

November 19, 2002

Blanca Bayo, Executive Director  
Commission Clerk Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

020998-TI

**RE: Limited Discontinuance of Service of Cable & Wireless  
USA, Inc.**

Dear Executive Director Bayo:

In a filing dated September 18, 2002, Cable & Wireless USA, Inc. ("C&W") and Primus Telecommunications, Inc. ("Primus") jointly requested authority from the Florida Public Service Commission for the sale of the C&W interexchange voice service customer base from C&W to Primus. In that filing C&W explained that it intends to leave the retail long distance business in order to focus on delivering the highest-quality Internet, hosting and Web services. A copy of that application, which will be deemed granted upon completion of the pending public review period, is attached hereto.

Each affected C&W customer was duly notified of the sale as described in the filing. In the notice, the customers were informed that they would be transferred to Primus between the dates of October 20, 2002 and January 13, 2003. In addition, the customers were informed of their right to arrange service from an alternative long-distance telephone provider and that to do so they should contact that carrier or their own local phone company prior to October 20, 2002.

C&W and Primus have tried to accommodate any special needs of these customers in order to assure an orderly transition and continuity of service. Nevertheless, C&W and Primus have identified approximately 217 customers in Florida for whom a transfer to Primus may not be feasible. Consequently, C&W is notifying such affected customers that their service will be terminated unless they make alternative arrangements by January 18, 2003. A copy of this second notice letter is attached hereto, along with a copy of C&W's application filed at the Federal Communications Commission relating to this matter. In addition, C&W will comply separately with any applicable tariff amendment requirement.

DOCUMENT NUMBER-DATE

12811 NOV 21 02

FPSC-COMMISSION CLERK

Blanca Bayo, Executive Director  
Florida Public Service Commission  
November 19, 2002  
Page 2

C&W hereby notifies the Commission of this limited discontinuance. Based on advice provided by Commission staff, C&W understands that no action on your part is required in response to this notification. If, however, some clearance by the Commission is required, C&W respectfully requests that such action be taken on an expedited basis. C&W will comply with any applicable tariff amendment requirement under separate cover. Because C&W may provide intrastate services again in the future, it does not wish to relinquish its authorization to provide telecommunications services at this time.

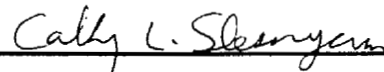
Please address any correspondence regarding this filing to:

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

Please also send a copy of any correspondence to the following:

Joel S. Winnik  
Hogan & Hartson L.L.P.  
555 Thirteenth Street N.W.  
Washington, D.C. 20004  
Telephone: (202) 637-5600  
Fax: (202) 637-5910  
E-mail: jswinnik@hhlaw.com

Respectfully submitted,



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

Enclosures

**ATTACHMENT A**

**September 2002 State Filing Regarding Customer Base Transfer,  
Including First Customer Notification Letter**

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

In the Matter of	)	
	)	
Joint Application of Cable & Wireless	)	Docket No. _____
USA, Inc. and Primus	)	
Telecommunications, Inc.	)	
	)	
For Approval of Transfer of	)	
Customer Base	)	

**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

Joel S. Winnik  
Hogan & Hartson L.L.P.  
555 Thirteenth Street N.W.  
Washington, D.C. 20004  
Telephone: (202) 637-5600  
Fax: (202) 637-5910  
E-mail: jswinnik@hhlaw.com

Catherine Wang  
Harry Malone  
Swidler Berlin Shereff Friedman, LLP  
3000 K Street, N.W.  
Washington D.C. 20007  
Telephone: 202-424- 7837  
Facsimile: 202-424-7645  
Email: Cwang@swidlaw.com  
hmalone@swidlaw.com

### 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**

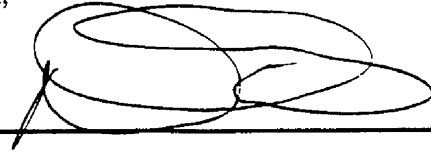
C&W and PTI hereby request such Commission authority as may be required to complete this transaction, including a waiver of Section 25-4.118 of the Commission's rules. Finally, expedited treatment of this application is requested so that the transition may be completed efficiently and with minimal disruption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

Respectfully submitted,



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



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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:

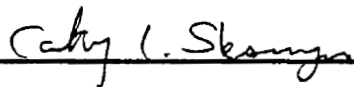
Cable & Wireless USA, Inc. ("C&W") and Primus Telecommunications, Inc. ("Primus") hereby notify the Commission pursuant to Section 64.1120(e) of the Commission's rules, 47 C.F.R. § 64.1120(e), that Primus has agreed to acquire subscribers from C&W.

