

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LDDS COMMUNICATIONS, INC.)	
AND ITS WHOLLY-OWNED OPERATING)	
SUBSIDIARIES TO CONSOLIDATE OPERATIONS)	
UNDER THE NAMES - LDDS OF KENTUCKY, INC.)	CASE NO. 93-160
D/B/A LDDS COMMUNICATIONS, LDDS OF)	
INDIANA, INC. AND AMERICALL, INC.)	

O R D E R

LDDS Communications, Inc. ("LDDS") along with its wholly-owned operating subsidiaries: LDDS of Kentucky, Inc. d/b/a LDDS Communications ("LDDS-Ky."); LDDS of Indiana, Inc.; Advance Telecommunications Corporation ("ATC"); AmeriCall, Inc.; and Touch 1 Long Distance, Inc. ("Touch 1"), filed an application with the Commission on April 27, 1993 requesting approval to consolidate two of its operating subsidiaries. The application was subsequently amended on May 14, 1993 and is deemed filed as of that date. A second amendment was filed June 4, 1993, in which LDDS withdrew that portion of its request pertaining to the consolidation of Touch 1 into LDDS-Ky.

LDDS is a publicly-held Tennessee corporation with principle offices in Jackson, Mississippi. LDDS is a holding company and does not provide interstate telecommunications services in the state of Kentucky. ATC is a Delaware corporation authorized by this Commission to act as a reseller pursuant to a Certificate of

Convenience and Necessity issued in Case No. 91-177¹. LDDS-Ky. is a Georgia corporation providing intrastate telecommunications services pursuant to a Certificate of Public Convenience and Necessity issued in Case No. 10327².

LDDS proposes to merge its operating subsidiary ATC into LDDS-Ky. and operate under the existing LDDS-Ky. certificate and tariff. LDDS represents that this transaction will prevent customer confusion and streamline regulatory and tax reporting requirements for the subsidiaries. LDDS further represents that the proposed transfer will not be detrimental to the public interest and will not impair the present level of service customers receive from ATC and LDDS-Ky.

LDDS and its operating subsidiaries assert that they possess the necessary financial, technical and managerial ability to continue to operate and provide reasonable service. This ability is demonstrated by current operations of the existing Kentucky certified companies. They further represent the transaction is in the public interest in that it will provide a more streamlined level of service for all Kentucky customers by reducing duplication of operating and administrative activities.

¹ Case No. 91-177, Application of ATC Long Distance for a Certificate of Public Convenience and Necessity as a Reseller of Telecommunications Services Within the State of Kentucky. Order dated August 26, 1991.

² Case No. 10327, Joint Application of Telcor, Inc. and Telamarketing Communications of Evansville, Inc. for Approval of (1) the Merger of Telephone Management Corporation and LDDS Communications, Inc., and (2) Loans to Refinance Existing Debt and Fund the Merger. Order dated August 31, 1988.

The proposed transfer is under the jurisdiction of this Commission and both KRS 278.020(4) and (5) apply. Pursuant to those sections, persons under the jurisdiction of the Commission are required to receive approval prior to the acquisition or transfer of ownership or control of a utility. The Commission finds that LDDS and LDDS-Ky. have the financial, technical, and managerial abilities as demonstrated in the application to provide reasonable service to ATC customers and further, that the proposed transaction is for a proper purpose and is consistent with the public interest. The proposed transaction is consistent with the requirements of KRS 278.020(4) and (5) and should be approved.

The Commission, having considered the petition and the information provided by the petitioners and being otherwise sufficiently advised, HEREBY ORDERS that:


1. The merger of ATC into LDDS-Ky. be and it hereby is approved.

2. LDDS-Ky. shall file a consolidated tariff and otherwise comply with 807 KAR 5:011, Section 11, within 10 days of the date of closing.

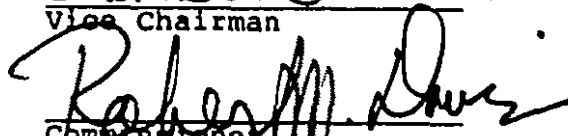
3. LDDS-Ky. and ATC shall notify the Commission in the event that the proposed transaction does not take place.

Done at Frankfort, Kentucky, this 13th day of July, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director