

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE REORGANIZATION OF THE SOUTHERN
OHIO TELEPHONE COMPANY

) CASE NO. 89-346
)

O R D E R

On December 20, 1989, Southern Ohio Telephone Company ("SOTCo") and Cellular Communications of Cincinnati, Inc. ("CC-Cincinnati") filed a notice of their plans to transfer SOTCo's license to provide cellular telephone services in the Cincinnati, Ohio-northern Kentucky cellular geographic service area to CC-Cincinnati ("the Transfer"). SOTCo and CC-Cincinnati filed an application for approval of the Transfer with the Ohio Public Utilities Commission ("Ohio PUC") on December 11, 1989. This Commission treated the filing of December 20, 1989 as an application for Commission approval of the Transfer pursuant to KRS 278.020(4) inasmuch as SOTCo is under the Commission's jurisdiction.¹ The application for approval of the Transfer is granted contingent upon approval of the Transfer by the Ohio PUC.

¹ Case No. 9462, Application of the Southern Ohio Telephone Company for the Issuance of a Certificate of Public Convenience and Necessity to Provide a New Domestic Public Cellular Radio Telecommunications Service to the Public in the Greater Cincinnati Metropolitan Area Including All or Parts of Butler, Clermont, Hamilton, and Warren Counties in Ohio; Boone, Campbell, Gallatin, Grant, Kenton, Ohio, and Pendleton Counties in Kentucky and Dearborn, Franklin and Switzerland Counties in Indiana.

THE TRANSFER

CC-Cincinnati is a general partner in SOTCo² and is a wholly-owned subsidiary of Cellular Communications, Inc. ("the Parent"). SOTCo would be dissolved and its license to provide cellular telephone services assigned to CC-Cincinnati. The Federal Communications Commission already has approved the Transfer.³ Approval of the Transfer by the Ohio PUC still is pending.

APPLICABLE LAW

As SOTCo and CC-Cincinnati state in their filing of December 20, 1989, CC-Cincinnati and the other partners in SOTCo are wholly-owned by the Parent, and the Transfer is exempt from the requirements of KRS 278.020(5) as a corporate reorganization pursuant to KRS 278.020(6). Nonetheless, KRS 278.020(4) requires Commission approval of the Transfer because SOTCo is under the Commission's jurisdiction. The Commission finds that CC-Cincinnati has evidenced its capabilities in the field of cellular telephone service by its years as an active partner in SOTCo. The financial data and other information filed by SOTCo and CC-Cincinnati show that CC-Cincinnati has the financial, technical,

² The other partners have been Cellular Communications of Dayton, Inc. and Midwest Mobilephone of Cincinnati, Inc., neither of which is under the Commission's jurisdiction.

³ 04618-CL-A1-1-90. Pro Forma Assignment of Southern Ohio Telephone Company, Station KNKA333 from Southern Ohio Telephone Company to Cellular Communications of Cincinnati, Inc., Market 23A-Cincinnati MSA.

and managerial abilities to provide reasonable service to its customers. The Transfer will not result in an increase in rates for those customers.

The Commission believes the Transfer is reasonable and in the public interest. The Commission believes, however, that as most of SOTCo's revenue comes from its Ohio operations, and the great majority of its business is in Ohio, the Commission's approval of the Transfer should be contingent on approval of the Transfer by the Ohio PUC. This procedure also will eliminate any possibility of confusion by customers should the Ohio PUC not approve the Transfer.

IT IS THEREFORE ORDERED that:

1. The Transfer shall be and hereby is approved contingent upon its approval by the Ohio PUC.


2. SOTCo and CC-Cincinnati shall provide the Commission with all additional filings related to the Transfer which are made with the Ohio PUC and shall submit a copy of the Ohio PUC's order regarding the Transfer as soon as that order is issued.


3. If the Transfer is approved by the Ohio PUC, the Transfer shall become effective in Kentucky on the same date in which it becomes effective in Ohio without further Order.


4. The Adoption Notice filed by CC-Cincinnati as a part of the application in this case shall be accepted contingent upon the Transfer's approval by the Ohio PUC.

Done at Frankfort, Kentucky, this 23rd day of February, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director