ORIGINAL

# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

| In the Matter of   | )<br>)      | 10 M |
|--|-------------|---|
| GST Telecommunications, Inc. and its Subsidiaries  | File No     |   |
| Application for Authority to Discontinue the Provision of U.S. Domestic Telecommunications Service | )<br>)<br>) |   |

# **SECTION 63.71 APPLICATION**

GST Telecommunications, Inc. and its subsidiaries<sup>1</sup> (together "GST") hereby request authority pursuant to Section 214(a) of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214(a), and Section 63.71 of the Commission's Rules, 47 C.F.R. § 63.71, to discontinue the provision of certain U.S. domestic telecommunications services ("Application").

By way of background, on May 17, 2000, GST filed for protection under Chapter 11 of the U.S. Bankruptcy Laws in the U.S. District Court for the District of Delaware ("Bankruptcy Court"). GST received Bankruptcy Court approval to proceed with an open bidding procedure for the auction of substantially all of GST's assets. The auction was conducted between August

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GST Call America, Inc.; GST Net, Inc.; ICON Communications Corp.; KLP, Inc. d/b/a Call America Phoenix; TotalNet Communications, Inc.; GST Pacific Lightwave, Inc.; GST Telecom California, Inc.; GST Telecom Hawaii, Inc., GST Tuscon Lightwave, Inc.; GST Telecom New Mexico, Inc.; GST Telecom Texas, Inc.; GST Telecom Nevada, Inc.; GST Telecom Idaho, Inc.; GST Telecom Washington, Inc.; GST Net Arizona, Inc.; GST Telecom Oregon, Inc.; GST Telecom Arizona, Inc.; GST Net (AZ), Inc.; and GST Home, Inc.

22 and 25, 2000, and Time Warner Telecom Inc.'s ("TWT") bid to acquire most of GST's assets was successful. On August 25, 2000, at the completion of the auction process, GST appeared before the Bankruptcy Court and received approval to proceed toward a sale of said assets to TWT. TWT acquired certain assets associated with GST's telecommunications operations, including telecommunications equipment, portions of GST's customer base, and federal and certain state certifications authorizing those operations.<sup>2</sup> However, TWT did not acquire all of GST's assets and customer accounts.

GST has subsequently sought buyers for its remaining assets, including customer accounts, not acquired by TWT. When buyers were found for some of the assets, or it was determined that no buyers would be forthcoming for other assets, GST has filed with the Federal Communications Commission ("FCC") the appropriate Section 63.71 application for discontinuance of service.<sup>3</sup> GST has now reached the point where it has determined that there are no buyers for its few remaining assets and customer accounts. Therefore, during the last few months, GST has been contacting its remaining customers and, pursuant to the notice requirements of Section 63.71(a)(5)(i), notifying them that GST will be discontinuing their

<sup>&</sup>lt;sup>2</sup> See In re Section 63.71 Application of GST Telecommunications, Inc. and its Subsidiaries for Authority to Discontinue the Provision of U.S. Domestic Telecommunications Service (File No. W-P-D-472) (DA 00-2693) (Released November 29, 2000).

<sup>&</sup>lt;sup>3</sup> See In re Section 63.71 Application of GST Telecommunications, Inc. and its Subsidiaries for Authority to Discontinue the Provision of U.S. Domestic Telecommunications Service (File No. W-P-D-484) (DA 01-569) (Released March 5, 2001); See In re Section 63.71 Application of GST Telecommunications, Inc. and its Subsidiaries for Authority to Discontinue the Provision of U.S. Domestic Telecommunications Service (File No. W-P-D-489)(DA 01-1061)(Released April 24, 2001); See In re Section 63.71 Application of GST Telecom Hawaii, Inc. for Authority to Discontinue the Provision of U.S. Domestic Telecommunications Service, filed May 22, 2001; and See In re Section 63.71 Application of GST Telecommunications, Inc. and its Subsidiaries for Authority to Discontinue the Provision of U.S. Domestic Telecommunications Service, anticipated to be filed by August 15, 2001 (relating to the sale of assets to Dancris Telecom LLC).

service within a minimum of 31-days, and that they may contact the FCC if they have any objections. To date, GST has been able to resolve its customers' concerns about finding an alternate service provider prior to discontinuing service.<sup>4</sup> Accordingly, GST seeks authority to discontinue providing the following services: local, long distance, coded toll-free, calling card, frame relay and private line.

