public Counsel filed a document entitled "Comments of the Office of the Public Counsel." Public Counsel asks the Commission to "conduct an investigation, including evidentiary hearings and public hearings, into the proposed merger of Verizon Communications, Inc. and MCI, Inc." Although Public Counsel does allege that the Commission has authority to approve or disapprove the merger, the relief it requests is for the Commission to investigate the merger and convey the results of that investigation to the Federal Communications Commission and the Department of Justice.

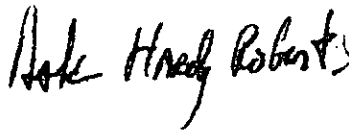
The Commission has consistently found that the Commission does not have jurisdiction over transactions at the holding company level, and it will adhere to that position here. Thus the only question is whether the Commission, despite its lack of direct authority over the transaction, should nonetheless conduct an investigation of its possible

effects. Public Counsel has not alleged that those entities that do have jurisdiction over the transaction will be lax in their oversight, and the Commission has no reason to believe they will be. The Commission concludes that the investigation urged by Public Counsel would simply be redundant and duplicative, and given the Commission's lack of jurisdiction, a fruitless exercise. The Commission will not conduct an investigation into the proposed transaction, and will close this case.

**IT IS THEREFORE ORDERED:**

1. That this case is closed.
2. That all motions not previously ruled upon are denied.
3. That this order shall become effective on May 3, 2005.

**BY THE COMMISSION**



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

( S E A L )

Davis, Chm., and Appling, CC., concur  
Murray, C., concurs with concurring opinion attached  
Gaw and Clayton, CC., dissent with dissenting opinion attached

Mills, Deputy Chief Regulatory Law Judge