



ORIGINAL

July 20, 2000  
Via Overnight Delivery

210 N. Park Ave.  
Winter Park, FL  
32789

P.O. Drawer 200  
Winter Park, FL  
32790-0200

Tel: 407-740-8575  
Fax: 407-740-0613  
tmi@tminc.com

Ms. Blanca Bayo  
Division of Records and Reporting  
Florida Public Service Commission  
Division of Communication  
2540 Shumard Oak Boulevard  
Gerald L. Gunter Building, Room 270  
Tallahassee, FL 32399-0850

**RE: Partial Transfer of Customer Base from  
Global Crossing Telecommunications, Inc. to  
Frontier Communications of America, Inc.**

000000-PU

Dear Ms. Bayo,

On July 11<sup>th</sup>, 2000 Global Crossing Telecommunications, Inc. ("GCTI") and Frontier Communications of America, Inc. ("FCA") entered into an asset purchase agreement whereby FCA has agreed to purchase certain segments of GCTI's customer base. The transferred customers will be those customers located in areas served by GCTI's affiliated incumbent local exchange carrier.

On July 17, 2000, FCA filed for authority to provide alternative local and long distance services in the State of Florida. After certification of FCA, GCTI will migrate the designated customer base to FCA after proper notification. All customers will be offered comparable services and rates.

GCTI will retain its authority in Florida and will continue to serve those customers who will not be transferred to FCA.

FCA has filed a Petition with the FCC seeking authority to change the preferred carrier of the designated customers to FCA.

A copy of the customer notification letter and the waiver request filed with the FCC is enclosed with this letter.

- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- EGR \_\_\_\_\_
- LEG
- OPC \_\_\_\_\_
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- RGO
- SEC
- SER \_\_\_\_\_
- OTH \_\_\_\_\_

MAIL ROOM

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SERVICE COMMISSION

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

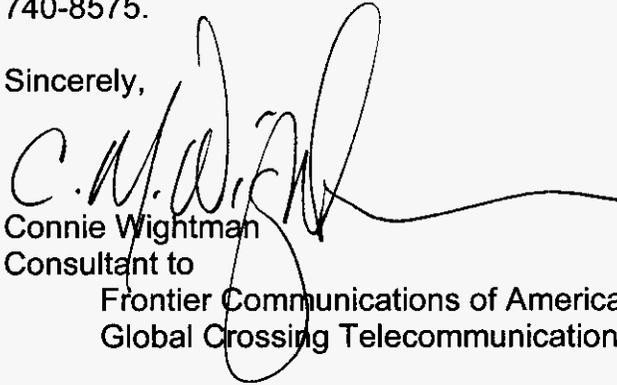
July 20, 2000  
Ms. Blanca Bayo  
Division of Records and Reporting  
Florida Public Service Commission  
Page 2

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Please acknowledge receipt of this filing by date-stamping the extra copy of this cover letter and returning it to my attention in the self-addressed, stamped envelope which has been provided for that purpose.

Questions pertaining to this letter should be directed to my attention at (407) 740-8575.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Wightman', with a long horizontal flourish extending to the right.

Connie Wightman  
Consultant to

Frontier Communications of America, Inc. and  
Global Crossing Telecommunications, Inc.

*CW/im.*

*Enclosure*

cc: Michael J. Nighan, Frontier Communications of America  
File: Frontier Communications of America - Florida (Local/IXC)  
TMS: FLX0000A

**GLOBAL CROSSING TELECOMMUNICATIONS, INC.**

**&**

**FRONTIER COMMUNICATIONS OF AMERICA, INC.**

**EXHIBIT A**

**FCC WAIVER PETITION**

Global Crossing North America, Inc.  
Legal Services  
180 South Clinton Avenue  
Rochester, NY 14616  
Fax: +1 716 546 7823

Michael J. Shortley, III  
Senior Associate General Counsel

Telephone: (716) 777-1028  
Facsimile: (716) 546-7823  
email: michael\_shortley@globalcrossing.com



June 16, 2000

**BY OVERNIGHT MAIL**

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

**Re: Frontier Communications of America, Inc. —  
Petition for Waiver  
File No. \_\_\_\_\_**

Dear Ms. Salas:

Enclosed please find an original plus four (4) copies of the *Petition for Waiver of Sections 64.1100-64.1190* of the Commission's Rules and Request for Expedited Treatment filed on behalf of Frontier Communications of America, Inc., formerly known as Frontier Long Distance America, Inc.

