

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

JOINT APPLICATION OF METROMEDIA)
COMMUNICATIONS CORPORATION AND RESURGENS) CASE NO.
COMMUNICATIONS GROUP, INC., FOR) 93-062
AUTHORIZATION TO MERGE)

O R D E R

On May 4, 1993, Metromedia Communications Corporation ("Metromedia") and Resurgens Communications Group, Inc. ("Resurgens") filed a joint petition for rehearing of the Commission's April 29, 1993 Order approving the merger of Metromedia into Resurgens. The petition requests the Commission to recognize that as a result of an amendment to the utilities' merger agreement, their respective ownership interest will vary slightly from the percentages set forth in the April 19, 1993 Order.

Specifically, the merged utility will now be owned 63 percent, rather than 61 percent, by those whose equity interest arises under Metromedia, and 37 percent, rather than 39 percent, by those whose equity interest arises under Resurgens. In addition, existing stock warrants that were originally to remain outstanding will now be canceled and new warrants issued in their place. These warrants, which represent the right to purchase common stock in the merged entity, are subject to prior Commission approval pursuant to KRS 278.300.

Based on the petition for rehearing and being advised, the Commission is of the opinion and it hereby finds that the proposed modification to the ownership interest is de minimis and requires no modification of our April 19, 1993 Order approving the merger. The proposed issuance of stock warrants, however, cannot be reviewed until Metromedia and Resurgens have complied with KRS 278.300(2), which requires an application for approval of financing to be signed under oath by an executive officer of the utility.

IT IS THEREFORE ORDERED that:

1. The petition for rehearing be and it hereby is granted.
2. Within 10 days of the date of this Order, Metromedia and Resurgens shall file the requisite affidavits in support of their request for approval of financing pursuant to KRS 278.300(2).

Done at Frankfort, Kentucky, this 18th day of May, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director