Due to GST's precarious financial position and significantly reduced labor resources, GST is no longer able to continue providing these services to its customers. In addition, GST no longer has access to most of the facilities it used to provide its services. TWT purchased virtually all of GST's facilities except for certain facilities located on Mare Island and in Hawaii. As part of the sale, TWT agreed to provide GST with continued access to the facilities for six months after the closing date of January 10, 2001. Because that date has past, absent an agreement with TWT to extend the underlying services, GST will not have continued access to the facilities. Therefore, GST respectfully requests that the Commission approve this Application as soon as possible.

<sup>&</sup>lt;sup>4</sup> The most notable customer concerns relate to the City of Vallejo's concern regarding the provision of local services on Mare Island, California. GST is actively working with these customers and the California Public Utilities Commission ("CPUC") to resolve their concerns, and will not terminate local service until approval is received by the CPUC. In addition, two frame relay customers have expressed their concerns to GST over the discontinuation of their interstate services and GST is coordinating with them to ensure that they have alternate service providers prior to their scheduled disconnection dates. No loss of service to either of the frame relay customers is anticipated.

GST provides the following information in support of this Application pursuant to Section 63.71 of the Commission's Rules.

# I. SECTION 63.71(a) INFORMATION

# (1) Name and address of carrier:

GST Telecommunications, Inc. and its Subsidiaries 9300 NE Oak View Drive Suite A Vancouver, Washington 98662

# (2) Date of planned service discontinuance, reduction or impairment:

On or before August 6, 2001.

# (3) Points of geographic areas affected:

Based upon the billing addresses maintained by GST, the following states are affected by this discontinuance application. For coded toll-free service, the states affected are Arizona, California, Florida, Hawaii, Idaho, Indiana, Iowa, Kansas, Louisiana, Massachusetts, Montana, Nevada, Oregon, Texas, and Washington. For long distance and frame relay service, the states affected are Arizona, California, Colorado, Connecticut, Hawaii, Idaho, Illinois, Missouri, Mississippi, Nebraska, New Mexico, Nevada, New York, Ohio, Oregon, Pennsylvania, Texas and Washington. For local service, the state affected is California. For private line service, the states affected are Arizona, California, Florida, Hawaii and Oregon. For calling card services, the states affected are Arizona, California, Hawaii, New Mexico, North Carolina, New York, Pennsylvania, and Utah.

# (4) Brief description of type of service affected:

GST seeks authority to discontinue providing local service, frame relay and long distance service, coded toll-free service, calling card and private line service to all of its remaining customers.

# II. NOTIFICATION REQUIREMENTS

GST has provided its affected customers notification letters. The letters have been distributed to all affected GST customers between March 20 and July 2, 2001. The letters provide the information required by Section 63.71(a) of the Commission's Rules, 47 C.F.R. § 63.71(a),

and identify which services GST will no longer provide. Copies of the letters are attached to this

Application as Exhibit A.

GST certifies that concurrent with the filing of this Application, GST is submitting a copy

of the Application to the public utility commissions and governors of the states listed above and

to the Secretary of Defense as required by Section 63.71(a) of the Commission's Rules, 47

C.F.R. § 63.71(a). (See attached Certificate of Service.)

III. REGULATORY STATUS

GST is regulated as a non-dominant carrier with respect to each domestic

telecommunications service for which it seeks authority to discontinue.

IV. <u>CONCLUSION</u>

For the foregoing reasons, GST respectfully requests, pursuant to Section 214(a) of the

Act, 47 U.S.C. § 214(a), and Section 63.71 of the Commission's Rules, 47 C.F.R. § 63.71, that

the Commission approve its Section 63.71 Application to discontinue the provision of U.S.

domestic telecommunications service in the states referred in this Application.

