

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WORLDCOM, INC.                    )  
FOR AUTHORITY TO AMEND AND                    )  
RESTATE AN EXISTING CREDIT FACILITY        )     CASE NO. 96-261

O R D E R

On June 11, 1996, WorldCom, Inc., d/b/a LDDS WorldCom ("WorldCom"), filed an application pursuant to KRS 278.300 for authority to amend and restate an existing Credit Facility that was approved in Case No. 94-319<sup>1</sup>. KRS 278.300 requires utilities to be authorized by Commission Order prior to issuing any securities or evidence of indebtedness or assuming any obligation or liability in respect to the securities or evidence of indebtedness of any person.

The Commission has allowed nondominant carriers wide latitude in determining financial arrangements appropriate for their situation. This flexibility is based on the fact that the market in which these carriers compete is characterized by significant competition and numerous suppliers of similar services. Therefore the demise of a nondominant carrier as a result of inappropriate financing arrangements will be the burden of the company's stockholders and will not harm the public interest.

Therefore, the Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that the amendment of the Credit Facility as described in the application is for a lawful object within its corporate purpose, is necessary,

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<sup>1</sup> Casw No. 94-319, Application for Authority to Transfer Control of Wiltel, Inc. to LDDS Communications, Inc. and for Approval of Related Transactions.

appropriate, and consistent with the proper performance of its service to the public, will not impair its ability to perform that service, is consistent with the requirements of KRS 278.300. and should **be approved.**

IT IS THEREFORE ORDERED that:

1. WorldCom is authorized pursuant to KRS 278.300 to amend and restate the Credit Facility described in the application.
2. The proceeds from the transactions authorized herein shall be used only for the lawful purposes as set out in the application.

Nothing contained herein **shall be construed as a finding** of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to securities authorized herein.

Done at Frankfort, Kentucky, this **9th day** of July, 1996.

By the Commission

**ATTEST**



Executive Director