

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application of ) Application No. C-1100  
LDDS Communications, Inc., of )  
Jackson, Mississippi seeking author- )  
ity to transfer control of WilTel, ) GRANTED  
Inc. and for approval of related )  
transactions. ) Entered September 27, 1994

PRELIMINARY MATTERS

The applicant, LDDS Communications, Inc. of Jackson, Mississippi, d/b/a LDDS Metromedia Communications, filed this petition August 25, 1994. The Omaha Daily Record published notice of the application in its August 26, 1994 edition. No one protested the application; therefore, we will proceed pursuant to the Commission's Rule of Modified Procedure (see Title 291 NAC Ch. 1, Rule 018.03).

BY THE COMMISSION

WilTel obtained intrastate authority from the Commission in December, 1991 pursuant to Application No. C-899. WilTel is a Delaware corporation and is a wholly owned subsidiary of Williams Telecommunications Group (WTG).

LDDS is a publicly held Georgia corporation whose offices are located in Mississippi. LDDS provides a full range of telecommunications services and is currently authorized to provide service in 45 states, including Nebraska. LDDS has annual revenues exceeding \$1.5 billion, and is currently the nation's fourth largest interexchange carrier.

The applicant seeks authority to transfer control of WilTel to LDDS. The transfer is part of a larger transaction whereby WilTel and WTG will become wholly owned subsidiaries of LDDS. Pursuant to a Stock Purchase Agreement signed between Williams and LDDS on August 22, 1994, LDDS proposes to purchase all right, title and interest in the shares of WTG from WTG Holdings. WTG will thereby become a wholly owned subsidiary of LDDS, and WilTel, while remaining a subsidiary of WTG, will be owned and controlled by LDDS.

The applicant also requests permission to increase the number of authorized shares of common stock to 500,000,000 and preferred stock to 50,000,000. The additional shares will provide the applicant with flexibility for future acquisitions, payment of stock dividends and stock splits.

LDDS will be obtaining \$3,500,000,000 of senior bank facilities to finance the acquisition and to provide working capital for the company. This loan will assist the applicant in providing quality service to its existing and new customers. LDDS' subsidiaries, including WilTel, will act as guarantors of the credit facility.

#### O P I N I O N   A N D   F I N D I N G S

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds:

The transfer of WilTel, Inc. of Tulsa, Oklahoma to LDDS, Inc. of Jackson, Mississippi is fair and reasonable, is in the public interest, and should be granted.

#### O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-1100 be, and it is hereby granted and the operating authority and assets of WilTel, Inc. are hereby transferred to LDDS, Inc. whereby LDDS is authorized to operate as a resale carrier of intrastate interexchange interLATA and intraLATA telecommunications services within the state of Nebraska.

IT IS FURTHER ORDERED that the Applicant shall file, in accordance with the applicable statutes, an annual report with this Commission consisting of (a) a copy of any report filed with the Federal Communications Commission, (b) the annual report to stockholders, and (c) for the State of Nebraska on a combined interstate-intrastate basis, the investment in telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues, operating expenses and taxes.

IT IS FURTHER ORDERED that the Applicant file an updated tariff prior to offering service pursuant to the certificate granted in this order.

IT IS FURTHER ORDERED that the certificate of authority granted in C-899 to WilTel, Inc. is hereby revoked.

IT IS FINALLY ORDERED that this order be and it is hereby made the Commission's official certificate of authority to furnish the service authorized herein as a common carrier.

Application No. C-1100

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MADE AND ENTERED at Lincoln, Nebraska this 27th day of  
September 1994.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Daniel G. Hurville*  
*Duane D. Gay*

//s//Rod Johnson  
//s//Frank E. Landis  
//s//James F. Munnely

*Paul Sander*  
Chairman

ATTEST:

*John R. King*  
Executive Director