Respectfully submitted,

GST TELECOMMUNICATIONS, INC. AND ITS SUBSIDIARIES

Troy F. Tanner

Maria L. Cattafesta

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K Street, N.W., Suite 300

Washington, DC 20007-5116

Telephone: (202) 424-7500

Facsimile: (202) 424-7645

Counsel for GST Telecommunications, Inc. and

its Subsidiaries

Dated: July 20, 2001

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# **CERTIFICATION**

On behalf of GST Telecommunications, Inc. and its subsidiaries, I hereby certify that the statements in the foregoing *Section 63.71 Application* are true, complete and correct to the best of my knowledge and are made in good faith.

GST TELECOMMUNICATIONS, INC. AND ITS SUBSIDIARIES

By:

Name: Erick D. Steinman

Title: Chief Financial Officer

Date: July 20, 2001

# **EXHIBIT A**

# SAMPLE CUSTOMER NOTIFICATION LETTERS



March 1, 2001

Dear GST Dedicated Long Distance Customer:

As you know, GST Telecommunications, Inc., and its subsidiary companies, filed for bankruptcy under Chapter 11 of the United States Bankruptcy Code on May 17, 2000. On September 21, 2000, the United States District Court overseeing GST's bankruptcy approved the sale of most of GST's assets to Time Warner Telecom Inc. (referred to below as "TWTC").

TWTC does not intend to support or sell the dedicated long distance services that GST has previously provided to you. Therefore, GST will discontinue your dedicated long distance telecommunications service on April 2, 2001.

The Federal Communications Commission permits customers to object to discontinuation of their service by a telecommunications carrier. However, the FCC will normally authorize the proposed discontinuance of service unless it is shown that customers would be unable to receive service, or a reasonable substitute, from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object to GST's discontinuation of your dedicated long distance service, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Section 63.71 Application of GST Telecommunications, Inc. Your comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

In accordance with Section 365 of the United States Bankruptcy Code, GST will be filing a motion to reject its dedicated long distance service contract with you. If you wish to file a formal objection to the motion to reject, such objection must be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, and served on GST c/o Latham & Watkins, Suite 5800, Sears Tower, Chicago, IL 60606 (Attn: Josef Athanas and Timothy Barnes) no later than 4:00 p.m. Eastern Time on January 29, 2001. The hearing on the motion and any objections thereto will be held before the Honorable Gregory M. Sleet, in the United States District Court, Courtroom 4A, 844 North King Street, Wilmington, DE 19801, at 10:00 a.m. Eastern Time on January 31, 2001.

GST appreciates the opportunity we have had to serve you. Please do not hesitate to contact us at (800) 541-6316 for assistance in the transition of your GST dedicated long distance services to another provider. Thank you for your patronage.

Sincerely,

Bruce Becker
President and Chief Executive Officer
GST Telecommunications, Inc.

March 20, 2001

# SENT VIA FACISMILE AND FEDERAL EXPRESS

Mr. Larry Ferk
President
Eastern Communications Network Inc.
691 NE 29<sup>th</sup> Place
Boca Raton, FL 33421-0000

Re: Discontinuance of Service to Circuits Not Transferred to PF.Net Network Services Corp.

Dear Mr. Ferk:

As discussed with Kendall Karle, Director of GST Long Distance Services, this letter should be deemed as formal notice that GST Telecom, Inc. ("GST"), will terminate service to the circuits listed below which are currently used to provide interstate telecommunications services to Eastern Communications Network, Inc. ("Eastern"). The effective date of this service discontinuance will be April 30, 2001. Eastern will have until such time to replace the following GST circuits with circuits from an alternate telecommunications services provider:

- 1001/T3/LSANCARCH24/PHNXAZ28H19
- 1002/T3/LSANCARCH24/SNFCCAMKW17
- 1001/T3/LSANCARCH24/SNFCCAMKW17
- 50/T3/LSANCRCC/TUSNZA80

Pursuant to Federal Communication Commission ("FCC") rules, this letter also serves as notice that the FCC will normally authorize the proposed discontinuance of telecommunications service unless it is shown that customers would be unable to receive service, or a reasonable substitute, from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object to the discontinuation of your interstate service, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Section 63.71 Application of GST Telecommunications, Inc. Your comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

GST has appreciated our long-standing business relationship with Eastern. Unfortunately, we are at a point in our bankruptcy proceedings wherein we can no longer continue providing telecommunications services to Eastern beyond the discontinuance date set forth above. If you have any questions or need further clarification, please contact Kendall at (360) 892-6660, Ext. 120.

