



July 20, 1999

## **VIA FACSIMILE & OVERNIGHT COURIER**

Blanca S. Bayo Director, Division of Records & Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re:

Docket No. 990555

In re Letter Application of Global Crossing Ltd. and Frontier Corporation for Approval to transfer control of Frontier Corporation's Florida Operating

Subsidiaries to Global Crossing Ltd.

Dear Ms. Bayo:

CAF

CTR

EAG

LEG MAS

OPC

RRR

SEC

OTH

On May 4, 1999 Global Crossing Ltd. ("Global Crossing") and Frontier Corp. ("Frontier") (together "Applicants") filed an Application seeking approval of a transaction whereby Global Crossing will acquire Frontier. That Application was docketed by the Commission in the above captioned docket and remains pending before the Commission. By letter dated May 17, 1999, Applicants separately notified the Commission of an additional transaction whereby Global Crossing would have merged with U S WEST, Inc. ("U S WEST"). On June 15, 1999, Applicants further notified the Commission that, following the announcement of the Global Crossing/U S WEST transaction, Qwest Communications International Inc. ("Qwest") had made unsolicited bids for both Frontier and U S WEST.

This letter is to advise the Commission that as a result of subsequent negotiations, Global Crossing and U S WEST have terminated their merger agreement. In addition, Qwest has withdrawn its bid for Frontier and the Global Crossing/Frontier merger agreement remains in full force and effect.

Global Crossing and Frontier remain fully committed to completing their merger as described in detail in previous filings before the Commission. As the Applicants previously advised the Commission in their May 17, 1999 letter, the proposed Global Crossing/Frontier transaction is entirely separate from the previously proposed Global Crossing/U S WEST transaction. Accordingly, the parties' decision not to consummate the Global Crossing/U S WEST transaction will have no impact on the approval sought by Global Crossing/Frontier in the above-captioned docket. Accordingly, Global Crossing and Frontier respectfully request that the Commission approve their proposed merger so that Applicants can consummate that merger

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FPSC-RECORDS/REPORTING

Blanca S. Bayo July 20, 1999 Page 2

as soon as possible.

Questions concerning the foregoing can be addressed to the undersigned.

James C. Gorton

Senior Vice President & General Counsel

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Global Crossing Ltd.

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Very truly yours,

Martin T. McCue

Senior Vice President & General Counsel

Frontier Corporation

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