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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of)
WorkNet Communications Inc. for)
Approval of Pro Forma Internal) Case No. TM-2000-532
Corporate Reorganization.)

ORDER APPROVING CORPORATE REORGANIZATION

On March 1, 2000, WorkNet Communications Inc. (WorkNet) filed an application requesting that the Public Service Commission approve an internal corporate reorganization. WorkNet, a Delaware corporation qualified to do business in Missouri, holds a certificate authorizing it to provide intrastate interexchange telecommunications services and non-switched local exchange telecommunications services in the state of Missouri. As part of the proposed reorganization, WorkNet will become a wholly owned subsidiary of a newly-created parent, WorkNet Communications Group Inc. (WorkNet Group). WorkNet Group will, in turn, be owned by the present shareholders of WorkNet. The application indicates that the reorganization will not alter the ultimate ownership or control of WorkNet.

WorkNet's application requests expedited treatment of its application to permit it to complete the planned reorganization no later than March 31, 2000. In order that the application could be promptly considered, the Commission, on March 7, issued an order directing the Staff of the Public Service Commission (Staff) to file its recommendations regarding the application no later than March 17. On

March 10, Staff filed a Recommendation and Memorandum indicating that the application was deficient in that it did not comply with Commission rule 4 CSR 240-2.060(6)(G)&(H). Staff recommended that the Commission either reject the application or, in the alternative, issue a Notice of Deficiency advising WorkNet to correct the deficiencies in its application.

On March 14, the Commission issued an Order Directing Applicant to Correct Deficiency in Application and Order Modifying Time Established for Submission of Staff Recommendation. That order directed WorkNet to correct the deficiencies identified by Staff and directed Staff to file a recommendation within ten days following the filing of an amended application. WorkNet filed its amended application on March 21, providing the additional information required by the regulation. WorkNet also pointed out that its correct name is "WorkNet Communications Inc." (without a comma). WorkNet requested that the Commission expedite consideration of its amended application to permit the completion of the reorganization as soon as possible. On March 24, Staff filed a new recommendation and memorandum.

Staff's recommendation indicates that it has reviewed the amended application and believes that it is in compliance with the requirements of 4 CSR 240-2.060(6)(G)&(H). Staff further indicates that it believes that the proposed transaction will not be detrimental to the public interest and recommends that the Commission issue an order approving WorkNet's application.

The Commission has reviewed the application, the amendment of that application, and Staff's recommendation and finds that the proposed reorganization plan will have no adverse impact on WorkNet's Missouri

customers. The Commission finds that the proposed transaction is not detrimental to the public interest and should be approved.

IT IS THEREFORE ORDERED:

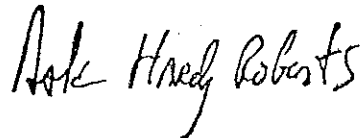
1. That the Application for Approval of Pro Forma Internal Corporate Reorganization filed by WorkNet Communications Inc. is approved.

2. That WorkNet Communications Inc. is authorized to take any and all actions necessary to effect the reorganization authorized by this order.

3. That this order shall become effective on April 6, 2000.

4. That this case may be closed on April 7, 2000.

BY THE COMMISSION



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

(S E A L)

Morris Woodruff, Regulatory Law Judge,
by delegation of authority pursuant to
4 CSR 240-2.120(1) (November 30, 1995)
and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 27th day of March, 2000.