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June 24, 2004

VIA OVERNIGHT DELIVERY

Ms. Blanca S. Bayó
Commission Clerk and Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED-FPSC
JUN 25 AM 10:23
COMMISSION
CLERK

**Re: Notification of PAETEC Communications, Inc. and Covista, Inc.
of Transfer of Certain Commercial Long Distance Customers in Florida**

Dear Ms. Bayó:

PAETEC Communications, Inc. ("PAETEC") and Covista, Inc. ("Covista") (together the "Parties"), through the undersigned counsel, hereby notify the Commission of a proposed transaction whereby PAETEC will acquire certain commercial long distance customers of Covista in Florida ("Transaction"), as set forth below.

In addition, attached as **Exhibit A** hereto is a petition requesting a waiver of Rule 25-4.118, Florida Administrative Code, to allow Covista to transfer its customers to PAETEC without first obtaining each customer's authorization and verification. The Parties request expedited review and approval of the waiver petition. Based upon a review of the Florida Statutes and Commission rules, the parties understand that no other Commission action is required with respect to the Transaction.

An original and fifteen (15) copies of this filing are enclosed. Please date stamp the enclosed extra copy of this filing and return it in the date stamped postage paid envelope provided.

40 JUN 25 AM 10:04

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FPSC-BUREAU OF RECORDS

RECORDS ADMINISTRATION

DOCUMENT NUMBER-DATE

06998 JUN 25 04

FPSC-COMMISSION CLERK

A. Description of the Parties

PAETEC Communications, Inc. is a privately held Delaware corporation with headquarters located at One PAETEC Plaza, 600 Willowbrook Office Park, Fairport, New York. PAETEC is a wholly owned subsidiary of PAETEC Corp., a privately held Delaware corporation, whose principal business is telecommunications.¹ PAETEC is authorized to provide intrastate interexchange telecommunications services in the State of Florida pursuant to Certificate No. 5757, granted by the Commission in Docket No. 980916-TI (“Certificate”).² Further information concerning PAETEC’s technical, managerial and financial qualifications to provide service was submitted with its application for certification and is, therefore, a matter of public record. PAETEC respectfully requests that the Commission take official notice of that information and incorporate it by reference herein.

Covista is a New Jersey corporation with principal offices located at 721 Broad Street, Suite 200, Chattanooga, Tennessee. Covista is a wholly owned subsidiary of Covista Communications, Inc., a publicly traded New Jersey corporation (NASDAQ symbol: CVST) whose principal business is telecommunications. Covista is authorized to provide intrastate interexchange telecommunications services in the State of Florida pursuant to Certificate No. 3157, granted by the Commission in Docket No. 921187-TI.³

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C. Description of the Transaction

PAETEC has determined that the acquisition of certain of Covista’s commercial long distance customer accounts will enable PAETEC to expand its operations in a cost-efficient manner, thereby enhancing its competitive position and ability to provide integrated telecommunications services to customers in Florida as well as other states. To that end,

¹ PAETEC Corp., a holding company, holds no regulatory licenses from this or any other regulatory commission.

² PAETEC is also authorized to provide alternative local exchange services in Florida pursuant to Certificate No. 5756, granted by the Commission in Docket No. 980919-TX.

³ The Certificate was originally granted to TotalTel USA, then transferred to TotalTel, Inc. TotalTel, Inc. then changed its name to Covista. Covista is also authorized to provide competitive local exchange services in Florida pursuant to Certificate No. 4771, granted in Docket No. 961114-TX.

PAETEC and Covista have entered into an agreement whereby PAETEC will acquire certain of Covista's commercial long distance customer accounts, including some accounts in Florida (the "Florida Customers").

To ensure a seamless transition, the Florida Customers will be given not less than 30 days prior written notice of the proposed transfer, in compliance with the rules of the Federal Communications Commission ("FCC") governing carrier-to-carrier customer base transfers.⁴

The Parties emphasize that the proposed transaction involves neither the transfer nor abandonment of Covista's Certificate nor does it involve any plan by Covista to discontinue service to Florida customers. Following closing, the Florida Customers will receive from PAETEC the same services they currently receive from Covista. PAETEC will continue to provide intrastate long distance services to the Florida Customers pursuant to its own Certificate, as referenced above. Covista, in turn, will continue to operate pursuant to its Certificate, without any interruption in or change of service to that portion of its Florida customer base that will not be transferred to PAETEC.

PAETEC will also amend its Florida tariffs, to the extent necessary, to include the rates and charges that apply to the services purchased by the Florida Customers. As a result, the proposed transfer will be virtually transparent to the Florida Customers in terms of the rates and terms and conditions of service that these customers currently receive.

D. Public Interest Considerations

The proposed transaction will serve the public interest by enabling PAETEC to expand its operations in a cost-effective manner, thereby enhancing its competitive position and ability to provide a broad range of integrated telecommunications services to Florida consumers. By permitting PAETEC to strengthen its competitive position and accelerate the offering of innovative products and services, the proposed transaction will ultimately enhance competitive choices for Florida consumers.