To acknowledge receipt, please affix an appropriate notation to the copy of this letter provided herewith for that purpose and return same to the undersigned in the enclosed, self-addressed envelope.

Very truly yours,

A handwritten signature in dark ink, appearing to read "M. J. Shortley, III".

Michael J. Shortley, III

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of	)	
	)	
Frontier Communications of America, Inc.	)	
	)	File No. _____
Petition for Waiver of Sections	)	
64-1100-64-1190 of the	)	
Commission's Rules	)	
	)	
Request for Expedited Treatment	)	

**PETITION FOR WAIVER OF SECTIONS  
64-1100-64-1190 OF THE  
COMMISSION'S RULES AND REQUEST  
FOR EXPEDITED TREATMENT**

Frontier Communications of America, Inc., formerly known as Frontier Long Distance America, Inc. ("FCA"), hereby requests a waiver of the authorization and certification requirements of the Commission's rules<sup>1</sup> and the *Carrier Change Orders*<sup>2</sup> in connection with FCA's purchase of a portion of the customer base of its affiliate -- Global Crossing Telecommunications, Inc. ("GCTI"). FCA also respectfully requests expedited treatment of this request.

<sup>1</sup> 47 C.F.R. §§ 64.1100-64-1190.

<sup>2</sup> *Implementation of the Subscriber Carrier Changes Provision of the Telecommunications Act of 1996*, Further Notice of Proposed Rulemaking and Memorandum Opinion and Order on Reconsideration, 12 FCC Rcd. 10674 (1997); *Second Report and Order and Further Notice of Proposed Rulemaking*, FCC 98-334 (Dec. 23, 1998); *Policies and Rules Concerning Changes of Consumers' Long Distance Carriers*, Report and Order, 10 FCC Rcd 9560 (1995) stayed in part, 11 FCC Rcd. 856 (1995); *Policies and Rules Concerning Changing Long Distance Carriers*, 7 FCC Rcd. 1038 (1992), recon. denied, 8 FCC Rcd. 3215 (1993); *Investigation of Access and Divestiture Related Tariffs (Phase I)*, 101 FCC 2d 911, 101 FCC 2d 935, recon. denied, 102 FCC 2d 503 (1985).

## Background

FCA and GCTI are affiliated interexchange carriers that are both subsidiaries of Global Crossing North America, Inc. ("Global Crossing"). GCTI is Global Crossing's North American retail interexchange carrier that serves business and residential customers throughout the United States. FCA is also an interexchange carrier that operates principally in the territories covered by its affiliated incumbent local exchange carriers ("Frontier ILECs").<sup>3</sup>

FCA has agreed to acquire the accounts of those business and residential customers of GCTI that reside in territories of the Frontier ILECs. FCA and GCTI have agreed to this customer base transfer in order better to align corporate structures with Global Crossing's business unit and customer base responsibilities. In this way, Global Crossing believes that it can better meet the needs of those customers that reside in territories served by Frontier's ILECs.

The transfer will be seamless to the affected customers. These customers will continue to be served by the same corporate family, albeit by different corporate entities within the Global Crossing family. The affected customers will be seamlessly transferred from GCTI to FCA.

## Waiver Request

Grant of a waiver is appropriate if special circumstances exist and approval will serve the public interest.<sup>4</sup> FCA's request satisfies those criteria. The affected customers will continue to be served by the same corporate family. Nonetheless,

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<sup>3</sup> A list of the affected ILECs is annexed hereto as Exhibit A.

<sup>4</sup> See e.g., *WAT Radio v. FCC*, 418 F.2d 1152, 1159 (D.C. Cir. 1969), cert. denied, 409 U.S. 1027 (1972); *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990).

because distinct corporate entities are involved, section 258 and the Commission's implementing regulations arguably apply.

Grant of the requested waiver will also serve the public interest because it will permit seamless transition of the affected customers from GCTI to FCA. In addition, by aligning corporate structure with business unit responsibility, grant of the requested waiver will enable Global Crossing better to meet all of the telecommunications needs of the affected customers.

All customers will be notified of the transaction and will be billed at comparable rates, terms and conditions as those currently contained in GCTI's tariffs, including GCTI's interstate and international tariffs. Customers will also be informed that any carrier change charges will be waived and that customers will remain free to select another long distance carrier.<sup>5</sup>

In analogous circumstances, the Commission has granted similar waivers to other carriers.<sup>6</sup>

#### **Expedited Treatment**

FCA seeks expedited treatment of this petition to permit the prompt transfer of the customer base from GCTI to FCA. Prompt grant of this waiver will permit the seamless transfer of affected customers from GCTI to FCA.

