

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
JULY 06,1999**

CASE NO: TM-99-588

**Office of the Public Counsel
P.O. Box 7800
Jefferson City, MO 65102**

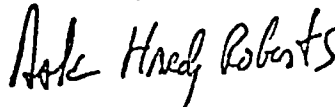
**General Counsel
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102**

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**Stephen F. Morris
MCI Telecommunications Corporation
701 Brazos Suite 600
Austin, TX 78701**

Enclosed find certified copy of ORDER in the above-numbered case(s).

Sincerely,



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

Uncertified Copy:

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 6th
day of July, 1999.

In the Matter of the Application of)
MCI WorldCom, Inc., WorldCom Network)
Services, Inc., MFS Communications Company,) Case No. TM-99-588
Inc., MCI Communications, Corp., MCI)
Telecommunications, Corp. and WorldCom)
Technologies, Inc., for Approval of)
Mergers and Related Transactions.)

ORDER APPROVING MERGERS AND RELATED TRANSACTIONS

On June 8, 1999, MCI WorldCom, Inc. (MCI WorldCom), and its subsidiaries, WorldCom Network Services, Inc. (WNS), MFS Communications Company, Inc. (MFSCC), MCI Communications Corp. (MCIC), MCI Telecommunications, Corp. (MCIT), and WorldCom Technologies, Inc. (WT) (collectively Applicants), filed an application requesting that the Public Service Commission approve a series of mergers and related internal transactions in order to consolidate the Applicants' long-distance operations. Specifically, Applicants seek authority to:

- Merge MFSCC, a holding company for WT, into MCIC, which is also a holding company. After the merger, MFSCC will no longer exist as a legal entity.
- Transfer the stock of WT from MCIC to MCIT, so that WT will become a subsidiary of MCIT.
- Merge WNS into MCIT. After the merger, WNS will no longer exist as a legal entity.

- Transfer MCIT's retail operations to WT. Following this transfer, regulated intrastate telecommunications services currently provided by MCIT will be provided by WT.
- Rename the surviving entities to reflect the WorldCom/MCI merger. WorldCom Technologies, Inc., will be renamed MCI WorldCom Communications, Inc. MCI Telecommunications Corp. will be renamed MCI WorldCom Network Services, Inc.

On June 16, the Applicants filed an Amendment to their application, which indicated that to reflect changes resulting from the reorganization, the Applicants will make the following tariff changes:

- MCI WorldCom Communications will adopt the current MCI Telecommunications Tariff PSC No. 1 and consolidate it with the current WorldCom Technologies Tariff PSC No. 1. The new tariff name will be MCI WorldCom Communications Tariff PSC No. 1.
- MCI WorldCom Communications will adopt the current MCI Telecommunications Tariff PSC No. 2. The new tariff name will be MCI WorldCom Communications, Tariff PSC No. 2.
- The current WorldCom Technologies Tariff PSC No. 2 will be renamed MCI WorldCom Communications Tariff PSC No. 3.
- MCI WorldCom Network Services will adopt and rename the current WorldCom Network Services Tariff PSC No. 1. The new name will be MCI WorldCom Network Services Tariff PSC No. 1.

On June 28, the Staff of the Public Service Commission (Staff) filed a Memorandum indicating that Staff has reviewed the application and believes that it meets the limited requirements of 4 CSR 240-2.060(6). Staff has no objections to the proposed merger and related transactions

and recommends that the Commission issue an order approving the proposed merger and related transactions.

The Commission has reviewed the application, the accompanying documentation, and Staff's recommendation and finds that the proposed merger plan will have no adverse impact on the Missouri customers of MCI WorldCom or its subsidiaries. The Commission finds that the transactions are not detrimental to the public interest and should be approved.

IT IS THEREFORE ORDERED:

1. That the Application for Approval of Mergers and Related Transactions, as amended, is approved.

2. That the merger of MFS Communications Company, Inc., into WorldCom Technologies, Inc., is approved.

3. That the transfer of stock of WorldCom Technologies, Inc., from MCI Communications Corp., to MCI Telecommunications, Corp., is approved.

4. That the merger of WorldCom Network Services, Inc., into MCI Telecommunications, Corp., is approved.

5. That the transfer of the current retail operations and certain assets relating to sales from MCI Telecommunications, Corp., to WorldCom Technologies, Inc., is approved.

6. That the change of the name of WorldCom Technologies, Inc. to MCI WorldCom Communications, Inc., is approved.

7. That the change of the name of MCI Telecommunications Corp. to MCI WorldCom Network Services, Inc., is approved.

8. That MCI WorldCom Communications, Inc., shall file any appropriate adoptions and changes to the tariffs of MCI

Telecommunications Corporation and WorldCom Technologies, Inc., no later than September 3, 1999.

9. That MCI WorldCom Network Services, Inc., shall file any appropriate adoptions and changes to the tariffs of WorldCom Network Services, Inc., no later than September 3, 1999.

10. That MCI WorldCom Communications, Inc., shall transfer all of the affected customers of MCI Telecommunications, Corporation and WorldCom Technologies, Inc., to the tariffed services of MCI WorldCom Communications, Inc., no later than October 4, 1999.

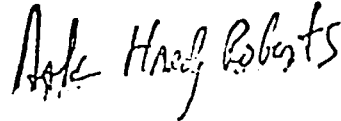
11. That MCI WorldCom Network Services, Inc., shall transfer all of the affected customers of WorldCom Network Services, Inc., to the tariffed services of MCI WorldCom Network Services, Inc., no later than October 4, 1999.

12. That, as required by Section 392.500, RSMo (1994), MCI WorldCom Communications, Inc., and MCI WorldCom Network Services, Inc., shall notify the Commission of any rate changes, and their customers of any rate increases.

13. That the Certificate of Service Authority of WorldCom Network Services, Inc., shall be canceled on October 4, 1999.

14. That this order shall become effective on July 16, 1999.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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

Woodruff, Regulatory Law Judge

ALJ/Sec'y: 7-6-99

6-31 Date Circulated 7/11-99-511 CASE NO.

[Signature]
Lumpke, Chair

[Signature]
Crumpton, Commissioner

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Murray, Commissioner

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Schemenauer, Commissioner

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Drainer, Vice-Chair
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7-6
Agenda Date

Action taken: 4 AS

Must Vote Not Later Than _____

**STATE OF MISSOURI
OFFICE OF THE PUBLIC SERVICE COMMISSION**

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,

Missouri, this 6TH day of JULY, 1999.

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge