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December 10, 2001

VIA OVERNIGHT DELIVERY

Blanca S. Bayó
Director, Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

Check received with filing and
forwarded to Fiscal for deposit.
Fiscal to forward a copy of check
to RAR with proof of deposit.

Initials of person who forwarded check:


011638-TX

011640-TI

Re: Application for Approval of a Pro Forma Corporate Restructuring of Adelpia Business Solutions of Florida, Inc., Adelpia Business Solutions Investment, LLC, Adelpia Business Solutions Investment East, LLC and Adelpia Business Solutions Atlantic, Inc.

Dear Ms. Bayó:

Adelpia Business Solutions of Florida, Inc ("ABS Florida"), Adelpia Business Solutions of Jacksonville, Inc. ("ABS Jacksonville"), Adelpia Business Solutions Investment, LLC ("ABS Investment"), Adelpia Business Solutions Investment East, LLC ("ABS East") and Adelpia Business Solutions Atlantic, Inc. ("ABS Atlantic") (collectively the "Applicants"), by their undersigned attorneys, respectfully request the Florida Public Service Commission ("Commission") approve a *pro forma* corporate restructuring through which the following changes will occur: (1) ABS Florida will merge with and into ABS Atlantic; (2) ABS Investment will transfer certain assets to its wholly-owned subsidiary, ABS East;¹ and (3) ABS East will seek authority to provide local and interexchange telecommunications services in the State of Florida. As a result of the restructuring, ABS Florida will cease to exist and ABS Atlantic will assume its certifications and operations in Florida. ABS East will assume the selected assets and associated operations acquired from its parent, ABS Investment, and ABS Investment will continue to operate its remaining Florida assets. As described below, these transactions will not change the ultimate ownership or control of ongoing operations of any Applicant in Florida.

¹ ABS East's Application Form for Authority to Provide Alternative Local Exchange Service Within the State of Florida and Application Form for Authority to Provide Interexchange Telecommunications Service Between Points Within the State of Florida are attached hereto as Attachment B and C, respectively.

* Per RGO/TEW's conversation with company,
this letter is for info only.
Jan

DOCUMENT NO.
15427-01
12-11-01

An original and twelve (12) copies of this letter, as well as two checks in the amount of \$250.00 each to cover the requisite filing fees, are enclosed. Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, postage prepaid envelope provided.

In support of their Application, the Applicants provide the following information:

I. THE APPLICANTS

All of the Applicants are headquartered at One North Main Street, Coudersport, Pennsylvania 16915 and are direct or indirect subsidiaries of Adelpia Business Solutions, Inc. ("Adelpia"), a publicly-traded Delaware corporation. Adelpia and its operating subsidiaries are in the process of building high-speed, high-capacity advanced fiber optic networks to provide a package of services, including local and long distance telephone and data services to residential and business customers in Florida and throughout the United States. Charts of the corporate structure of the selected companies with operations or interests in Florida telecommunications services before and after the proposed restructuring are attached hereto as Attachment A.

The majority of Adelpia's operating companies across the continental United States are organized as subsidiaries of Adelpia Business Solutions Operations, Inc. ("ABSO"),² a direct subsidiary of Adelpia. ABSO is authorized to provide local exchange and interexchange telecommunications services in forty (40) states. ABSO in turn owns 100% of ABS Florida and ABS Investment and, indirectly, ABS East. ABS Atlantic, like ABSO is a direct wholly owned subsidiary of Adelpia.

ABS Florida is a Delaware corporation and is authorized to provide alternative access vendor and alternative local exchange services in Florida.³ ABS Florida holds a twenty percent (20%) minority interest in ABS Jacksonville.

ABS Jacksonville is a Delaware corporation and currently is majority-owned (80%) by ABS Investment, with ABS Florida holding the remaining 20 percent. ABS Jacksonville is

² As part of an earlier phase of restructuring, Adelpia transferred its 100% ownership of ABS Florida to ABSO. See Application for Approval of *Pro Forma* Corporate Restructuring of Adelpia Business Solutions of Florida, Inc., Adelpia Business Solutions of Florida, LLC, and Adelpia Business Solutions of Jacksonville, Inc., Docket No. 000453-TP, filed April 18, 2000 at 4.

³ *Notice of intent to provide alternative local exchange telecommunications service under Alternative Access Vendor Certificate No. 2978 by Hyperion Telecommunications of Florida, Inc.*, Docket No. 971505-TX, Order No. PSC-98-0106-FOF-TX (Jan. 16, 1998) (Certificate No. 2978). Hyperion Telecommunications of Florida, Inc. changed its name to Adelpia Business Solutions of Florida, Inc.

authorized to provide private line, alternative access vendor, alternative local exchange and interexchange services in Florida.⁴

ABS Investment is a Delaware limited liability company wholly-owned by ABSO. ABS Investment is authorized to provide alternative local exchange and interexchange services in Florida.⁵ ABS Investment is the parent company of ABS Jacksonville and ABS East.

ABS East is a Virginia limited liability company and a wholly-owned subsidiary of ABS Investment. ABS East is not currently certificated in any jurisdiction. ABS East has been formed to assume the certificates and operations of certain Adelphia operating companies as part of an overall corporate restructuring effort designed to streamline the operations and strengthen the financial condition of Adelphia operating companies in several states, including Florida.

⁴ *Applications for interexchange telecommunications services*, Docket No. 991983-TI, Order No. PSC-00-0473-PAA-TI (Mar. 6, 2000) (Certificate No. 7375) (Consummating Order, Order No. PSC-00-0626-CO-TI (Apr. 3, 2000)); *Request for name change on AAV/ALEC Certificate No. 2973 from Hyperion Communications of Jacksonville, Inc. to Adelphia Business Solutions of Jacksonville, Inc.*, Docket No. 991490-TP, Order No. PSC-99-2173-FOF-TP (Nov. 8, 1999); *Request for name change on Alternative Access Vendor and Alternative Local Exchange Telecommunications Certificate No. 2973 from MediaOne Fiber Technologies, Inc. to Hyperion Communications, of Jacksonville, Inc.*, Docket No. 990673-TA, Order No. PSC-99-1143-FOF-TA (June 7, 1999); *Request for approval of pro forma reorganization whereby Hyperion Telecommunications of Florida, Inc., which currently holds 20% interest in MediaOne Fiber Technologies, Inc., has agreed to purchase remaining 80% interest in MediaOne and assign its purchase right to its affiliate, Hyperion Communications of Florida, LLC*, Docket No. 981894-TP, Order NO. PSC-99-0398-FOF-TP (Feb. 24, 1999); *Request for name change on Alternative Access Vendor Certificate No. 2973 from Continental Fiber Technologies, Inc. d/b/a AlterNet to MediaOne Fiber Technologies, Inc.*, Docket No. 970664-TA, Order No. PSC-97-0904-FOF-TA (Jul. 31, 1997); *Request for approval of transfer of control of Continental Fiber Technologies d/b/a AlterNet, holder of Alternative Access Vendor Certificate No. 2973, from Continental Cablevision, Inc. to U S West, Inc.*, Docket No. 960843-TA, Order No. PSC-96-1279-FOF-TA (Oct. 14, 1996); *Request to change name on Alternative Access Vendor Certificate No. 2973 from Continental Fiber Technologies, Inc. to Continental Fiber Technologies, Inc. d/b/a AlterNet*, Docket No. 941012-TA, Order No. PSC-94-1271-FOF-TA (Oct. 13, 1994); Docket No. 920218.

⁵ *Request for name change on IXC Certificate No. 6055 and ALEC Certificate No. 6056 from Hyperion Communications of Florida, LLC to Adelphia Business Solutions of Florida, LLC*, Docket No. 991489-TP, Order No. 99-2172-FOF-TP (Nov. 8, 1999); *Application for Certificate to Provide Alternative Local Exchange Telecommunications Service by Hyperion Communications of Florida, LLC*, Docket No. 981977-TX, Order No. PSC-99-0556-FOF-TX (Mar. 26, 1999) (Certificate No. 6056); *Application for Certificate to Provide Interexchange Telecommunications Service by Hyperion Communications of Florida, LLC*, Docket No. 981974-TI, Order No. PSC-99-0554-FOF-TI (Mar. 26, 1999) (Certificate No. 6055). By Order dated July 31, 2000, as amended September 12, 2000, the Commission approved the merger of Adelphia Business Solutions of Florida, LLC ("ABS Florida LLC") into ABS Investment and the transfer of ABS Florida LLC's certificates to ABS Investment. *Request for approval of merger of Adelphia Business Solutions of Florida, LLC (holder of IXC Certificate No. 6055 and ALEC Certificate No. 6056) into Adelphia Business Solutions Investment, LLC and name change on Certificates 6055 and 6056 to Adelphia Business Solutions Investment, LLC*, Docket No. 000453-TP, Order No. PSC-00-1395-PAA-TP (July 31, 2000), Consummating Order No. PSC-00-1550-CO-TP (Aug. 28, 2000), Amendatory Order No. PSC-00-1395A-PAA-TP.

ABS Atlantic is a Delaware corporation and a direct, wholly-owned subsidiary of Adelphia. ABS Atlantic is certificated to provide facilities-based and resold local exchange and interexchange telecommunications services in New York, but is not currently certificated in Florida.

As noted, because ABS East will seek to operate certain assets previously operated directly by ABS Investment, ABS East requests that the Commission authorize it, as part of this transaction, to provide certain regulated telecommunications services in the State of Florida. Correspondingly, and as required by Commission Rule Nos. 25-24.470, 25-24.471, 25-24.473, 25-24.480(2), 25-24.805, 25-24.810, and 25-24.815, information concerning the legal, technical, managerial and financial qualifications of ABS East is contained in Attachments B through F hereto.

With regard to all other Applicants already authorized by this Commission to provide regulated telecommunications services in the State of Florida, the Applicants respectfully request that the Commission take official notice of all such information as is already contained in the Commission's files regarding these entities. Given the extensive service history of the Applicants, all requisite information regarding the legal, technical, managerial and financial qualifications of Adelphia and its certificated subsidiaries and affiliates has previously been submitted to the Commission and is, therefore already a matter of record. The Applicants respectfully request that the Commission take official notice of this information and incorporate it by reference herein.

II. DESIGNATED CONTACTS

The designated contacts for purposes of this Application are:

Russell M. Blau
Michael P. Donahue
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007
Telephone: (202) 424-7683
Facsimile: (202) 295-8478

Copies of all correspondence, notices, inquiries and orders should be sent to the Applicants:

John B. Glicksman, Esq.
Terry Romine, Esq.
Adelphia Business Solutions, Inc.
One North Main Street
Coudersport, Pennsylvania 16915
Telephone: (814) 260-3143
Facsimile: (814) 274-8243

III. DESCRIPTION OF THE TRANSACTION

As part of Adelphia's ongoing efforts to streamline its operations in Florida and elsewhere, Adelphia seeks to undertake two related transactions: (1) ABS Florida will merge into ABS Atlantic, which will assume its assets, licenses, and operations; and (2) ABS Investment is transferring selected assets associated with its Orlando, South Florida, and Tampa networks to ABS East. ABS Investment will continue to provide service under its existing authorizations with respect to all other areas of the State of Florida. In addition ABS East seeks Commission grant of the appropriate service authority to enable it to operate the assets transferred to it from ABS Investment.

Upon completion of the *pro-forma* transactions, ABS Florida will cease to exist as a corporate entity and ABS Atlantic will assume ABS Florida's certificates and operations, as well as ABS Florida's 20% ownership interest in ABS Jacksonville. In addition, ABS East will, upon approval of the authority requested herein, assume the operations and customers associated with ABS Investment's Orlando, South Florida and Tampa networks. ABSO and ultimately Adelphia will remain the ultimate corporate parents of the remaining Florida operating companies.

The proposed restructuring is strictly *pro forma* and will not adversely affect the provision of telecommunication services in Florida. All of ABS Florida's and ABS Investment's customers will be served by the same team of qualified consumer representatives and will be provided service pursuant to contracts and tariffs that offer all of the services currently offered by ABS Florida and ABS Investment at the same rates, terms and conditions. ABS Atlantic and ABS East will file tariffs to incorporate the rates, terms and conditions currently offered by ABS Florida and ABS Investment, respectively. ABS Investment will continue to operate under its existing management and in accordance with the rates, terms and conditions of its existing tariffs. There will be no change in the ultimate ownership or control of ABS Investment or ABS Florida's Orlando, South Florida and Tampa networks or in the management or day-to-day operations in Florida. ABS Atlantic and ABS East will be led by the same team of experienced telecommunications personnel that led ABS Florida and will continue to lead ABS Investment. Thus, service will continue to be provided using the same network, billing systems and customer service operations as are used by ABS Florida and ABS Investment.

To the extent required, the Applicants respectfully request that the Commission authorize the merger of ABS Florida with and into ABS Atlantic and the assignment of ABS Investment's Orlando, South Florida and Tampa networks to ABS East.

IV. PUBLIC INTEREST STATEMENT

Adelphia and its subsidiaries through their service to Florida customers have demonstrated a commitment to deploying competitive infrastructure in Florida and to extending the benefits of competitive telecommunications to Florida customers. In light of that continuing corporate goal, Adelphia has determined that the proposed corporate restructuring will promote operational and administrative efficiencies for the Adelphia companies. The proposed restructuring will enable Adelphia to reduce its administrative and operating expenses and realize operational and management efficiencies and other corporate benefits. These efficiencies will enable Adelphia's operating affiliates to more effectively compete in the telecommunications market to the ultimate benefit of consumers in Florida. The restructuring will be undertaken in a seamless fashion that will not adversely affect the provision of telecommunications services in Florida, but will, in fact, increase the financial strength of the entities providing service in Florida. The restructuring is simply a paper transaction that will be transparent to consumers and will not in any way inconvenience or cause harm to ABS Florida's or ABS Investment's customers.

WHEREFORE, the Applicants respectfully request that the Commission: (1) approve the merger of Adelphia Business Solutions of Florida, Inc. with and into Adelphia Business Solutions Atlantic, Inc.; (2) approve the transfer of the assets of Adelphia Business Solutions Investment, LLC to Adelphia Business Solutions Investment East, LLC; (3) grant Adelphia Business Solutions Investment East, LLC certificates to provide alternative local exchange and interexchange telecommunications services in Florida; and (4) grant any other authority that the Commission may deem necessary with respect to this request.

Respectfully submitted,



Russell M. Blau

Michael P. Donahue

Swidler Berlin Shereff Friedman, LLP

3000 K Street, N.W., Suite 300

Washington, D.C. 20007

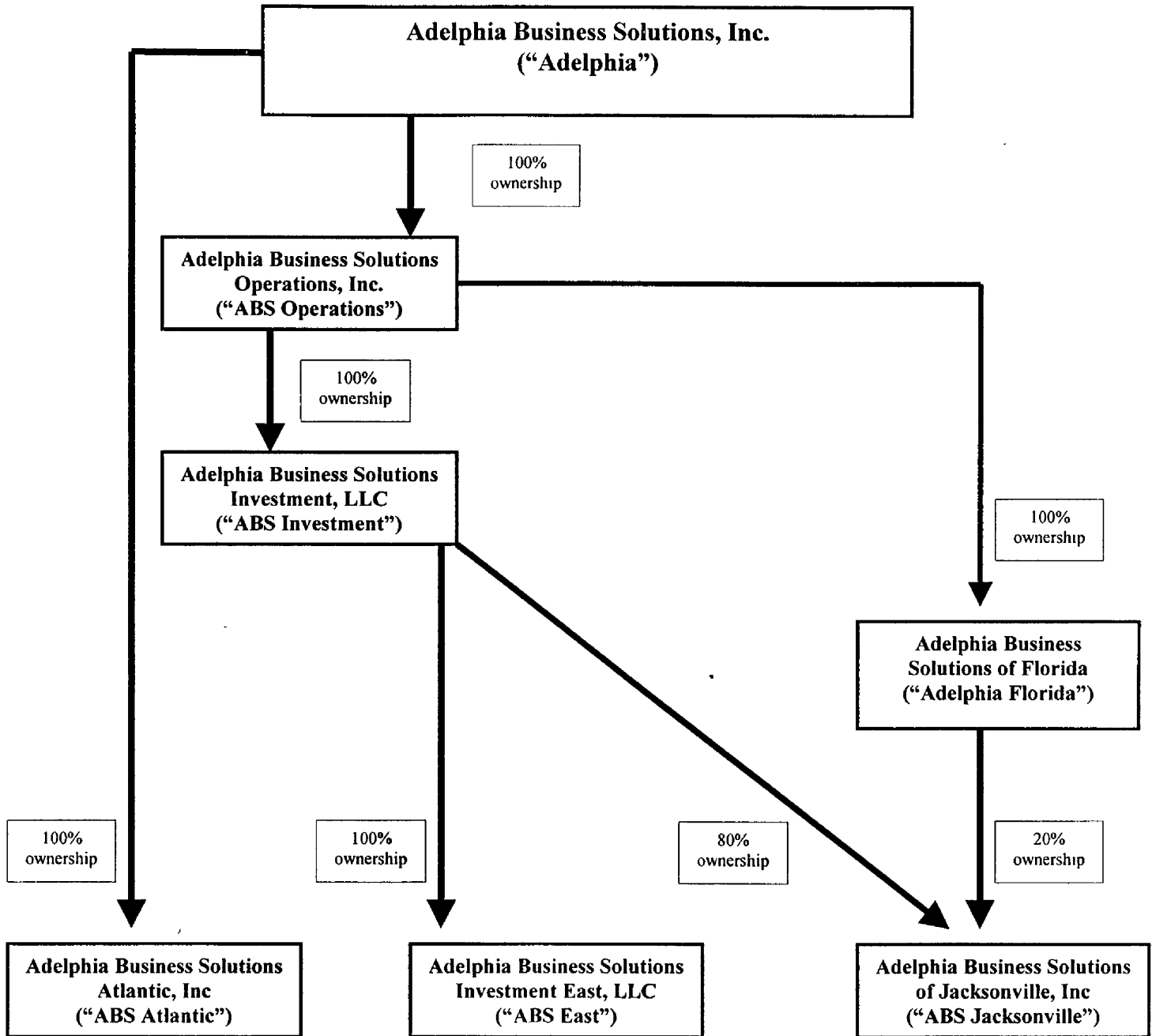
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ATTACHMENTS

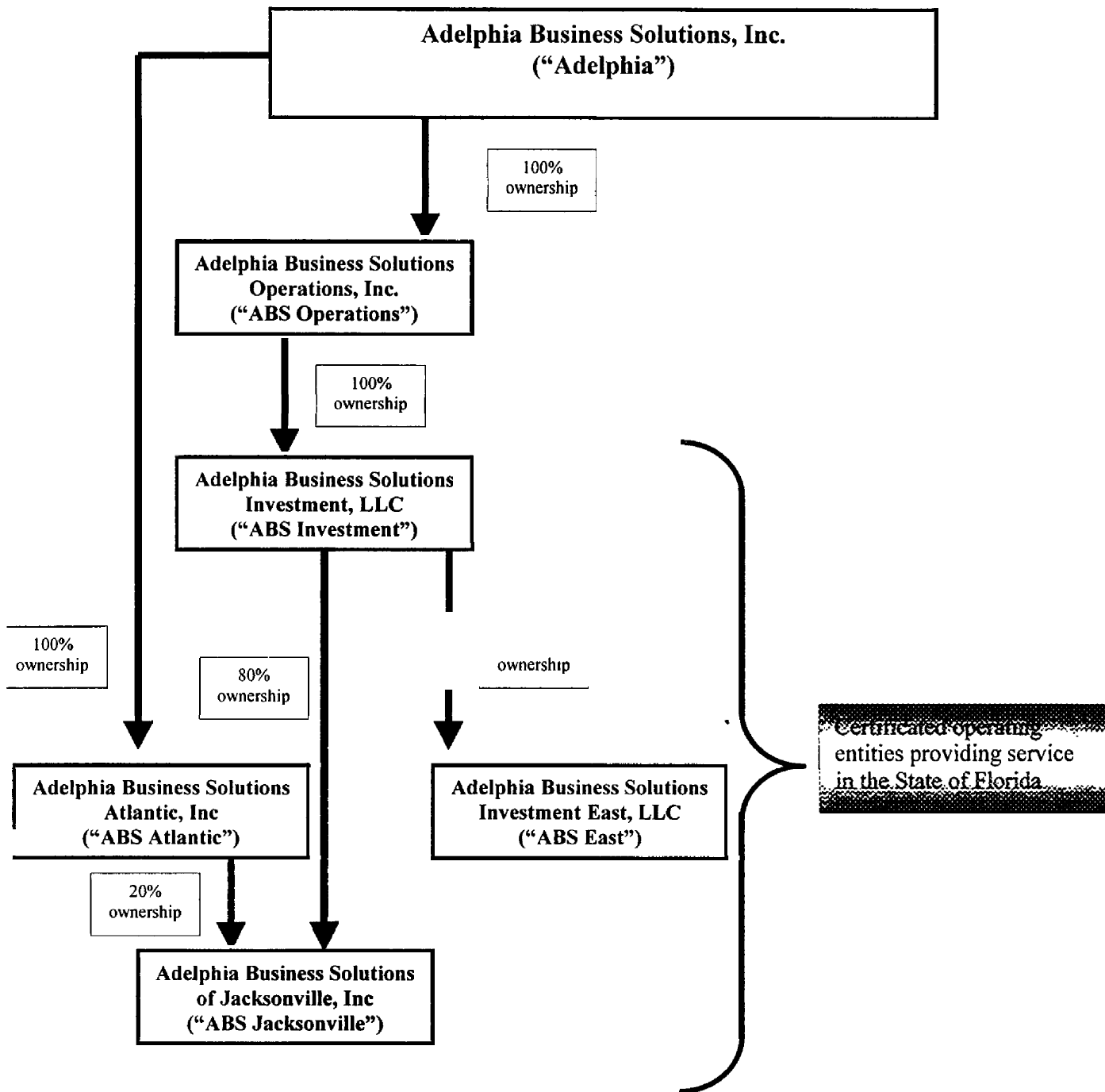
ATTACHMENT A	Corporate Organizational Charts
ATTACHMENT B	Application Form of ABS East for Authority to Provide Alternative Local Exchange Service Within the State of Florida
ATTACHMENT C	Application Form of ABS East For Authority to Provide Interexchange Telecommunications Service Between Points Within the State of Florida
ATTACHMENT D	Managerial and Technical Qualifications of ABS East
ATTACHMENT E	Financial Qualifications of ABS East
ATTACHMENT F	Certificate of Authority to Transact Business

ATTACHMENT A
CORPORATE ORGANIZATIONAL CHART OF SELECTED ENTITIES
(PRE-TRANSACTION)



Note: This diagram reflects the pre-transaction structure of the Adelphia companies having some relationship to the State of Florida.

POST-TRANSACTION ORGANIZATIONAL CHART OF SELECTED ENTITIES



Note: This diagram reflects the proposed structure of the Adelpia companies having some relationship to the State of Florida subsequent to the proposed transactions.

ATTACHMENT B

**Application Form for
Authority to Provide Alternative Local Exchange Service
Within the State of Florida**