

REQUEST TO ESTABLISH DOCKET
(Please Type)

Date

August 17, 2004

Docket No.

040871-11

1. Division Name/Staff Name:

Competitive Markets & Enforcement/T.Williams

2. OPR:

T.Williams

3. OCR:

4. Suggested Docket Title:

Acknowledgement of a merger and cancellation of Interexchange Telecommunications Registration No. TJ282 from Allegiance Telecom of Florida, Inc. to XO Communications Services, Inc., and waiver of carrier selection requirements of Rule 25-4.118 F.A.C. due to corporate restructuring of XO Communications, Inc. , EFFECTIVE 8/17/04.

5. Suggested Docket Mailing List (attach separate sheet if necessary)

A. Provide NAMES OR ACRONYMS ONLY if a regulated company.

B. Provide COMPLETE NAME AND ADDRESS for all others. (Match representatives to companies.)

1. Parties and their representatives (if any):

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2. Interested persons and their representatives (if any):

| | |
|--|--|
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| | |
| | |
| | |

6. Check one:

XX

Documentation is attached.

Documentation will be provided with recommendation.

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

1200 19TH STREET, N.W.

SUITE 500

WASHINGTON, D.C. 20036

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JAKARTA, INDONESIA
MUMBAI, INDIA

DIRECT LINE: (202) 955-9766

EMAIL: eemmott@kelleydrye.com

August 13, 2004

VIA UPS

Florida Public Service Commission
Attn: Tom Williams
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Supplemental Information to Notification filed by XO Florida, Inc., XO Communications Services, Inc., and Allegiance Telecom of Florida, Inc.

Dear Tom:

Enclosed for filing with the Florida Public Service Commission ("Commission"), please find an original and fifteen (15) copies of the supplemental information to the above-captioned notification filed with the Commission on July 15, 2004.

Attachment A contains a copy of the name change documentation from the Florida Secretary of State regarding the name change of XO Domestic Holdings to XO Communications Services Inc. **Attachment B** contains a copy of the customer notification letter. In connection with this transaction, and to the extent necessary for completing the transaction described in the notice filed with the Commission, by this letter, XO Florida, Inc., XO Communications Services, Inc., and Allegiance Telecom of Florida, Inc., request a waiver of the specific requirements outlined in FLA. ADMIN. CODE § 25-4.118, regarding Local, Local Toll, or Toll Provider Selection in the State of Florida.

Please date-stamp the extra copy provided and return it in the envelope provided. Should you have any questions, or require any additional information, please feel free to contact me at (202) 955-9766. Thank you for your attention to this matter.

Best regards,



Erin Emmott

ATTACHMENT A

Name Change Documents



FLORIDA DEPARTMENT OF STATE
Glenda E. Hood,
Secretary of State

August 5, 2004

CSC
ATTN: HEATHER
TALLAHASSEE, FL

Re: Document Number F03000002125

The Amendment to the Application of a Foreign Corporation for XO DOMESTIC HOLDINGS, INC. which changed its name to XO COMMUNICATIONS SERVICES, INC., a Delaware corporation authorized to transact business in Florida, was filed on August 5, 2004.

Should you have any questions regarding this matter, please telephone (850) 245-6050, the Amendment Filing Section.

Cheryl Coulliette
Document Specialist
Division of Corporation

Letter Number: 904A00048881

Account number: 072100000032

Amount charged: 35.00

Delaware

PAGE 1

The First State

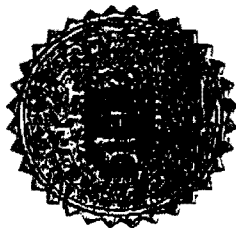
I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT THE SAID "XO DOMESTIC HOLDINGS, INC.", FILED A CERTIFICATE OF AMENDMENT, CHANGING ITS NAME TO "XO COMMUNICATIONS SERVICES, INC.", THE TWENTY-EIGHTH DAY OF JUNE, A.D. 2004, AT 2:31 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "XO DOMESTIC HOLDINGS, INC." WAS INCORPORATED ON THE FIFTH DAY OF JANUARY, A.D. 2000.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CORPORATION IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE NOT HAVING BEEN CANCELLED OR DISSOLVED SO FAR AS THE RECORDS OF THIS OFFICE SHOW AND IS DULY AUTHORIZED TO TRANSACT BUSINESS.



3154937 8320

040570434

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 3275062

DATE: 08-04-04

ATTACHMENT B

Customer Notification Letter

<<INSERT DATE>>

IMPORTANT NOTICE REGARDING YOUR TELEPHONE SERVICE

Dear Allegiance Customer:

As you are most likely aware, XO Communications, Inc. recently acquired substantially all of the assets of Allegiance Telecom, Inc. – including control of your telecommunications service provider – in connection with the reorganization of Allegiance in its bankruptcy proceeding.

