

**Before the
FLORIDA PUBLIC SERVICE COMMISSION
Tallahassee, Florida 32399-0859**

In the Matter of)
)
Joint Application of Cable & Wireless)
USA, Inc. and Primus)
Telecommunications, Inc.)
)
For Approval of Transfer of)
Customer Base)

Docket No. 020998-77

Introduction

Cable & Wireless USA, Inc. ("C&W"), and Primus Telecommunications, Inc. ("PTI"), hereby seek such authority as may be required to transfer all of C&W's interexchange customer base to PTI, including a waiver of Section 25-4.118 of the Commission's rules. As set forth below, waiver of this rule, an anti-slamming provision that requires telecommunications carriers to obtain authorization and verification of a customer's agreement before switching that customer to a new carrier, is warranted because all of the affected customers have been notified at least 30 days in advance of the proposed transaction. The Applicants are not requesting authority for a transfer of any other assets.

Parties

C&W is an established global telecommunications company that holds authority from this Commission to provide long-distance services. C&W is a Delaware company and is an indirect wholly owned subsidiary of Cable & Wireless plc, a public limited company organized under the laws of England and Wales. C&W's principal place of business is 8219 Leesburg Pike, Vienna, Virginia. C&W has made a decision to restructure its U.S. business to focus on delivering the highest-quality Internet, hosting, and web services. Because it may in the future provide intrastate services to customers in Florida, C&W is not relinquishing its authority at this time. C&W has approximately 6,837 customers in Florida.

PTI is a Delaware company headquartered at 1700 Old Meadow Road, Suite 300, McLean, Virginia 22102. PTI is a wholly owned subsidiary of Primus

Telecommunications Group, Incorporated ("PTGI"), a Delaware corporation publicly traded on the NASDAQ stock exchange under the symbol "PRTL." PTGI employs over 2,300 people in 16 countries. Financially, PTI is funded by its parent company PTGI.

PTI is a nationwide provider of interexchange telecommunications services. PTI currently is authorized to provide interexchange services in Florida pursuant to Docket 950161-TI. PTI is certificated to provide local telecommunications service in ten states and the District of Columbia. PTI has substantial experience providing such services for a number of years in other jurisdictions, including in the 48 continental states and Hawaii.

In the United States, PTI (1) provides long distance services to SMEs, residential customers, multinational corporations and other telecommunication carriers; (2) operates international gateway telephone switches in the New York City area and Los Angeles that are connected with countries in Europe, Latin America and the Asia-Pacific region through owned and leased international fiber cable systems; (3) leases and owns United States domestic fiber to interconnect its switches, data centers, and domestic United States points of presence (POPs); and (4) provides managed and shared Web hosting and e-commerce applications and services through its data centers located in McLean, Virginia and Lynn, Massachusetts. Although granted CLEC certification in 10 states, PTI is not providing local access services in any states at this time. Combined, PTI's management has over 80 years experience in managing telecommunications companies.

Designated Contacts

The designated primary contact at C&W for this application is:

LaRene Flack
Cable & Wireless USA, Inc.
8219 Leesburg Pike
Vienna, VA 22182
Telephone: (703) 760-3741
Fax: (703) 442-8891
E-mail: larene.flack@cwusa.com

Copies of all correspondence should also be sent to:

Kathleen Kerr Lawrence
Assistant General Counsel
Primus Telecommunications Group, Inc
1700 Old Meadow Road
Suite 300

McLean, Virginia 22102
Telephone: (703) 394-4503
Facsimile: (703) 902-2814 (fax)
Email: klawrence@primustel.com

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Transaction

Pursuant to a Customer Transfer Agreement executed on September 13, 2002, C&W and PTI have agreed that PTI will become the provider of all intrastate telecommunications services currently being provided by C&W in Florida. C&W will remain intact and will not transfer any of its authorizations to PTI.

PTI and C&W have mailed to all of the affected customers a notice that complies with Section 64.1120(e) of the rules of the Federal Communications Commission. As required by that FCC rule, the letter includes the following information:

- (i) The date of the transfer.
- (ii) The rates, terms, and conditions of the services to be provided by PTI upon the customer's transfer, and the means by which PTI will notify the customer of any changes to those rates, terms, and conditions.
- (iii) That PTI will be responsible for any carrier-change charges associated with the transfer.