As noted above, the Florida Customers will be given prior written notice of the transfer of their account to PAETEC, in compliance with the FCC's customer notice rules. Following the transfer, the Florida Customers will continue to receive services which will be consistent with the quality of services currently provided by Covista and which will be supported by PAETEC's experienced and well-qualified management team. Because the proposed transfer will be virtually transparent to the Florida Customers in terms of the rates and terms and conditions of service that these customers currently receive, the proposed transaction is in the public interest.

* * * *

⁴ 47 C.F.R. § 64.1200(e).

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If there are any questions regarding this filing, please contact the undersigned at (202) 424-7500 or GRChiu@swidlaw.com. Thank you for your attention to this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Grace R. Chiu", with a long horizontal flourish extending to the right.

Grace R. Chiu

Counsel to PAETEC Communications, Inc.

cc via email:

Frank Pazera (Covista)
Lance J.M. Steinhart (Covista)
Mary O'Connell (PAETEC)
JT Ambrosi (PAETEC)

EXHIBIT A

PETITION FOR WAIVER

ATTACHMENT 1

FORM OF CUSTOMER NOTICE LETTER

DRAFT



**PAETEC COMMUNICATIONS, INC.
WELCOMES THE CUSTOMERS OF COVISTA, INC.**

[July 1, 2004]

Dear Valued Customer:

Covista, Inc. ("Covista") has entered into an agreement with PAETEC Communications, Inc. ("PAETEC") to transfer the current long distance telephone services you receive from Covista to PAETEC. PAETEC, a privately held company, has been providing voice and data telecommunications services, communications management services and customer premise equipment to business customers since 1998. With an unwavering commitment to quality, PAETEC serves more than 11,000 medium and large-sized business customers throughout the United States.

As your new service provider, PAETEC will automatically transition your current services on or about August 2, 2004. The actual transfer date is dependent upon all necessary federal and state regulatory approvals. Covista and PAETEC will work closely to ensure that the transfer of your services to PAETEC are seamless. **Your current services will continue to be provided under the same rates, terms and conditions of service that you currently enjoy with Covista.** PAETEC will be responsible for any carrier change charges imposed by your local telephone company in connection with the transfer. If for any reason you have placed a "freeze" on the current services to prevent the unauthorized transfer of your services to another carrier, the freeze will be lifted and your services will be transferred to PAETEC. PAETEC will re-establish freeze protection for your services after the date of final transfer.

PAETEC is committed to providing you with outstanding customer service, as well as an enhanced suite of products aimed to meet all of your communications needs. We look forward to continuing the successful partnership that you have built with Covista. You do have the option to choose a different carrier for your long distance services. If you do take steps to transfer your service to a different carrier you will need to make sure that the new service is ordered and provisioned no later than August 1, 2004 to avoid any risk of being without service after that date. If you are a customer of Covista on the date of the transfer and you have not informed Covista that you have made arrangements to switch to a carrier other than PAETEC, your services will automatically be transferred and your account assigned to PAETEC.

PAETEC will work to resolve any outstanding issues that you may have with Covista that have not been resolved by the time your account is transferred. Notice of any future changes in rates, terms and conditions of service will be provided to you as required by law; however, no changes are anticipated. **If you have any questions or concerns about the transfer of services please call PAETEC toll-free at 1-877-886-0772.**

A joint team, including your Covista agent/account manager and a PAETEC representative, will be contacting you over the coming weeks to introduce the PAETEC account team and answer any questions that your organization may have about our entire suite of products and services. **In addition, you are welcome to contact your Covista account team or PAETEC to learn more about the company and the service offerings. Please call PAETEC toll free at 1-877-226-1829 or visit the PAETEC website at www.paetec.com.**

Cordially,

**Brad Bono, Chief Operating Officer
PAETEC COMMUNICATIONS, INC.**

VERIFICATION

_____))
STATE OF NEW YORK))

COUNTY OF MONROE))
_____)

SS

I, Daniel J. Venuti, declare under penalty of perjury that I am Executive Vice President and General Counsel of PAETEC Communications, Inc., the Petitioner in the subject proceeding; that I have read the foregoing Petition and know the contents thereof; and that the same are true of my own knowledge, except as to the matters which are therein stated on information or belief, and as to those matters I believe them to be true.

By:



Daniel J. Venuti

Subscribed and sworn to before me
this 21st ~~th~~ day of June, 2004



Notary Public

Kera A. Ellis
Notary Public, State of New York
Qualified in Onondaga County
No. 01EL6092633
My Commission Expires May 27, 2007

My Commission Expires: May 27, 2007

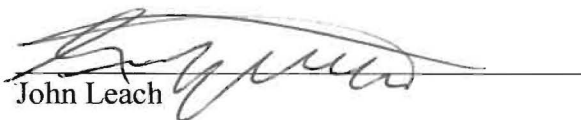
VERIFICATION

STATE OF TENNESSEE)
)
)
COUNTY OF HAMILTON)

SS

I, John Leach, declare under penalty of perjury that I am the President and Chief Executive Officer of Covista Communications, Inc., the parent company of Covista, Inc., the Petitioner in the subject proceeding; that I have read the foregoing Petition and know the contents thereof; and that the same are true of my own knowledge, except as to the matters which are therein stated on information or belief, and as to those matters I believe them to be true.

By:


John Leach

Subscribed and sworn to before me
this 21st day of June, 2004


Notary Public



My Commission Expires: 2/20/07