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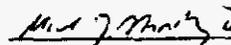
<sup>5</sup> A copy of the proposed customer notice is annexed hereto as Exhibit B.

<sup>6</sup> See e.g., *International Exchange Communications, Inc. - Petition for Waiver*, Order, DA 00-985 (Com. Car. Bur. May 2, 2000).

### Conclusion

For the foregoing reasons, FCA respectfully requests that the FCC grant it, on an expedited basis, a waiver of section 64-1100-64-1190 of the Commission's rules and the *Carrier Change Orders*.

Respectfully submitted,

  
\_\_\_\_\_  
Michael J. Shortley, III

Attorney for Frontier Communications  
of America, Inc.

180 South Clinton Avenue  
Rochester, New York 14646  
(716) 777-1028

June 16, 2000

## **Exhibit A**

### **Affiliated Incumbent Local Exchange Carriers**

#### *Alabama*

Frontier Communications of Alabama, Inc.  
Frontier Communications of LaMar County, Inc.

#### *Alabama/Florida*

Frontier Communications of the South, Inc.

#### *Georgia*

Frontier Communications of Georgia, Inc.  
Frontier Communications of Fairmount, Inc.

#### *Illinois*

Frontier Communications of Illinois, Inc.  
Frontier Communications of DePue, Inc.  
Frontier Communications of Lakeside, Inc.  
Frontier Communications of Midland, Inc.  
Frontier Communications of Mt. Pulaski, Inc.  
Frontier Communications of Prairie, Inc.  
Frontier Communications of Schuyler, Inc.

#### *Indiana*

Frontier Communications of Indiana, Inc.  
Frontier Communications of Thorntown, Inc.

#### *Iowa*

Frontier Communications of Iowa, Inc.

#### *Michigan/Ohio*

Frontier Communications of Michigan, Inc.

#### *Minnesota*

Frontier Communications of Minnesota, Inc.

*Mississippi*

Frontier Communications of Mississippi, Inc.

*New York*

Frontier Telephone of Rochester, Inc.  
Frontier Communications of New York, Inc.  
Frontier Communications of AuSable Valley, Inc.  
Frontier Communications of Seneca-Gorham, Inc.  
Frontier Communications of Sylvan Lake, Inc.

*Pennsylvania*

Frontier Communications of Pennsylvania, Inc.  
Frontier Communications of Breezewood, Inc.  
Frontier Communications of Canton, Inc.  
Frontier Communications of Oswayo River, Inc.

*Wisconsin*

Frontier Communications of Wisconsin, Inc.  
Frontier Communications of Mondovi, Inc.  
Frontier Communications of Orion, Inc.  
Frontier Communications – St. Croix, Inc.  
Frontier Communications of Viroqua, Inc.

**GLOBAL CROSSING TELECOMMUNICATIONS, INC.**

**&**

**FRONTIER COMMUNICATIONS OF AMERICA, INC.**

**EXHIBIT B**

**ASSET PURCHASE AGREEMENT**

## ASSET PURCHASE AGREEMENT

**THIS AGREEMENT** is made as of this 11th day of July, 2000, between Global Crossing Telecommunications, Inc. ("Seller" or "GCTI") and Frontier Communications of America, Inc. ("Buyer" or "FCA").

**WHEREAS**, Seller provides long distance services included in the Frontier LEC Business to business and residential end-user customers located in the franchise territories of the incumbent local exchange carriers that are affiliated with Buyer and Seller and are listed on Schedule I hereto (the "Customer Base"); and

**WHEREAS**, Buyer acts as sales agent, billing and collection agent and performs other ancillary services for Seller in connection with the Customer Base; and

**WHEREAS**, Buyer wishes to acquire and Seller wishes to sell the Customer Base.

**NOW THEREFORE**, in consideration of the promises and the mutual covenants herein contained, Buyer and Seller agree as follows:

### **Section 1. Sale and Purchase**

Subject to and upon the terms and conditions of this Agreement, Seller shall sell, transfer, assign and deliver at the Closing, and Buyer shall purchase and acquire from Seller the Customer Base, including associated accounts receivable.