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.

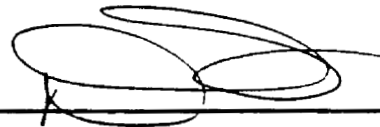
Primus hereby certifies compliance with the requirement to provide advance subscriber notice in accordance with Section 64.1120(e)(3), with the obligations specified in that notice, and with other statutory and Commission requirements that apply to the streamlined process of Section 64.1120(e).

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.

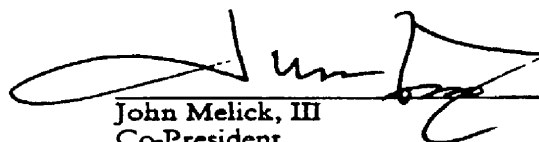
If you currently receive other services from Cable and Wireless, the arrangements for those services are not affected by Cable and Wireless' agreement with Primus. Finally, if you have any questions or concerns about this issue, please contact us at 1-866-239-0746. We will do our best to assist you.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

Sincerely,



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Robert Drolet  
President  
Cable & Wireless USA, Inc.



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

**ATTACHMENT B**

**Current Customer Notification Letter**

**and**

**FCC Discontinuance Application filed November 19, 2002**

[On C&W Letter Head]

<Customer Name>  
<Address Line 1>  
<Address Line 2>  
<City>, <State> <Zip>

<Date>

Dear Customer,

This is an important notice to customers of Cable & Wireless with dedicated access voice services. (This notice does not affect switched access services.)

Recently, Cable & Wireless announced it was restructuring its US business to focus on delivering high quality Internet, hosting and web services to business customers. By concentrating on these specific areas, we can better focus on our customers and hopefully exceed their expectations regarding Internet, hosting, and web services.

As part of this restructuring, we notified you by letter dated September 18 that we had concluded an agreement with Primus Telecommunications Inc. ('Primus') for Primus to become your new provider of long-distance telephone services.

If you have not received confirmation from Primus that all of the necessary technical information to migrate your service has been received, please be advised your services will not be migrated to Primus January 13, 2003. **You need to find an alternative provider and complete your migration to that alternative provider and off of the C&W network by January 18, 2003. On January 18, 2003, C&W will discontinue your long-distance telephone service.**

If you have already been in contact with Primus regarding the migration of your dedicated access for long-distance telephone service and have received confirmation from Primus that they have the necessary technical information to migrate your dedicated services, it is our understanding that Primus will continue working directly with you to migrate your service prior to January 13, 2003.

The FCC will normally authorize this 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, you should file your comments within 15 days after receipt of this notification. Address them to the Federal Communications Commission, Washington, DC 20554, and by e-mail to [JKAdams@fcc.gov](mailto:JKAdams@fcc.gov), referencing the Section 63.71 Application of Cable & Wireless. Comments should include specific information about the impact of this proposed discontinuance upon you or your company, including any inability to acquire reasonable substitute service.

Decisions that impact our customers are never easy, and we are committed to keeping you informed of all changes that may affect you. Please note that this letter only affects your long-distance telephone services. This letter does not affect any other services that you may have with Cable & Wireless. If you have any questions about the account(s) referenced above, please contact the Cable & Wireless, Customer Care Hotline at 1-866-239-0746.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Drolet". The signature is fluid and cursive, with a period at the end.

Robert Drolet  
CEO, US Communications Solutions  
Cable & Wireless

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

In the Matter of	)	
	)	
Cable & Wireless USA, Inc.	)	File No. _____
	)	
Application for Authority to Discontinue	)	
Certain U.S. Domestic Telecommunications	)	
Services	)	
	)	

**SECTION 63.71 APPLICATION**

Cable & Wireless USA, Inc. ("C&W") hereby requests authority pursuant to Section 214(a) of the Communications Act of 1934, as amended, 47 U.S.C. § 214(a), and Section 63.71 of the rules of the Federal Communications Commission, 47 C.F.R. § 63.71, to discontinue the provision of certain U.S. domestic interstate telecommunications services. C&W is non-dominant with respect to the services being discontinued. Affected customers have been notified in the manner described in Section 63.71(a).

