

Service Date: October 2, 1996

Department Of Public Service Regulation
Before The Public Service Commission
Of The State Of Montana

IN THE MATTER of the Application)
for Authority of BLT Technologies to)
Transfer Control to WorldCom, Inc.)

UTILITY DIVISION
DOCKET NO. D96.8.148
DEFAULT ORDER NO. 5945

On August 26, 1996 WorldCom, Inc. (WorldCom) filed an application with the Montana Public Service Commission (Commission) seeking approval to transfer control of BLT Technologies, Inc. (BLT) to WorldCom, Inc. (WorldCom).

WorldCom is a publicly traded Georgia corporation. WorldCom is a non-dominant telecommunications company which provides a full array of domestic and international long distance voice and data communications services to business and residential customers. WorldCom and its operating subsidiaries are authorized to offer intrastate interexchange services in 48 states, including Montana, and are authorized by the FCC as non-dominant carriers to offer domestic interstate and international services nationwide.

BLT, a privately-held Washington corporation, is a reseller of interexchange services and operates primarily as a provider of prepaid calling cards. BLT provides telecommunications services in 47 states, including Montana and is authorized by the FCC to provide interstate and international telecommunications services.

Pursuant to this proposed transaction BLT will merge into a newly formed special purpose subsidiary of WorldCom. As the surviving entity, BLT will be a wholly-owned subsidiary of WorldCom. BLT stockholders will receive shares of WorldCom common stock worth approximately \$75 million.

The Applicant believes that this transaction is in the public interest. By transferring control of BLT to WorldCom, WorldCom's family of telecommunications companies will be better able to compete because of the increased economies of scale that will permit them to operate more efficiently. BLT will have access to the financial resources it needs to introduce new products and services in Montana. BLT will also be able to better respond to the competitive telecommunications environment. WorldCom believes that, over time, consumers in Montana will benefit from a greater number of products and service options as well as lower prices.

WorldCom is financially qualified to take control of BLT's business and is lead by a team of qualified management personnel that have backgrounds in telecommunication, including the provision of prepaid calling card services.

ANALYSIS

The Commission finds, based on the application, that the proposed acquisition is in the public interest, and therefore, should be approved. BLT will have access to additional operating and administrative expertise that will enable them to continue providing quality service to its customers.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the sale or acquisition of public utilities that provide intrastate "regulated telecommunications services" as defined in § 69-3-803(3), MCA.
2. The Commission has jurisdiction over all utility activities which affect a utility's duty to render "reasonably adequate services and facilities" at "reasonable" and "just" rates. § 69-3-201, MCA.

ORDER

IT IS THEREFORE ORDERED by the Commission that:

- 1. Effective immediately, the proposed transfer of control from BLT Technologies, Inc. to WorldCom, Inc. is approved.**
- 2. Approval of the proposed transfer does not constitute determination or approval of any ratemaking issues.**

DONE IN OPEN SESSION at Helena, Montana, this 30th day of September, 1996, by a 5 to 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

NANCY McCAFFREE, Chair

DAVE FISHER, Vice Chair

BOB ANDERSON, Commissioner

DANNY OBERG, Commissioner

BOB ROWE, Commissioner

ATTEST:

**Kathlene M. Anderson
Commission Secretary**

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.