Sincerely,

Gregory Bergs Chief Operating Officer

cc: Kendall Karle Michael Moore, Esq.

March 21, 2001

Dear GST Dedicated Long Distance Customer:

As you know, GST Telecommunications, Inc., and its subsidiary companies, filed for bankruptcy under Chapter 11 of the United States Bankruptcy Code on May 17, 2000. On September 21, 2000, the United States District Court overseeing GST's bankruptcy approved the sale of most of GST's assets to Time Warner Telecom Inc. (referred to below as "TWTC").

TWTC does not intend to support or sell the dedicated long distance services that GST has previously provided to you. Therefore, GST will discontinue your dedicated long distance telecommunications service on April 24, 2001.

The Federal Communications Commission permits customers to object to discontinuation of their service by a telecommunications carrier. However, the FCC will normally authorize the proposed discontinuance of service unless it is shown that customers would be unable to receive service, or a reasonable substitute, from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object to GST's discontinuation of your dedicated long distance service, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Section 63.71 Application of GST Telecommunications, Inc. Your comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

In accordance with Section 365 of the United States Bankruptcy Code, GST will be filing a motion to reject its dedicated long distance service contract with you. If you wish to file a formal objection to the motion to reject, such objection must be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, and served on GST c/o Latham & Watkins, Suite 5800, Sears Tower, Chicago, IL 60606 (Attn: Josef Athanas and Timothy Barnes) no later than April 20, 2001, at 4:00 p.m.. The hearing on the motion and any objections thereto will be held before the Honorable Gregory M. Sleet, in the United States District Court, Courtroom 4A, 844 North King Street, Wilmington, DE 19801, at 10:00 a.m. Eastern Time on April 24, 2001.

GST appreciates the opportunity we have had to serve you. Please do not hesitate to contact us at (800) 541-6316 for assistance in the transition of your GST dedicated long distance services to another provider. Thank you for your patronage.

Sincerely,

Bruce Becker President and Chief Executive Officer GST Telecommunications, Inc.



March 27, 2001

Dear Coded Toll-Free Service Customer:

By now, you have received various notices from GST Telecommunications, Inc., regarding the status of its Chapter 11 bankruptcy filings, including a February 15, 2001, letter stating that Dancris Telecom LLC intends to purchase GST's long distance business. Unfortunately, due to the network changes mentioned therein, GST can no longer support the Coded Toll-Free Service that you are currently receiving. As you know, Coded Toll-Free Service is the feature that enables you to use project codes with GST's regular Toll-Free Service. Consequently, GST will discontinue your Coded Toll-Free Service on April 30, 2001.

However, if you would like to retain regular Toll-Free Service, please contact a GST Customer Service Representative at (800) 541-6316 as soon as possible to assist you in making the transition and to avoid any service disruption. If you do not contact a GST Customer Service Representative to arrange to have your Coded Toll-Free Service transitioned to regular Toll-Free Service by April 20, 2001, then all Coded Toll-Free Services for your account will be discontinued as of April 30, 2001.

The Federal Communications Commission permits customers to object to discontinuation of their service by a telecommunications carrier. However, the FCC will normally authorize the proposed discontinuance of service unless it is shown that customers would be unable to receive service, or a reasonable substitute, from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object to GST's discontinuation of your Coded Toll-Free Service, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Section 63.71 Application of GST Telecommunications, Inc. Your comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

In accordance with Section 365 of the United States Bankruptcy Code, GST will be filing a motion to reject its toll-free long distance service contract with you. If you wish to file a formal objection to the motion to reject, such objection must be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, and served on GST c/o Latham & Watkins, Suite 5800, Sears Tower, Chicago, IL 60606 (Attn: Josef Athanas and Timothy Barnes) no later than 4:00 p.m. Eastern Time on April 20, 2001. The hearing on the motion and any objections thereto will be held before the Honorable Gregory M. Sleet, in the United States District Court, Courtroom 4A, 844 North King Street, Wilmington, DE 19801, at 10:00 a.m. Eastern Time on April 24, 2001.

