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PUBLIC SERVICE COMMISSION

In the Matter of the Application to Transfer)
Assets of CBS Corporation d/b/a Westinghouse) Case No. TM-98-539
Communications to RSL COM U.S.A., Inc.)
)

ORDER APPROVING TRANSFER OF ASSETS

RSL COM U.S.A., Inc. (RSL) filed an application on May 29, 1998, asking the Commission to approve the transfer of the assets of CBS Corporation, d/b/a Westinghouse Communications (Westinghouse) to RSL. On June 25, 1998, RSL filed an amendment to its application. Westinghouse and RSL are both certificated to provide intrastate inter-exchange telecommunications services in Missouri, and therefore this transaction comes under Commission jurisdiction.

RSL is a Delaware corporation with its principal offices located at 5550 Topanga Canyon Boulevard, Woodland Hills, California 91367. Westinghouse is a Pennsylvania corporation with its principal place of business located at 902 Brinton Road, Pittsburgh, Pennsylvania 15221. There is no current affiliation between RSL and Westinghouse.

On April 23, 1998, RSL and Westinghouse entered into an Asset Purchase Agreement for the sale of Westinghouse's business and substantially all of its assets and liabilities relating to the business to RSL. The applicants state that after the transfer, RSL will provide notice, in substantially the same form as Exhibit 1 attached to its amendment to the application, to existing Westinghouse customers that

service will continue to be provided pursuant to Westinghouse's current tariff for 90 days. During the 90-day period, RSL will submit tariff filings to incorporate all services presently provided by Westinghouse. Concurrently with the effective date of RSL's revised tariff, Westinghouse will surrender its certificate of authority.

RSL states that the transfer is in the public interest because it will enable RSL to compete more effectively in the telecommunications marketplace, which will lead to lower prices and the availability of more products and services. RSL states that the proposed transfer of assets will have a negligible impact on the tax revenues of any political subdivision in which RSL and Westinghouse have structures, facilities, or equipment. RSL also states that there are no pending or final judgments or decisions against it from any state or federal agency which involve customer service or rates.

The Staff of the Commission (Staff) filed a Memorandum on July 7, 1998, recommending that the transaction be approved. Staff stated that the transfer will be transparent to Westinghouse's customers.

The Commission has reviewed the application, the customer notice, and Staff's recommendation, and determines that the proposed transfer of assets will have no adverse impact on the Missouri customers of Westinghouse or RSL. The Commission also determines that the transfer of assets will increase the Applicant's efficiency and will benefit Missouri customers. Therefore, the Commission determines that the transaction is not detrimental to the public interest and should be approved.

In its application, RSL requested expedited approval of the transfer but made no mention of particular dates by which it desired action. On June 25 RSL filed an amendment to its application with a request that action by the Commission take place on or before June 30. Staff's recommendation was filed on July 7 and this matter was placed on the earliest possible Agenda for Commission action, July 10.

On July 1, 1998, RSL filed a waiver of the Commission's usual ten-day effective date and requested that an order approving the transaction become effective on the date issued. However, the Commission must provide a reasonable amount of time between the issuance of its order and the effective date. State ex rel. St. Louis v. Public Serv. Comm'n, 228 S.W.2d 1, 2 (Mo. 1950). The Commission determines that a more limited waiver of the ten-day effective date as requested by the applicant will not be prejudicial to any other party and is not detrimental to the public interest. Therefore, the Commission will shorten the usual time period and the order shall be effective on July 13, 1998.

IT IS THEREFORE ORDERED:

1. That the application filed by RSL COM U.S.A., Inc., on May 29, 1998, and amended on June 25, 1998, is approved.
2. That CBS Corporation, d/b/a Westinghouse Communications, is authorized to transfer assets to RSL COM U.S.A., Inc.
3. That the parties are authorized to take any and all actions necessary to effect the transfer authorized by this order.
4. That the applicants shall provide notice of the transfer to all Missouri consumers by placing an insert in their bill.

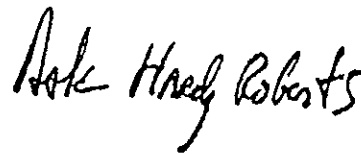
5. That RSL COM U.S.A., Inc., shall make the necessary tariff filing to add all services presently provided by CBS Corporation, d/b/a Westinghouse Communications's tariff within 90 days from the effective date of this order.

6. That CBS Corporation, d/b/a Westinghouse Communications's certificate of service authority to provide interexchange telecommunications service and its accompanying tariff shall be canceled on October 13, 1998.

7. That RSL COM U.S.A., Inc., shall file notification with the Commission no later than ten days after the closing date of the transaction authorized by this order.

8. That this order shall become effective on July 13, 1998.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Drainer,
Murray and Schemenauer, CC.,
concur.

Dippell, Regulatory Law Judge



JUL 10 1998

COMMISSION CLERK
PUBLIC SERVICE COMMISSION