- (iv) That the customer may select a different preferred carrier for the telecommunications services at issue.
- (v) That all customers receiving the letter, even those who have arranged a preferred-carrier freeze through their local service providers, will be transferred, unless they have selected a different carrier before the transfer date; existing preferred-carrier freezes on the services involved in the transfer will be lifted; and the customers must contact their local service providers to arrange a new freeze, if one is desired.
- (vi) That C&W will handle customer-service calls until the date of transfer, and PTI will handle any such calls thereafter.
- (vii) PTI's toll-free customer-service telephone number (800-842-6024).

A copy of the form of letter sent to customers is attached hereto as Attachment A.

Public Interest


Applicants respectfully submit that the proposed transaction serves the public interest. In particular, Applicants submit that the transaction will ensure that the affected customers can continue to enjoy high-quality, affordable service without interruption. C&W's customers will continue to receive service from PTI pursuant to the same terms and conditions of service. PTI will make any necessary tariff filings and comply with all applicable tariff rules relevant to this transaction. As a result, the proposed transaction be virtually transparent to the transferred customers. The proposed transaction will also expand PTI's presence, thereby strengthening competition and ensuring that customers will have a choice of established service providers.

The basis for granting a waiver for interexchange carriers is set forth in Rule 25-24.455(4), Florida Administrative Code. Under that rule, the Commission may consider whether the petition is in the public interest, whether market forces obviate the need for the provision in a particular instance, and whether reasonable alternative regulatory methods may serve the same purpose. For the reasons discussed above, these criteria will be satisfied. The Commission has granted petitions for waiver in similar circumstances in several prior cases, including Order No. PSC-01-0812-PAA-TP (Verizon Florida, Inc./Select Services Inc.) in Docket No. 010030-TP, Order No. PSC-00-1520-PAA-TI (PNG Telecommunications/Broadwing) in Docket No. 000764-TI, Order No. PSC-00-2198-PAA-TI (TTI National/Minimum Rate Pricing) in Docket No. 000825-TI, and Order No. PSC-00-2491-PAA-TI (Verizon) in Docket No. 001669-TI.

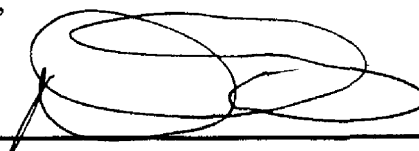
Request

C&W and PTI hereby request such Commission authority as may be required to complete this transaction, including a waiver of Section 25-4.118 of the Commission's rules. Finally, expedited treatment of this application is requested so that the transition may be completed efficiently and with minimal disruption to consumers.

Respectfully submitted,



Cathy L. Slesinger
Sr. Vice President, Public Policy USA
Cable & Wireless USA, Inc.



Danielle Saunders
Vice President, General Counsel, and
Secretary
Primus Telecommunications, Inc.

September 18, 2002

September 18, 2002

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street S.W.
Washington, D.C. 20554

Re: CC Docket No. 00-257
Acquisition of subscriber base

Dear Ms. Dortch:

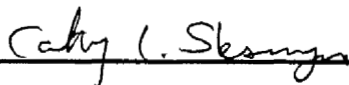
Cable & Wireless USA, Inc. ("C&W") and Primus Telecommunications, Inc. ("Primus") hereby notify the Commission pursuant to Section 64.1120(e) of the Commission's rules, 47 C.F.R. § 64.1120(e), that Primus has agreed to acquire subscribers from C&W.

The services provided to the affected subscribers are switched domestic and international voice services. The actual effective date of the transfer will be on a customer by customer basis and will depend on when the parties receive the appropriate state and federal regulatory approvals, but will be no earlier than October 20, 2002 and no later than January 13, 2003.

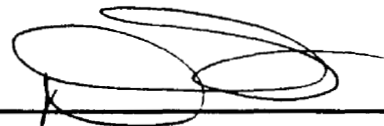
Primus hereby certifies compliance with the requirement to provide advance subscriber notice in accordance with Section 64.1120(e)(3), with the obligations specified in that notice, and with other statutory and Commission requirements that apply to the streamlined process of Section 64.1120(e).

A copy of the notice sent to the affected subscribers is attached.

Respectfully submitted,



Cathy L. Slesinger
Sr. Vice President, Public Policy USA
Cable & Wireless USA, Inc.



Danielle Saunders
Vice President, General Counsel, and
Secretary
Primus Telecommunications, Inc.

