STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 16th day of April, 1993.

In the matter of the application of Metromedia Communications Corporation and Resurgens Communications Group, Inc. for authorization to merge and change name.	)	CASE NO. TM-93-242

ORDER APPROVING MERGER AND NAME CHANGE

On February 5, 1993, a joint application was filed by Metromedia Communications Corporation (MCC) and Resurgens Communications Group, Inc. (RCG) requesting authority to transact a merger in which MCC will be merged into RCG with the surviving entity to be called Metromedia Communications Corporation. MCC is a Delaware corporation in good standing, with its principal offices located at One Meadowlands Plaza, East Rutherford, New Jersey 07073, and is engaged in the provision of direct-dial and operator-assisted long distance services in 39 states. MCC, formerly United States Transmission Systems, Inc., was originally certificated by the Commission on July 17, 1987 in Case No. TA-87-130, and later as ITT Communications Services, Inc. (ITT), in Case No. TO-89-108. Finally, the Commission approved the acquisition of ITT by Metromedia Long Distance and a subsequent name change to MCC in Case No. TM-89-231 on July 21, 1989. RCG, a Georgia corporation, provides telecommunications service in several states but is currently not certificated in Missouri. RCG also provides billing and collection services to interexchange carriers, and operator services in the Southeast and Middle Atlantic states. Com-Systems, Inc., a subsidiary of RCG, provides operator-assisted long distance services in California, Nevada, and Arizona.

On April 13, 1993, Staff filed its recommendation. The Accounting and Financial Analysis Departments both reviewed the application but did not file recommendations. The Telecommunications Department Staff reviewed the application and recommended approval of the merger and name change. In its recommendation, Staff noted that, according to the application, affected customers would continue to be served from MCC's existing tariff, making the merger transparent to MCC's customers. In addition, Staff notes that the application states that the merger would result in cost savings, organizational efficiencies, and additional benefits for both customers and shareholders. Finally, the application states that, as a result of the merger, MCC will achieve a stronger competitive position in the telecommunications market as a result of the ability to provide better service at a lower cost.

MCC proposes to execute the merger by exercising, at appropriate times, warrants to convert amounts loaned to RCG to various types of common stock. This transaction is set out in full in Exhibit 5 of the joint application.

The Commission holds, after full review of the application, attached exhibits, and Staff's recommendation, that the proposed merger is reasonable and in the public interest, and further, will help MCC achieve a more competitive position in the marketplace. In addition, this merger will be transparent to MCC customers and will not affect existing tariffs. Therefore, for these reasons, this application will be approved.

IT IS THEREFORE ORDERED:

1. That the proposed merger of Metromedia Communications Corporation and Resurgens Communications Group, as set out in the joint application and attached Exhibits 1 through 8, be hereby approved.

2. That the proposed name change of the surviving corporation to Metromedia Communications Corporation, be hereby approved.

3. That Metromedia Communications Corporation is ordered to inform the Staff of the Missouri Public Service Commission of any changes in address, location, or tariffed operations which may result from the above merger.

4. That this Order shall become effective on the 27th day of April, 1993.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

McClure, Chm., Rauch, Perkins,
and Kincheloe, CC., Concur.
Mueller, C., Absent.