

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF COM/NAV MARINE, INC.)
FOR AUTHORITY TO PROVIDE MARINE TWO-WAY) CASE NO.
RADIO SERVICE FROM A PUBLIC COAST STATION) 10392
WITHIN THE COMMONWEALTH OF KENTUCKY)

O R D E R

On September 23, 1988, Com/Nav Marine, Inc. ("Com/Nav"), filed an application for authority to provide marine two-way radio service from a public coast station within the Commonwealth of Kentucky. This Order grants the relief requested by Com/Nav.

Com/Nav is a Mississippi corporation authorized to transact business in Kentucky. Com/Nav is currently¹ a wholly-owned subsidiary of MCCA, a Delaware corporation.

Com/Nav is licensed² by the Federal Communications Commission to offer marine two-way radio service from its public coast station in Paducah, Kentucky. Com/Nav provides a service whereby

¹ Pending certain regulatory approvals, Com/Nav will be divested by Mobile Communications Corporation of America ("MCCA"), which will "spin-off" all of its interest in Com/Nav to the shareholders of MCCA. This transaction, more fully described by the application for approval of the spin-off, has been found to not require approval by the Commission. Case No. 10393, The Joint Application of Com/Nav Marine, Inc. and Mobile Communications Corporation of America for Approval of the Distribution of All of Its Shares of Com/Nav Marine, Inc., to the Shareholders of Its Parent Mobile Communications Corporation of America, (October 26, 1988).

² Com/Nav is subject to regulations pertaining to the provision of maritime services. See 47 C.F.R. §80.13 (1987); Application of Com/Nav Marine, Inc., 2 FCC Rcd 5456 (1987).

persons aboard marine vessels can communicate with land-line telephone customers via a radio connection provided by Com/Nav. Com/Nav interconnects the vessel with the land-line party via the public switched network. Com/Nav service is available to vessels equipped with marine radios. Vessels must be within 20 to 25 miles of the Paducah public coast station in order to reach Com/Nav. Conversely, land-line customers may utilize Com/Nav in order to reach vessels within the 20-25 mile range of Com/Nav. Since Com/Nav provides links between vessels on navigable waters, including the Ohio and Mississippi Rivers, the jurisdictional nature of traffic handled by Com/Nav is difficult, if not impossible, to ascertain. It is possible that some connections provided by Com/Nav involve wholly intrastate Kentucky traffic. Therefore, Com/Nav appears to be a utility within the meaning of KRS 278.010(3)(e).³

Exhibits filed in support of Com/Nav's application include a pro forma statement of assets and liabilities, including investments and advances of MCCA to Com/Nav, (Exhibit 6), a statement of revenues and expenses of Com/Nav for 1987, (Exhibit

³ Com/Nav's service appears similar to that provided by FCC licensees ("radio common carriers") providing conventional two-way mobile telephone service from stations in the public mobile service. See 47 C.F.R. §22 et seq. (1987). Such licensees are regulated by the Commission, when they provide two-way services within Kentucky. Com/Nav has not argued that its service is materially different from such radio common carriers, or that Com/Nav is not a utility. Com/Nav appears to have exercised an abundance of caution in seeking Commission approval.

7), other financial information,⁴ and a proposed tariff (Exhibit 14).

Having reviewed Com/Nav's application, as well as the exhibits filed in support of the application, the Commission is of the opinion and FINDS that:

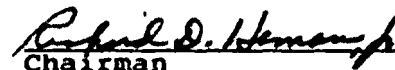
1. Com/Nav possesses the financial, technical, and managerial abilities to provide reasonable service; and
2. Com/Nav's proposed rates and tariff are reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Com/Nav's application for authority to provide marine two-way services be and it hereby is approved; and
2. Within 30 days of the date of this Order, Com/Nav shall file its tariff.

Done at Frankfort, Kentucky, this 26th day of October, 1988.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

⁴ These pro forma statements were prepared pursuant to a Merger Agreement between MCCA and BellSouth Corporation. The statements are intended to represent certain assets and liabilities of MCCA as of 12-31-87, which were transferred to Com/Nav on June 30, 1988 as a step in the ultimate "spin-off" of Com/Nav.