

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A JOINT APPLICATION OF AMER-I-NET)
SERVICES CORP. AND DIGITAL TECHNOLOGIES,) CASE NO. 95-553
INC. TO TRANSFER OWNERSHIP OR CONTROL)

O R D E R

On February 27, 1996, Amer-i-Net Services Corporation ("Amer-i-Net") and Digital Technologies, Inc. ("Digital") (hereinafter collectively referred to as "Joint Applicants") filed an application ("Application") for Commission approval of the transfer of Amer-i-Net from Polar Communications Corporation ("Polar"), the parent corporation, to its subsidiary Digital.

Amer-i-Net, a Delaware corporation, was granted a certificate of public convenience and necessity to provide telecommunications services as a reseller within Kentucky in Case No. 93-028.¹

KRS 278.020(4) provides that no person shall acquire or transfer ownership or control, or the right to control, any utility under the jurisdiction of the Commission without prior approval of the Commission. KRS 278.020(5) prohibits any person or entity from acquiring control of any utility under the jurisdiction of the Commission without prior approval. Pursuant to KRS 278.020(6)(b), subsection (5) is not applicable to transfer of a utility when, as

¹ Case No. 93-028, Amer-I-Net Services Corporation's Application for a Certificate of Public Convenience and Necessity to Operate as a Reseller of InterLATA Telecommunications Services, final Order dated July 14, 1993.

here, the acquirer is under common control with the utility. Consequently, subsection (5) does not apply. However, there is no exception to KRS 278.020(4) for corporate reorganizations. Consequently, KRS 278.020(4) applies, and Commission approval is necessary.

Digital, a Nevada corporation, filed on February 27, 1996, descriptions of the respective backgrounds of its General Counsel/Assistant Secretary and its President. In addition, Digital has filed its balance sheets for June 30, 1994 and 1993, together with a statement of operations and retained earnings.

Joint Applicants assert that, subsequent to the proposed transaction, Amer-i-Net will continue to provide service in the Commonwealth pursuant to its tariff on file with the Commission.

The Commission finds that the information filed by Joint Applicants demonstrates that Digital has the financial, technical, and managerial abilities to provide reasonable service in Kentucky. Consequently, the transfer should be approved.

IT IS THEREFORE ORDERED that:

1. The transaction proposed by the Joint Applicants is hereby approved.

2. Within 10 days of the date of the consummation of the proposed transaction, Joint Applicants shall file with the Commission a chart displaying the corporate structure of the Polar

Communications Corporation companies as it will exist subsequent to the transfer described herein.

Done at Frankfort, Kentucky, this 3rd day of April, 1996.

PUBLIC SERVICE COMMISSION

Stida K. Breaux
Chairman

Eric J. W. [Signature]
Vice Chairman

Robert M. Davis
Commissioner

ATTEST:

[Signature]
Executive Director