

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF PRICELLULAR)
CORPORATION, A DELAWARE CORPORATION,)
CELLULAR INFORMATION SYSTEMS OF)
FLORENCE, INC., AN ALABAMA CORPORATION)
AND HORIZON CELLULAR TELEPHONE)
COMPANY OF CENTRAL KENTUCKY, L.P., A) CASE NO. 96-491
DELAWARE LIMITED PARTNERSHIP FOR THE)
APPROVAL OF THE ACQUISITION OF THE)
ASSETS OF HORIZON CELLULAR TELEPHONE)
COMPANY OF CENTRAL KENTUCKY, L.P., A)
DELAWARE LIMITED PARTNERSHIP AND FOR)
ACCEPTANCE OF ADOPTION OF TARIFF)

O R D E R

On October 18, 1996, PriCellular Corporation ("PriCellular"), Cellular Information Systems of Florence, Inc. ("Cellular Information"), and Horizon Cellular Telephone Company of Central Kentucky, L.P. ("Horizon Cellular"), (hereinafter collectively referred to as "Joint Applicants") filed an application ("Joint Application") for Commission approval of the acquisition of the assets of Horizon Cellular by PriCellular and Cellular Information. Joint Applicants further request approval of the adoption by Cellular Information of Horizon Cellular's tariff currently on file with the Commission.

PriCellular, a Delaware corporation, owns subsidiaries that provide cellular service in a number of states. Cellular Information is a wholly-owned subsidiary of PriCellular through PriCellular Wireless Corporation, a Delaware corporation, which is a wholly-owned intermediate holding subsidiary of PriCellular. Cellular Information has been approved by the Secretary of State of the Commonwealth of Kentucky to conduct

business in the state of Kentucky under the name of Cellular Information Systems of Florence, Inc.

Cellular Information will conduct business in the Commonwealth of Kentucky under the name Cellular One. Horizon Cellular, a Delaware limited partnership, was authorized to do business in the Commonwealth of Kentucky as Cellular One in Case No. 93-048.¹

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.

The proposed transaction will be accomplished pursuant to an Asset Acquisition Agreement dated October 15, 1996, wherein Horizon Cellular agrees to sell to PriCellular, and Cellular Information or its designees, all assets of Horizon Cellular, including the Federal Communications Commission Non-Wireline Cellular Authorizations for Kentucky RSA 4, 5, 6, and 8. The consideration for the purchase and sale consists of common stock of PriCellular and cash.

¹ Case No. 93-048, 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, Order dated April 6, 1993.

PriCellular represents that, following the acquisition, Cellular Information will continue to be managed and operated in Kentucky by those individuals currently managing and operating Horizon Cellular. The acquisition should not affect the services being received by Horizon Cellular's current customers who should benefit from the administrative efficiencies available to PriCellular.


The Commission finds that the information of record in this case filed by PriCellular and Cellular Information demonstrates that it has the financial, technical, and managerial abilities to provide cellular service in Kentucky. Therefore, the acquisition should be approved.

IT IS THEREFORE ORDERED that:

1. The acquisition of Horizon Cellular is approved.
2. The adoption by Cellular Information of Horizon Cellular's tariff is approved.
3. Within 10 days of the date of this Order, Cellular Information shall file its adoption notice tariff.

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

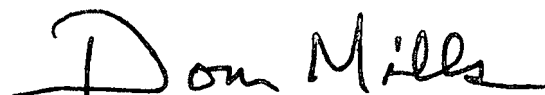
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director