This notice is to advise you that XO, in an effort to streamline its corporate structure, is requesting regulatory approval to transfer your account and services to XO Communications Services, Inc. (an affiliate of your existing service provider) which will continue to provide you with quality telecommunications services.

No action on your part is required.

You will continue to use the same telephone numbers you currently do, and there will be no fees applied in connection with the transfer of your service. As an XO customer, you will continue to receive your services at the same rates, terms and conditions. Notice of any future changes in rates, terms and conditions of service will be provided to you as required by law.

XO anticipates that the date for the transfer may be as soon as thirty (30) days from the date of this letter (or soon thereafter) when the necessary regulatory approvals are obtained. At that time, Allegiance will no longer be your service provider. XO is confident that you will find that remaining with us is the smart choice to meet your needs; however, XO realizes that you have a choice of telecommunications carriers, and you may choose another carrier at any point. If you have not notified us that you have arranged with another carrier for service to commence on or before the date Allegiance discontinues its service, you will automatically become an XO customer. **If you have a term contract with Allegiance, you will still be responsible for any applicable early contract termination charges if you choose a service provider other than XO Communications.**

NOTE: If you have placed a "freeze" on your Allegiance services to prevent their unauthorized transfer to another carrier, it will be automatically lifted to implement the transfer to XO. At your request, XO can reestablish freeze protection for you after the transfer.

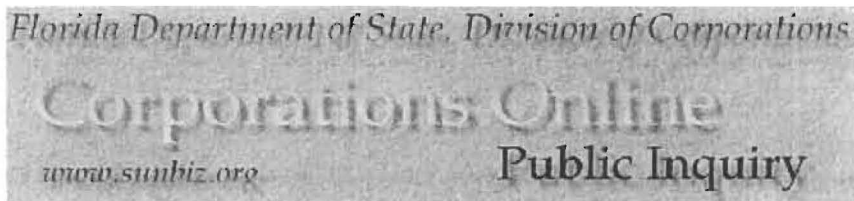
If you have any questions about the transfer of your service to XO or about XO in general, please visit www.xo.com or call 1.800.553.1989. For all questions regarding billing, repairs, service needs or complaints, please contact XO at 1.800.553.1989.

We look forward to serving you!

Cordially,

<<INSERT NAME>>

XO Communications



Foreign Profit

XO COMMUNICATIONS SERVICES, INC.

PRINCIPAL ADDRESS
 11111 SUNSET HILLS ROAD
 RESTON VA 20190

MAILING ADDRESS
 11111 SUNSET HILLS ROAD
 RESTON VA 20190

| | | |
|---|---------------------------------------|-------------------------------------|
| Document Number F03000002125 | FEI Number 912019476 | Date Filed 04/29/2003 |
| State DE | Status ACTIVE | Effective Date NONE |
| Last Event NAME CHANGE AMENDMENT | Event Date Filed 08/05/2004 | Event Effective Date NONE |

Registered Agent

| Name & Address |
|--|
| CORPORATION SERVICE COMPANY 1201 HAYS STREET TALLAHASSEE FL 32301-2525 |

Officer/Director Detail

| Name & Address | Title |
|--|--------------|
| GRIVNER, CARL J 11111 SUNSET HILLS RD. RESTON VA 20190 | PDCE |
| WEINER, LEE 11111 SUNSET HILLS RD. RESTON VA 20190 | SV |
| O'DAY, MICHAEL 11111 SUNSET HILLS RD. | CTO |

| | |
|---|------|
| RESTON VA 20190 | |
| REHBERGER, WAYNE M 11111 SUNSET HILLS ROAD | VDCF |
| RESTON VA 20190 | |
| JUNG, KRISTI 11111 SUNSET HILLS RD. | T |
| RESTON VA 20190 | |
| PRESTON, BEN 11111 SUNSET HILLS RD. | S |
| RESTON VA 20190 | |

| Report Year | Filed Date |
|-------------|------------|
| 2004 | 04/14/2004 |

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Document Images

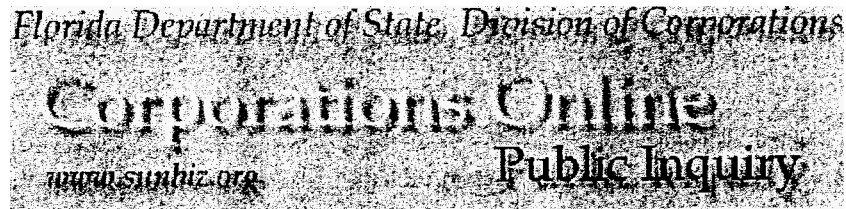
Listed below are the images available for this filing.