C&W, a global leader in high-performance Internet, data, messaging and voice services, is restructuring its U.S. business. This restructuring will allow C&W to provide the highest-quality services that best meet the needs of its customers in these areas. In connection with this restructuring, C&W is selling its voice customer base to Primus Telecommunications, Inc. ("Primus"). To effectuate that sale, C&W and Primus complied with Section 64.1120(e) of the Commission's rules by notifying all affected customers and, on September 18, 2002, filing a copy of the

notification with the Commission in CC Docket No. 00-257. C&W and Primus have also sought and obtained authority from the Wireline Competition Bureau and the International Bureau pursuant to Section 214 of the Communications Act for that transfer of customer base. See Public Notice, Domestic Section 214 Application for Authorization Filed for Acquisition of Assets of Cable & Wireless USA, Inc. by Primus Telecommunications, Inc., DA 02-2445, WC Docket No. 02-308 (Sept. 27, 2002); Public Notice Report No. TEL-00592, International Authorizations Granted, DA 02-2796, File No. ITC-ASG-20020923-00463 (Oct. 24, 2002).

As described in the Section 64.1120(e) filing on September 18, C&W and Primus notified C&W's customers that their service would be transferred to Primus between October 20, 2002, and January 13, 2003. That customer-notification letter also informed C&W customers of their right to arrange service from a different long-distance telephone provider and that to do so they should contact that carrier or their own local phone company prior to October 20, 2002.

C&W and Primus have tried to accommodate any special needs of these customers in order to assure an orderly transition and continuity of service. C&W and Primus have identified a limited number of customers for whom a transfer to Primus is not feasible and who have not informed C&W or Primus that they have arranged for alternative voice service. Because C&W's U.S. domestic voice network will be shut down on January 18, 2003, C&W is providing appropriate notice to those customers that they have until January 18, 2003, to arrange alternative



service. C&W now files this application seeking FCC authority to discontinue services to those customers.

C&W 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:

Cable & Wireless USA, Inc.  
8219 Leesburg Pike  
Vienna, VA 22182

(2) Date of planned service discontinuance:

Applicant plans to discontinue these services on January 18, 2003.

(3) Geographic areas affected:

Affected customers may be located in the states of Alabama, Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Iowa, Illinois, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Maryland, Michigan, Minnesota, Missouri, Mississippi, North Carolina, Nebraska, New Hampshire, New Jersey, New Mexico, Nevada, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, West Virginia, and the District of Columbia.

(4) Brief description of type of service affected:

Applicant hereby seeks authority to discontinue the provision of U.S. domestic interstate voice telecommunications services to a limited number of dedicated-access customers as described above. C&W provides other domestic and international telecommunications and information services that will not be affected by this discontinuance.

## **II. NOTIFICATION REQUIREMENTS**

All customers were notified of this proposed discontinuance by personalized letters on November 19, 2002. These letters included all content required by Section 63.71(a) and were sent 60 days in advance of the proposed discontinuance.

Applicant certifies that Applicant will be submitting a copy of this Application to the public utility commission and governor of each state in which discontinuance is proposed, and also to the Special Assistant for Telecommunications to the Secretary of Defense, as required by Section 63.71(a).

## **III. REGULATORY STATUS**

Applicant is regulated as a non-dominant carrier with respect to the service that it seeks authority to discontinue.

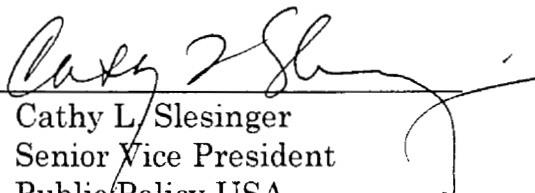
#### IV. CONCLUSION

Neither the present nor future public convenience and necessity will be adversely affected by this proposed termination of service. Customers have been provided adequate notice, and the public clearly has access to comparable domestic interstate telecommunications services offered at competitive prices by many other telecommunications carriers.

For the foregoing reasons, Applicant 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 interstate telecommunications services as described herein.

Respectfully submitted,

**Cable & Wireless USA, Inc.**

By:   
Cathy L. Slesinger  
Senior Vice President  
Public Policy USA

November 19, 2002