Enclosure



CABLE & WIRELESS



Dear Cable & Wireless Customer:

Cable & Wireless thanks you for your patronage of its long-distance telephone service. As you may have heard, Cable & Wireless is restructuring its US business to focus on delivering high quality Internet Protocol, data and hosting services. This focus will allow Cable & Wireless to provide the highest quality services that best meet the needs of its customers in these areas. As part of this strategy, Cable & Wireless will no longer provide retail long-distance telephone service in the United States.

To ensure that you continue to receive uninterrupted and reliable service, we are pleased to announce that Cable & Wireless and Primus Telecommunications, Inc. ("Primus") have concluded an agreement, subject to regulatory approvals, for Primus to become your new provider of long-distance telephone services.

Primus is a global facilities-based Total Service Provider offering an integrated portfolio of voice, data, Internet, hosting, enhanced application, virtual private network (VPN), and other value-added services. Primus owns and operates an extensive global backbone network of owned and leased transmission facilities, including over 300 IP points-of-presence (POPs) throughout the world, ownership interests in over 23 undersea fiber optic cable systems, 21 international gateway and domestic switches, and a variety of operating relationships that allow it to deliver traffic worldwide. Founded in 1994 and based in McLean, Virginia, Primus serves corporate, small- and medium-sized business, residential and data, ISP and telecommunication carrier customers primarily located in the North America, Europe and Asia-Pacific regions of the world. Primus is pleased to welcome you as a customer and looks forward to providing you with the highest quality service.

Primus will automatically become your long-distance telephone company no earlier than October 20, 2002 and no later than January 13, 2003. The actual effective date of the transfer will be on a customer by customer basis and will depend on when we receive the appropriate state and federal regulatory approvals.

Please be assured that there is no need for you to do anything; Primus will continue to provide you with uninterrupted, reliable telecommunications services at the current Terms, Conditions and Prices you have today with Cable & Wireless. Primus does not plan any changes to the rates, Terms or Conditions you are currently receiving at this time. The FCC requires us, however, to disclose that if Primus' rates, Terms or Conditions do change at a later date, Primus will inform you of these changes as it informs its other customers either via mail, or as permitted by law, at their website <http://www.primustel.com>.

Customer service is the top priority at Primus. This transaction has been structured such that customers should not be charged any carrier-change charges levied by your local telephone company. If, however, such a charge does appear on the bill from your local telephone company as a result of this transfer of service to Primus, please call Primus' customer service department toll-free 1-800-842-6024 and they will reimburse you or credit your account accordingly.

In the event that you would prefer to use another company as your long distance carrier, you have the right to switch to another carrier of your choice, consistent with the terms of your existing contract. Customers who wish to choose their own long-distance telephone provider will need to contact that carrier or their own local phone company prior to October 20, 2002. Please note, however, that if you are a customer of Cable & Wireless on the date of the transfer and you have not informed Cable & Wireless that you have made arrangements on your own to switch to a long-distance telephone company other than Primus, your account will automatically be transferred and your contract assigned to Primus, even if you have previously arranged for a preferred carrier freeze through your local phone company. Please note that existing preferred carrier freezes on the service(s) involved in the transfer will be lifted; you will need to contact your local phone company if you wish to arrange a new freeze.

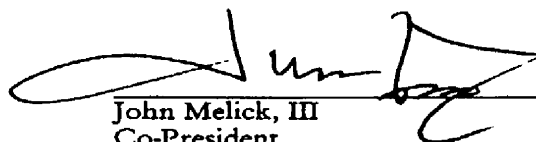
In connection with this change in service providers, any existing voice services contract with Cable & Wireless is being assigned to Primus. Beginning on the effective date of the transfer, Primus will assume and enjoy all of the rights and responsibilities of Cable & Wireless under your existing contract for services and your relationship with Cable & Wireless under that contract will end. Up until the date of transfer, Cable & Wireless will remain your carrier and will continue to handle your customer service calls. Once you have transferred, as a customer of Primus you can call customer service toll-free 1-800-842-6024. Additional information will be provided relating to changes in billing addresses, technical support numbers, and other contract-related contact information. In the meantime, please continue to pay your invoices in the normal manner.

If you currently receive other services from Cable and Wireless, the arrangements for those services are not affected by Cable and Wireless' agreement with Primus. Finally, if you have any questions or concerns about this issue, please contact us at 1-866-239-0746. We will do our best to assist you. Additional information can also be found at <http://www.cwusa.com>

Sincerely,



Robert Drolet
President
Cable & Wireless USA, Inc.



John Melick, III
Co-President
Primus Telecommunications, Inc.