GST appreciates the opportunity we have had to serve you and regrets any resulting inconvenience. Thank you for your patronage.

Sincerely,



April 23, 2001

#### Dear GST Customer:

As you know, GST Telecommunications, Inc., and its subsidiary companies, filed for bankruptcy under Chapter 11 of the United States Bankruptcy Code on May 17, 2000. On September 21, 2000, the United States District Court overseeing GST's bankruptcy approved the sale of most of GST's assets to Time Warner Telecom Inc. (referred to below as "TWTC"). The sale transaction closed on January 10, 2001.

Due to the sale of essentially all of our assets to TWTC and other entities, GST can no longer provide you with the telecommunications services you have been receiving. Therefore, GST will discontinue your long distance services on May 28, 2001. Any other telecommunications services you may be receiving from GST, including local service, will also be discontinued on that date.

The Federal Communications Commission permits customers to object to discontinuation of their service by a telecommunications carrier. However, the FCC will normally authorize the proposed discontinuance of service unless it is shown that customers would be unable to receive service, or a reasonable substitute, from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object to GST's discontinuation of your interstate service, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Section 63.71 Application of GST Telecommunications, Inc. Your comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

In accordance with Section 365 of the United States Bankruptcy Code, GST will be filing a motion to reject its service contract(s) with you. If you wish to file a formal objection to the motion to reject, such objection must be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, and served on GST c/o Latham & Watkins, Suite 5800, Sears Tower, Chicago, IL 60606 (Attn: Josef Athanas and Timothy Barnes) no later than 4:00 p.m. Eastern Time on May 21, 2001. The hearing on the motion and any objections thereto will be held before the Honorable Gregory M. Sleet, in the United States District Court, Courtroom 4A, 844 North King Street, Wilmington, DE 19801, at 10:00 a.m. Eastern Time on May 23, 2001.

GST appreciates the opportunity we have had to serve you. Please do not hesitate to call us at (800) 541-6316 if you have any questions regarding the discontinuance of your service. Thank you for your patronage.

Sincerely,



May 30, 2001

Dear GST Frame Relay Customer:

As you know, GST Telecommunications, Inc., and its subsidiary companies, filed for bankruptcy under Chapter 11 of the United States Bankruptcy Code on May 17, 2000. On September 21, 2000, the United States District Court overseeing GST's bankruptcy approved the sale of most of GST's assets to Time Warner Telecom Inc. (referred to below as "TWTC"). The sale transaction closed on January 10, 2001.

Due to the sale of essentially all of our assets to TWTC and other entities, GST can no longer provide you with the telecommunications services you have been receiving. Therefore, GST will discontinue your frame relay services on July 31, 2001. Please do not delay in arranging for an alternative service provider in order to avoid a service interruption after that date.

The Federal Communications Commission permits customers to object to discontinuation of their service by a telecommunications carrier. However, the FCC will normally authorize the proposed discontinuance of service unless it is shown that customers would be unable to receive service, or a reasonable substitute, from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object to GST's discontinuation of your interstate service, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Section 63.71 Application of GST Telecommunications, Inc. Your comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

In accordance with Section 365 of the United States Bankruptcy Code, GST will be filing a motion to reject its frame relay service contract with you. If you wish to file a formal objection to the motion to reject, such objection must be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, and served on GST c/o Latham & Watkins, Suite 5800, Sears Tower, Chicago, IL 60606 (Attn: Josef Athanas and Timothy Barnes) no later than 4:00 p.m. Eastern Time on June 22, 2001. The hearing on the motion and any objections thereto will be held before the Honorable Gregory M. Sleet, in the United States District Court, Courtroom 4A, 844 North King Street, Wilmington, DE 19801, at 10:00 a.m. Eastern Time on June 27, 2001.

GST appreciates the opportunity we have had to serve you. Please do not hesitate to call us at (800) 676-1723, Extension 114, if you have any questions regarding the discontinuance of your service. Thank you for your patronage.

