

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 7th
day of February, 1995.

Application for authority for Rochester)	
Telephone Corporation to acquire control)	<u>CASE NO. TM-95-180</u>
of West Coast Telecommunications, Inc.)	
through the purchase of stock.)	

ORDER APPROVING ACQUISITION AND MERGER

On December 7, 1994, Rochester Telephone Corporation (Rochester or Applicant), WCT Communications, Inc. (WCT or Applicant), and West Coast Telecommunications, Inc. (West Coast or Applicant), filed a joint application with the Commission requesting permission for Rochester to acquire WCT (the parent corporation of West Coast) and to merge WCT with Rochester or a Rochester subsidiary. The proposed transaction would result in Rochester becoming the parent corporation of WCT and, ultimately, West Coast. The Applicants requested expedited consideration of the transaction permitting them to complete the transfer of control transaction no later than February 15, 1995.

Rochester is a New York corporation with offices at 180 South Clinton Avenue, Rochester, New York. It is the parent company of Frontier Communications International, Inc. (hereafter referred to as Frontier; formerly RCI Long Distance, Inc.) which carries on its Missouri long distance operations, and several other authorized long distance operating companies. (Rochester was to be renamed Frontier Corporation effective January 1, 1995, but for purposes of this order will continue to be referred to as Rochester.)

WCT is a California corporation with offices at 135 East Ortega Street, Santa Barbara, California. WCT's wholly-owned subsidiary, West Coast, was certificated to provide interexchange telecommunications service in Missouri in **West Coast Telecommunications, Inc.**, Case No. TA-94-52, Order Approving Certificate, issued December 8, 1993. West Coast does business in Missouri under the fictitious name of World Call Telecommunications. **West Coast**, Case No. TO-94-355, Order Recording Fictitious Name issued October 17, 1994.

The Applicants propose to enter a transaction whereby Rochester will acquire WCT and thus, indirectly, West Coast. Rochester will acquire all the outstanding shares of WCT's common stock. Rochester will then be the parent company of WCT and its subsidiary West Coast. West Coast's Missouri customers will continue to receive service from West Coast d/b/a World Call Telecommunications, under its currently filed, Commission approved, tariff. The transaction will also have no effect on the Missouri customers of Frontier (formerly RCI).

The Staff of the Missouri Public Service Commission (Staff) filed a memorandum on January 24, 1995, recommending approval of the proposed acquisition and merger. Staff stated that the customers of West Coast d/b/a World Call Telecommunications should experience no change as a result of the proposed merger and the merger will not be detrimental to ratepayers.

Upon review of the application and the Staff's recommendation, the Commission finds that the proposed acquisition and merger will have no impact on the Missouri customers of West Coast d/b/a World Call Telecommunications or Frontier (formerly RCI). Thus, the Commission finds that the proposed transaction is not detrimental to the public interest and

should be approved. Rochester should be authorized to purchase the stock of WCT, and to merge WCT into itself or one of its subsidiaries so that Rochester ultimately becomes the parent company to West Coast d/b/a World Call Telecommunications. The Applicants should be authorized to take whatever actions are necessary to complete the proposed transactions which will transfer ownership of WCT, and its wholly-owned subsidiary West Coast, to Rochester.

IT IS THEREFORE ORDERED:

1. That Rochester Telephone Corporation is hereby authorized to acquire all the stock of WCT Communications, Inc..

2. That Rochester Telephone Corporation, WCT Communications, Inc., and West Coast Telecommunications, Inc. d/b/a World Call Telecommunications are hereby authorized to take any and all other actions necessary to effectuate the acquisition and merger authorized in Ordered Paragraph 1.

3. That Rochester Telephone Corporation shall file notification with the Commission upon the closing of the acquisition and merger authorized in Ordered Paragraph 1.

4. That this Order shall become effective on February 17, 1995.

BY THE COMMISSION



David L. Rauch
Executive Secretary

(S E A L)

Mueller, Chm., McClure, Perkins,
Kincheloe and Crumpton, CC., Concur.