

## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 24th day of August, 1999.

In the Matte	r of the Joint Application of	)		
Telecom One,	Inc., and Eclipse Telecommunica-	. )	Case No.	TM-99-605
tions. Inc	for an Order Approving a Merger.	)		

## ORDER APPROVING MERGER

On June 23, 1999, Eclipse Telecommunications, Inc. (Eclipse), and Telecom One, Inc. (Telecom One), filed a joint application pursuant to Section 392.300.1, RSMo 1994, and 4 CSR 240-2.060(6) requesting approval of a merger of Telecom One into Eclipse. According to the application, on completion of the proposed transaction, Telecom One will surrender its certification in Missouri and the merged company will continue as Eclipse.

Telecom One was authorized to provide interexchange telecommunications services in Missouri by order of the Commission dated April 27, 1994, in Case No. TA-94-266. Eclipse was authorized to provide interexchange telecommunications services on November 19, 1993, in Case No. TA-93-296 under the name Network Long Distance, Inc. A name change to Eclipse was approved on November 20, 1998, in Case No. TM-98-384.

Telecom One and Eclipse are both wholly owned subsidiaries of IXC Communications Service, Inc. (IXC-CSI). IXC-CSI is a wholly owned

subsidiary of IXC Communications, Inc., whose stock is publicly traded on the NASDAQ Stock Market.

Applicants state that current customers of the two companies will not be adversely affected by the proposed merger. Telecom One's tariffed prices, terms, and conditions of service for that company's current customers will be incorporated into Eclipse's current tariff. The current management of Eclipse will not change and the management team and employees for Telecom One will remain in place as employees of the combined company. The applicants stated appropriate notification would be sent to the affected customers.

Applicants state that the proposed merger will serve the public interest by strengthening competition. The merged company will gain combined resources, management and experience of both companies and enhanced economic and marketing efficiencies to better its competitiveness with larger carriers.

Finally, the applicants state that the merger will have no impact on the tax revenues of any political subdivision in Missouri and that Eclipse has no pending or final judgements or decisions against it from any state or federal agency which involve customer service or rates.

On August 11, 1999, the Commission's Staff filed its Memorandum recommending the Commission's approval of the merger as proposed. Staff recommended cancellation of Telecom One's certificate and tariff on completion of the merger.

The Commission has reviewed the application and Staff's recommendation and finds that the proposed merger will have no adverse

impact on the Missouri customers of Telecom One or Eclipse. The Commission finds that the transaction is not detrimental to the public interest and should be approved.

## IT IS THEREFORE ORDERED:

- 1. That the application by Eclipse Telecommunications, Inc., and Telecom One, Inc., for approval of a merger is approved as of the effective date of this order.
- 2. That Eclipse Telecommunications, Inc., and Telecom One, Inc., are authorized to take any and all actions necessary to effect the merger authorized by this order.
- 3. That Eclipse Telecommunications, Inc., verify to the Commission that existing Telecom One, Inc., customers have been notified concerning the merger to avoid any confusion.
- 4. That Eclipse Telecommunications, Inc., file tariff sheets to incorporate the services and rates of Telecom One, Inc., into its tariff within 30 days from the effective date of this order.
- 5. That Eclipse Telecommunications, Inc., and Telecom One, Inc., shall file a notification with the Commission stating that the merger of the companies has been closed, that the requirements in this order have been satisfied, and that the certificate and tariff of Telecom One, Inc., may be canceled.

6. That this order shall become effective on September 3, 1999.

BY THE COMMISSION

Ask Hared Roberts,

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Lumpe, Ch., Crumpton, Drainer, Murray, and Schemenauer, CC., concur.

Thornburg, Regulatory Law Judge

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