

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HORIZON CELLULAR)	
TELEPHONE COMPANY OF SPENCER, L.P., A)	
DELAWARE LIMITED PARTNERSHIP, TO MERGE)	CASE NO.
INTO HORIZON CELLULAR TELEPHONE)	94-421
COMPANY OF CENTRAL KENTUCKY, L.P., A)	
DELAWARE LIMITED PARTNERSHIP)	

O R D E R

On November 4, 1994, Horizon Cellular Telephone Company of Central Kentucky, L.P. ("Central Kentucky"), and Horizon Cellular Telephone Company of Spencer, L.P. ("Spencer"), (hereinafter "Joint Applicants"), pursuant to KRS 278.020(4), filed with the Public Service Commission ("Commission") a joint application requesting approval of the transfer of all assets and liabilities of Spencer to Central Kentucky. Joint Applicants assert that Commission approval is not required pursuant to KRS 278.020(5) because the proposed transaction is a business reorganization pursuant to KRS 278.020(6). However, KRS 278.020(4) requires Commission approval of all transfers of ownership or control of a utility with no exception for business reorganizations. Consequently, Commission approval is necessary.

The proposed transaction consists of a merger pursuant to which Spencer will merge into Central Kentucky, effective January 1, 1995. After the merger, Central Kentucky will have the same assets and personnel to provide service as Central Kentucky and Spencer currently possess. Central Kentucky has filed with the

Commission an Adoption Notice pursuant to 807 KAR 5:011, Section 11, whereby Central Kentucky adopts, as of January 1, 1995, the tariff of Spencer that is currently on file with the Commission.

Central Kentucky, a Delaware limited partnership, currently provides domestic cellular radio telecommunications services to the public in RSA 5, RSA 6 and RSA 8.¹ The sole general partner of Central Kentucky is KCCGP, L.P., a Delaware limited partnership. The sole limited partner of Central Kentucky is Horizon Cellular Telephone Company, L.P., a Delaware limited partnership.

Spencer, a Delaware Limited Partnership having the same general partner and limited partner as Central Kentucky, was granted a Certificate of Public Convenience and Necessity to provide cellular services in Kentucky RSA 4 in Case No. 92-485.²

Joint Applicants submit that the proposed transaction is consistent with the public interest and that it will be made in accordance with law and for a proper purpose. The Commission found

¹ Case No. 93-048, Joint Application of Danbury Cellular Telephone Co., a Connecticut Corporation d/b/a Cellular One/United Bluegrass Cellular Corp., and Horizon Cellular Telephone Company of Central Kentucky, L.P., a Delaware Limited Partnership, for Approval of the Transfer of the Assets and Liabilities of Danbury Cellular Telephone Co. to Horizon Cellular Telephone Company of Central Kentucky, L.P., and Related Financing.

² Case No. 92-485, The Application of Horizon Cellular Telephone Company of Spencer, L.P., a Delaware Limited Partnership, for Issuance of a Certificate of Public Convenience and Necessity to Provide Domestic Public Cellular Radio Telecommunications Service to the Public in the Kentucky Rural Service Area Which Includes Spencer, Nelson, Anderson, Hardin, Washington, Mercer, Larue, Marion, Green and Taylor Counties in Kentucky; for a Certificate of Public Convenience and Necessity to Construct a Cell Site in Elizabethtown, Kentucky; and for Establishment of Initial Rates.

in Case No. 93-048 that Central Kentucky has the financial, technical, and managerial abilities to provide reasonable service in Kentucky. Joint Applicants also submit that a stronger and more competitive Central Kentucky will benefit Kentucky consumers as the quality and availability of Central Kentucky's service will improve and Central Kentucky's competitors will be forced to improve the quality and availability of their service.

The Commission finds that Central Kentucky has demonstrated the financial, technical, and managerial abilities to provide reasonable service to the public and that the proposed transaction is consistent with the requirements of KRS 278.020(4) and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed transaction consisting of the merger of Spencer into Central Kentucky, as described by the Joint Applicants, is hereby approved.

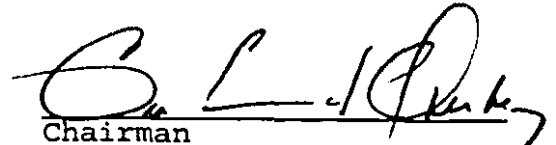
2. Joint Applicants shall notify the Commission, within 10 days of the closing of the proposed transaction, or in the alternative, shall notify the Commission if the proposed transaction does not occur.

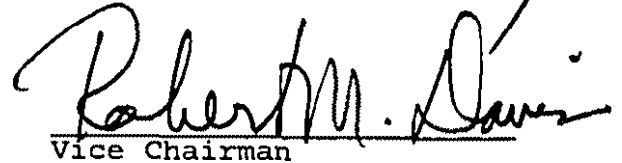
3. Within 30 days of the date of this Order, Central Kentucky shall file organizational charts reflecting all Kentucky

cellular operations, all associated ownership interests, all associated corporate names, and all associated business names.

Done at Frankfort, Kentucky, this 20th day of December, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director