DT 01-255

WORLDCOM COMMUNICATIONS, INC. INTERMEDIA COMMUNICATIONS, INC.

Transfer of Portion of Customer Base of Intermedia Communications, Inc. to MCI WorldCom Communications, Inc.

Order Approving Transfer of Portion of Customer Base

<u>O R D E R N O. 23,998</u>

June 21, 2002

On December 24, 2001, WorldCom, Inc. (WorldCom), notified the New Hampshire Public Utilities Commission (Commission) of its intent to transfer approximately seven (7) of the customers of its wholly-owned subsidiary Intermedia Communications, Inc. (Intermedia) to another subsidiary, MCI WorldCom Communications, Inc.(MCI). On May 15, 2002, a similar notice to the Commission advised that WorldCom's three New Hampshire residential customers would also be transitioned to MCI.

Intermedia is certified as a Competitive Toll Provider (CTP) under IXC No. 13997 dated March 5, 1997. MCI holds IXC No. 22397, which was issued on July 25, 1997.

In its notice, WorldCom states that the affected customers receive long distance, calling card and 800 services. They will be transitioned to comparable rate plans, but not identical ones. WorldCom included with its filings copies of the appropriate customer notification letters which inform customers of the new rate plans and terms, that they may choose another carrier, and that any primary intraLATA carrier change charges resulting from the switch to MCI will be reimbursed.

We have in the past allowed the transfer of a customer base but conditioned or limited it based on RSA 374:28-a, the Aantislamming® statute. See Order No. 23,234 (June 14, 1999) in DT 99-077, Re RSL COM U.S.A., Inc.(RSL). This type of transaction is contingent upon the conditions established in New Hampshire Administrative Rule PUC 411.04, Transfer or Lease of a CTP or Right to Service a Customer. The rule specifically includes requirements to ensure against unauthorized changes in carriers as defined in RSA 374:28-a, the anti slamming statute. See OneStar Long Distance and 84 NHPUC 557(1999). The rule requires that the transferor must: provide a minimum of 14 days written notice to the customer reporting that the CTP will no longer be providing services and the date when service will be terminated; forward a copy of the notice to the Commission at the time it is mailed; notify customers that they must select an alternate carrier or the customer will be

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assigned to the transferee; and notice that the change will be at no cost to the customer.

Commission Staff has verified that the draft customer notification letter to the affected customers meets the requirements of New Hampshire Code of Administrative Rules Puc 411.04(B)(1)in terms of content and is consistent with prior decisions regarding customer base transfers. According to the schedule provided by WorldCom, sufficient time is allowed to meet the advance notice requirements of the above rule.

Our rules require that refunds of any applicable amounts owed to customers be returned within 30 days. To the extent that refunds are owed, we require that those refunds be made. Based on the evidence provided we find the transfers to be in the public interest.

Based upon the foregoing, it is hereby

ORDERED that the transfer of the customer base or any part thereof of Intermedia to MCI, having been found to be in the public interest, is APPROVED with the condition that the proposed customer notification provide no less than 14 days during which customers may request a change of service provider, and that any applicable amounts owed be returned to customers within 30 days of the transaction.

By order of the Public Utilities Commission of New Hampshire this twenty-first day of June, 2002.

Thomas B. Getz Chairman Susan S. Geiger Commissioner Nancy Brockway Commissioner

Attested by:

Debra A. Howland Executive Director and Secretary