### **Section 2. Purchase Price**

2.1 Subject to the terms and conditions of this Agreement, Buyer will pay to Seller, at the Closing in immediately available funds an amount to be determined pursuant to an appraisal conducted by a non-affiliated third party mutually agreeable to both Buyer and Seller.

2.2 Buyer and Seller shall mutually select such appraiser within seven (7) days of the execution of this Agreement. The Appraiser shall complete the appraisal within twenty-one (21) days of its selection as Appraiser. Buyer and Seller will share equally the costs of such appraisal.

### **Section 3. Closing**

The Closing shall take place no later than five (5) days after receipt of the state and federal regulatory approvals required to consummate the sale of the Customer Base. The Closing shall take place at the offices of Global Crossing North America, Inc., 180 South Clinton Avenue, Rochester, New York 14646 or at such other time and place as the parties may mutually agree.

### **Section 4. Representations and Warranties of Seller**

4.1 Seller represents and warrants that it is a corporation duly organized, presently existing and in good standing under the laws of the State of Michigan, has the corporate power to provide the services that it is currently providing to the Customer Base.

4.2 Seller has full power and authority to enter into this Agreement and to carry out the transactions contemplated hereby. This Agreement and the performance of Seller have been duly and validly authorized by all necessary actions on the part of the Seller. This Agreement constitutes the valid, legal and binding obligation of the Seller, enforceable in accordance with its terms.

**Section 5. Representations and Warranties of Buyer**

5.1 Buyer represents and warrants that it is a corporation duly organized, presently existing and in good standing under the laws of the State of Delaware, has the corporate power to provide the services that it is currently providing to the Customer Base.

5.2 Buyer has full power and authority to enter into this Agreement and to carry out the transactions contemplated hereby. This Agreement and the performance of Buyer have been duly and validly authorized by all necessary actions on the part of the Buyer. This Agreement constitutes the valid, legal and binding obligation of the Buyer, enforceable in accordance with its terms.

**Section 6. Conditions Precedent to Obligations of Buyer and Seller**

Seller and Buyer shall each have received the approvals of the Federal Communications Commission and the relevant state Public Service Commissions listed in Schedule 2 hereto. Each such approval shall have become final and nonappealable. Seller and Buyer shall cooperate in filing all necessary applications to obtain such approvals. Buyer shall bear the costs of preparing and prosecuting all such applications.

**Section 7. Notices**

All notices, demands and other communications hereunder shall be in writing and shall be delivered by hand, addressed as follows:

If to Seller:

Michael J. Shortley, III  
 Senior Associate General Counsel and  
 Senior Director - Regulatory Services  
 Global Crossing North America, Inc.  
 1800 South Clinton Avenue  
 Rochester, New York 14646

If to Buyer:

Gregg C. Sayre  
 Senior Associate General Counsel -  
 Local Operations  
 Global Crossing North America, Inc.  
 180 South Clinton Avenue  
 Rochester, New York 14646

Provided, however, that if any party shall have designated a different address by notice to the other, then to the last address so designated.

#### **Section 8. Headings and Schedules**

The headings contained in this Agreement are for reference purposes only and are not to be considered in interpreting this Agreement. Schedules and Exhibits are incorporated into and made a part of this Agreement.

#### **Section 9. Amendment**

No change, modification, amendment or termination shall be valid until the same is in writing and signed by the Buyer and the Seller..

#### **Section 10. Applicable Law**

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York.

**Section 11. Benefit**

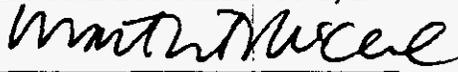
Nothing herein expressed or implied is intended or shall be construed to confer upon or give any person, other than the parties hereto, and the permitted successors and assigns any rights or remedies under or by reason of this Agreement.

**Section 12. Entire Agreement**

This instrument and the Schedules referred to herein contain the entire agreement between the parties hereto with respect to the transaction contemplated herein and supersede all previous written or oral negotiations, commitments and writings.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

**GLOBAL CROSSING  
TELECOMMUNICATIONS, INC.**

By: 

**Martin T. McCue  
Vice President**

**FRONTIER COMMUNICATIONS  
OF AMERICA, INC.**

By: 

**Martin Mucci  
President, LEC Operations**

**GLOBAL CROSSING TELECOMMUNICATIONS, INC.**

**&**

**FRONTIER COMMUNICATIONS OF AMERICA, INC.**

**EXHIBIT B**

**ASSET PURCHASE AGREEMENT**