Sincerely,



June 5, 2001

#### Dear GST Mare Island Customer:

As you know, GST Telecommunications, Inc., and its subsidiary companies, filed for bankruptcy under Chapter 11 of the United States Bankruptcy Code on May 17, 2000. On September 21, 2000, the United States District Court overseeing GST's bankruptcy approved the sale of most of GST's assets to Time Warner Telecom Inc. (referred to below as "TWTC"). The sale transaction closed on January 10, 2001. Other GST assets have since been sold to other buyers.

Due to the sale of essentially all of our assets to TWTC and other entities, GST is going out of business and can no longer provide you with the telecommunications services that you have been receiving. Therefore, GST will discontinue your interstate services on July 23, 2001. Please do not delay in arranging for an alternative interstate service provider in order to avoid a service interruption after that date. However, subject to the approval of the California Public Utilities Commission, GST is currently in negotiations with another local provider to continue providing your local business service without interruption. Please note that this will be your only notice with regard to the discontinuation of your interstate service.

The Federal Communications Commission permits customers to object to discontinuation of their interstate service by a telecommunications carrier. However, the FCC will normally authorize the proposed discontinuance of service unless it is shown that customers would be unable to receive service, or a reasonable substitute, from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object to GST's discontinuation of your interstate service, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Section 63.71 Application of GST Telecommunications, Inc. Your comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

In accordance with Section 365 of the United States Bankruptcy Code, GST will be filing a motion to reject its service contract with you. If you wish to file a formal objection to the motion to reject, such objection must be filed with the Clerk of the United States District Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, and served on GST c/o Latham & Watkins, Suite 5800, Sears Tower, Chicago, IL 60606 (Attn: Timothy Barnes and John Casey) no later than 4:00 p.m. Eastern Time on June 22, 2001. The hearing on the motion and any objections thereto will be held before the Honorable Gregory M. Sleet, in the United States District Court, Courtroom 4A, 844 North King Street, Wilmington, DE 19801, at 10:00 a.m. Eastern Time on June 27, 2001.

GST appreciates the opportunity we have had to serve you. Please do not hesitate to call us at (800) 676-1723, Extension 114, if you have any questions regarding the discontinuance of your service. Thank you for your patronage.

Sincerely,



July 2, 2001

#### Dear GST Customer:

As you know, GST Telecommunications, Inc., and its subsidiary companies, filed for bankruptcy under Chapter 11 of the United States Bankruptcy Code on May 17, 2000. On September 21, 2000, the United States District Court overseeing GST's bankruptcy approved the sale of most of GST's assets to Time Warner Telecom Inc. (referred to below as "TWTC"). The sale transaction closed on January 10, 2001.

Due to the sale of essentially all of our assets to PLNI and other entities, GST can no longer provide you with the telecommunications services you have been receiving. Therefore, GST will discontinue your interstate services on August 6, 2001. Please do not delay in arranging for an alternative service provider in order to avoid a service interruption after that date.

The Federal Communications Commission permits customers to object to discontinuation of their service by a telecommunications carrier. However, the FCC will normally authorize the proposed discontinuance of service unless it is shown that customers would be unable to receive service, or a reasonable substitute, from another carrier or that the public convenience and necessity is otherwise adversely affected. If you wish to object to GST's discontinuation of your interstate service, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, referencing the Section 63.71 Application of GST Telecommunications, Inc. Your comments should include specific information about the impact of the proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

In accordance with Section 365 of the United States Bankruptcy Code, GST will be filing a motion to reject its interstate service contract with you. If you wish to file a formal objection to the motion to reject, such objection must be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, DE 19801, and served on GST c/o Latham & Watkins, Suite 5800, Sears Tower, Chicago, IL 60606 (Attn: Josef Athanas and Timothy Barnes) no later than 4:00 p.m. Eastern Time on July 27, 2001. The hearing on the motion and any objections thereto will be held before the Honorable Gregory M. Sleet, in the United States District Court, Courtroom 4A, 844 North King Street, Wilmington, DE 19801, at 2:00 p.m. Eastern Time on August 2, 2001.

GST appreciates the opportunity we have had to serve you. Please do not hesitate to call us at (800) 676-1723, Extension 114, if you have any questions regarding the discontinuance of your service. Thank you for your patronage.

