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## STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 22nd day of January, 1998.

In the Matter of the Joint Petition of	<b>)</b>
Communications Central of Georgia, Inc. and	) <u>Case No. TM-98-268</u>
Davel Communications Group, Inc. for Approval	)
of Merger and Transfer of Control.	)
	)

## ORDER REGARDING JURISDICTION AND DISMISSING APPLICATION

On December 29, 1997, Davel Communications Group, Inc. (Davel) and Communications Central of Georgia, Inc. (CCG), filed a joint application for approval of a merger between CCG's parent corporation, Communications Central, Inc. (CCI), and Panther Acquisition Corp. (Panther), a wholly owned merger subsidiary of Davel. Davel is also the parent corporation of Telaleasing Enterprises, Inc., a certificated Missouri pay phone and interexchange services provider. Applicant CCG was granted a certificate of service to provide private pay telephone service in Missouri on December 29, 1994, in Case No. TA-94-347.

Under the merger agreement between CCI and Davel, Panther will purchase all of the outstanding shares of CCI for \$10.50 per share in an all-cash transaction. Upon acquiring all of the outstanding shares, Panther will merge into CCI and cease its separate corporate existence. CCI will be the surviving corporation in the transaction and will continue to exist as a wholly owned subsidiary of Davel. The Application states that after consummation of the merger, each of the Missouri certificated

companies will continue operating under their current names and approved tariffs. No certificate holder name will change.

Pursuant to Section 392.300, RSMo 1994, the Missouri Public Service Commission (Commission) has jurisdiction over the merger or consolidation of the franchise, facilities or system of a regulated telecommunications company. The Commission has interpreted this section to mean any merger that affects the regulated operations of a regulated company must first be approved by the Commission. The Commission has determined that where the parent corporation of a regulated company merges or sells assets to a non-regulated entity and there are no changes in the operations of the regulated company, the transaction does not fall within the Commission's jurisdiction. Therefore, the transaction does not require the Commission's approval. Notification by letter of the transaction is sufficient.

The merger transaction contemplated in the Application involves CCI, the non-regulated parent corporation of a regulated company (CCG), and Panther, a nonregulated merger subsidiary of Davel, which is also nonregulated. Neither the names nor the operations of either of the Missouri certificated companies will change. As such, the Commission finds the merger transaction is outside of the Commission's jurisdiction and does not require approval. Therefore, the joint application shall be dismissed. Further, the Commission concludes that the joint application is sufficient notice of the transaction and will require no further action by the parties.

## IT IS THEREFORE ORDERED:

- 1. That the joint application filed by Davel Communications Group, Inc., and Communications Central of Georgia, Inc., on December 29, 1997, is dismissed for lack of jurisdiction.
- 2. That the joint application filed on December 29, 1997, is deemed sufficient notice of this transaction.
  - 3. That this order shall be effective on February 3, 1998.
  - 4. That this case shall be closed on February 4, 1998.

BY THE COMMISSION

Hole Hord Roberts

Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

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

Hennessey, Regulatory Law Judge

JAN 25 1998

COMPRESSON COUNSEL.
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