

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
January 18, 2000**

CASE NO: TM-2000-157, TO-99-460

Office of the Public Counsel

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General Counsel

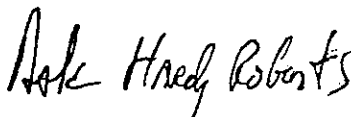
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

James C. Sullivan

Shughart, Thomas & Kilroy, P. C.
Twelve Wyandotte Plaza
Kansas City, MO 64105-1929

Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,



**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

Uncertified Copy:

Eric Bohman

CEO Telecommunications, Inc.
12440 Firestone Blvd., Suite 3000
Norwalk, CA 90650

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office
in Jefferson City on the 18th
day of January, 2000.

In the Matter of L.D. Services, Inc., Name)	<u>Case No. TO-99-460</u>
Change to CEO Telecommunications, Inc.)	Tariff file 9900786

In the Matter of the Application of L.D.)	
Services, Inc., and CEO Telecommunications,)	
Inc., for an Order Authorizing the Merger of)	<u>Case No. TM-2000-157</u>
L.D. Services, Inc., and CEO Telecommunications,)	
Inc.)	

ORDER APPROVING MERGER

On April 8, 1999, CEO Telecommunications, Inc. ("CEO"), filed a letter regarding "changing a name on a tariff currently on file with [the] Missouri Public Service Commission" referencing the tariff filed for L.D. Services, Inc. (LD), originally effective June 5, 1995. This filing to obtain the Commission's recognition of a name change was assigned Case No. TO-99-460.

The attachments to the letter included a "First Revised Title Page" for the tariff file; an Adoption Notice; and an Amended Certificate of Authority issued by the Missouri Secretary of State (with application form for an Amended Certificate or Authority attached). The Adoption Notice presented information that made it appear that a merger of two companies had occurred that had not been formally presented to Commission. On May 11, 1999, the Commission issued an Order Suspending Tariff Filing for Change of Name and Directing Staff Inquiry.

The Commission's Staff reviewed the matter and filed its response on June 24, 1999. On July 6, 1999, the Commission issued an Order Directing Merger Application and Corrective Action. CEO and LD filed a Joint Application for Merger on August 18, 1999. This application was assigned Case No. TM-2000-157. On August 20, 1999, the Commission issued a notice consolidating these cases and directed all filings to Case No. TM-2000-157. On September 14, 1999, CEO withdrew Tariff File No. 990786.

The Commission's Staff filed its recommendation on January 5, 2000. Based on the merger application and Staff recommendation, LD obtained its certificate to provide interexchange telecommunication services in Case No. TA-95-134. CEO does not hold a certificate issued by the Commission. Both LD and CEO are wholly owned subsidiaries of Star Telecommunications, Inc. Under the merger plan, LD is the surviving corporation, but changes its name to CEO Telecommunications, Inc.

The surviving corporation provides services to more than 1,200 Missouri customers. The merger will not affect services. The applicants further state that there will be no impact on the tax revenues of any political subdivision within Missouri. LD and CEO believe that the merger is not detrimental to customers and is in the interest of the public because the merger enhances the surviving company's competitive viability.

The merger application reported that CEO has no pending or final judgments against it from any state or federal agency involving service to customers or rates charged. In 1997, the State of California, in and for the County of Monterrey, and the Public Utility Commission, Consumer

Services Division, filed actions against the company. The actions concluded upon an agreement of the parties without admission of liability. The company paid a monetary penalty and settlement. A formal complaint against the company is pending in the State of Michigan. The company has indicated the customer has been made whole and the case awaits a decision by an ALJ.

The Staff's recommendation states that the application is appropriate and presents all information required. Staff recommended that the Commission issue an order granting prospective approval of the merger and order the applicants to file an adoption notice or a replacement tariff to reflect the post-merger name change to CEO.

The Commission has reviewed the application and Staff's recommendation and finds that the proposed merger plan will have no adverse impact on Missouri customers. The Commission finds that the transaction is not detrimental to the public interest and should be approved. Because the tariff filed in Case No. TO-99-460 has been withdrawn, that case shall be closed. CEO will be directed to complete its name change in Case No. TM-2000-157.

IT IS THEREFORE ORDERED:

1. That the joint application by CEO Telecommunications, Inc., and L.D. Services, Inc., for approval of a merger of the two companies with L.D. Services, Inc., surviving using the name CEO Telecommunications, Inc., is approved from the effective date of this order.
2. That CEO Telecommunications, Inc., shall file, within 30 days of the effective date of this order, an adoption notice or a replacement

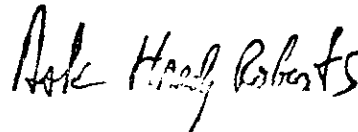
tariff (30 day effective date), in this proceeding to complete its name change.

3. That the Staff shall provide a recommendation to the Commission concerning whether the required filings to complete the name change are complete and appropriate.

4. That Case No. T0-99-460 shall be closed on the effective date of this order.

5. That this order shall become effective on January 28, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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

Thornburg, Regulatory Law Judge

Alt/Sec'y: Thornburg Joyce
1-12 To-99-460 and
Date Circulated CASE NOS
TM-2000-157
JS
Lumpke, Chair
Crumpton, Commissioner
cm p2
Murray, Commissioner
RLS
Schemenauer, Commissioner
Paul
Drainer, Vice-Chair
1-18
Agenda Date
Action taken: 5-045
Must Vote Not Later Than _____

STATE OF MISSOURI
OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City,
Missouri, this 18TH day of January 2000.

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