Sincerely,



# SUPPLEMENTAL NOTICE OF SERVICE DISCONTINUANCE

July 6, 2001

Dear GST Mare Island Customer:

As you know, GST Telecommunications, Inc., sent you a disconnection notice dated June 5, 2001, stating that your interstate services would be discontinued on July 23, 2001. That notice was intended to include all of your long distance services, both interstate and those within California.

As of July 23, 2001, all of your interstate and in-state long distance services will be terminated. Please do not delay in arranging for an alternate long distance service provider in order to avoid a service interruption after that date.

We also want to reassure you that your local business services will continue to be provided by GST until you receive further written notice in compliance with California Public Utilities Commission rules. GST is still negotiating with other local providers for the transfer of its assets on Mare Island in order to assure a continuation of your local telecommunications services without interruption.

Again, GST appreciates the opportunity we have had to serve you. Please do not hesitate to call us at (800) 676-1723, Extension 114, if you have any questions regarding the discontinuance of your service. Thank you for your patronage.

Sincerely,

# **CERTIFICATE OF SERVICE**

I, Deborah A. Walker, hereby certify that on this the 20th day of July 2001, I served a

copy of the foregoing document via First Class Mail, postage pre-paid to the following:

# BY HAND DELIVERY

FEDERAL COMMUNICATIONS COMMISSION:

Jon Minkoff
Federal Communications Commission
Common Carrier Bureau
The Portals
445 12<sup>th</sup> Street, S.W.
Washington, D.C. 20054

Carmell Weathers
Federal Communications Commission
Common Carrier Bureau
The Portals
445 12<sup>th</sup> Street, S.W.
Washington, D.C. 20054

INTERNATIONAL TRANSCRIPTION SERVICE:

International Transcription Service 445 12th Street, S.W. Room CY-314 Washington, DC 20554

# BY FIRST CLASS MAIL

SECRETARY OF DEFENSE
Attn: Special Assistant for
Telecommunications
Pentagon
Washington, DC 20031

# ARIZONA:

The Honorable Jane Hull Governor of Arizona 1700 West Washington Phoenix, AZ 85007

Arizona Corporation Commission Utilities Division 1200 West Washington Phoenix, AZ 85007-2996

#### CALIFORNIA:

The Honorable Gray Davis Governor of California State Capitol Building Sacramento, CA 95814

California Public Utilities Commission State Building 505 Van Ness Avenue San Francisco, CA 94102

# IDAHO:

The Honorable Dirk Kempthorne Governor of Idaho 700 West Jefferson, 2<sup>nd</sup> Floor Boise, ID 83702

Jean D. Jewell
Idaho Public Utilities Commission
State House
472 W. Washington Street
Boise, ID 83702

#### OREGON:

The Honorable John Kitzhaber Governor of Oregon State Capitol Building Salem, OR 97301-4047

Janice Fulker, Administrator Oregon Pubic Utility Commission 550 Capitol Street, N.E. Salem, OR 97301 NEW MEXICO:

The Honorable Gary E. Johnson Governor of New Mexico Office of the Governor State Capitol Building Santa Fe, NM 87503

Dale Lucero, Chief Clerk New Mexico Public Regulation Commission 224 East Palace – Marian Hall Santa Fe, NM 87501

# WASHINGTON:

The Honorable Gary Locke Governor of Washington Office of the Governor P.O. Box 40002 Olympia, WA 98504-0002

Carole J. Washburn, Secretary
Washington Utilities and Transportation
Commission
P.O. Box 47250
Olympia, WA 98504-7250

#### HAWAII:

The Honorable Benjamin J. Cayetano Governor of Hawaii Executive Chambers Hawaii State Capitol Honolulu, HI 96813 Hawaii Public Utilities Commission 465 S. King Street, First Floor Honolulu, HI 96813

#### FLORIDA:

The Honorable Jeb Bush Governor of Florida The Capitol Tallahassee, FL 32399-0001

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

#### INDIANA:

The Honorable Frank O'Bannon Governor of Indiana 206 State House 200 W. Washington Street Indianapolis, IN 46204

Joseph M. Sutherland, Executive Secretary Indiana Utility Regulatory Commission 302 West Washington Street Suite E306 Indianapolis, IN 46204

# IOWA:

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