| |
|--|
| 08/05/2004 -- Name Change 04/14/2004 -- ANN REP/UNIFORM BUS REP 04/29/2003 -- Foreign Profit |
|--|

THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT

Corporations Inquiry

Corporations Help



XO COMMUNICATIONS SERVICES, INC.

| | | | |
|--|---------------------------------|-------------------------------|-------------------------|
| Document Number F03000002125 | Date Filed 04/29/2003 | Effective Date None | Status Active |
|--|---------------------------------|-------------------------------|-------------------------|

| EVENT TYPE | FILED DATE | EFFECTIVE DATE | DESCRIPTION |
|-----------------------|------------|----------------|--|
| NAME CHANGE AMENDMENT | 08/05/2004 | | OLD NAME WAS : XO DOMESTIC HOLDINGS , INC. |

THIS IS NOT OFFICIAL RECORD; SEE DOCUMENTS IF QUESTION OR CONFLICT

Corporations Inquiry

Corporations Help

• **Tommy Williams**

From: Sally Simmons
Sent: Monday, August 02, 2004 10:19 AM
To: Tommy Williams
Subject: FW: XO/Allegiance

FYI

-----Original Message-----

From: Beth Keating
Sent: Monday, August 02, 2004 10:02 AM
To: Sally Simmons
Subject: RE: XO/Allegiance

I think so. It doesn't appear to me that the IXCs remain subject to any of the provisions regarding transfers of control or of certificates.

-----Original Message-----

From: Sally Simmons
Sent: Monday, August 02, 2004 10:00 AM
To: Beth Keating
Cc: Tommy Williams
Subject: RE: XO/Allegiance

Beth, you are correct that we do not require a waiver of the slamming rules, but merely suggest that a waiver might be advisable. Re. my comment about needing approval for the acquisition with respect to the IXC entity, Section 364.33 applies to IXCs based on one statutory reference and does not apply based on another, more recent reference. If we go with the more recent language, then we would be left with canceling Allegiance's certification/registration. Is that what you were thinking? Thanks.

-----Original Message-----

From: Beth Keating
Sent: Monday, August 02, 2004 9:44 AM
To: Sally Simmons
Subject: RE: XO/Allegiance

Sally, I may have talked to their attorney about this. As I understand, we are not approving transfers of the certificates anymore, but would approve the cancellation of the active certificate and/or removal from the register. Also, while a waiver of the slamming rules is probably advisable, I don't think we've been "requiring" that they get one, have we?

-----Original Message-----

From: Sally Simmons
Sent: Friday, July 30, 2004 3:55 PM
To: Tommy Williams
Cc: Kay Flynn; Beth Keating
Subject: FW: XO/Allegiance

Tommy, please see me Monday morning so that we can discuss. I'm thinking that XO needs a waiver of the slamming rules and approval for the acquisition (with respect to Allegiance's IXC entity, but not the CLEC entity), plus Allegiance's IXC registration and CLEC certificate need to be canceled once all RAFs are paid. I don't deal with these types of questions very often and need your thoughts. Thanks.

-----Original Message-----

From: Kay Flynn
Sent: Friday, July 30, 2004 3:06 PM
To: Sally Simmons; Karen Belcher
Cc: Beth Keating; Kimberley Pena; Nonnye Grant
Subject: XO/Allegiance

I received a fax a short time ago (copy attached) stating XO Communications, Inc. purchased Allegiance Telecom, Inc. 6/23/04 and asking us to change all mailing addresses for Allegiance to an XO address.

Wouldn't this kind of transaction need to be treated as a transfer and cancellation of Allegiance's CLEC cert and IXC registration, meaning XO needs to make a formal filing for docketing and PSC approval and acknowledgment? If so, Sally, could you have someone on your staff call and instruct them on how to proceed? We won't make any address changes till we hear back from CMP.

Karen, please note that the fax includes a request for "a copy of both the local and long distance returns filed by Allegiance for 07/01/03 - 12/31/03." Is he talking about RAFs? If so, can you have someone fax the forms to the fax number listed in his request?

Thanks.
Kay

Tommy Williams

From: Sally Simmons
Sent: Friday, July 30, 2004 3:55 PM
To: Tommy Williams
Cc: Kay Flynn; Beth Keating
Subject: FW: XO/Allegiance



FAX.TIF (31
KB)

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Thanks.
Kay

Tommy Williams

From: Kay Flynn
Sent: Tuesday, August 03, 2004 1:19 PM
To: Tommy Williams; Sally Simmons
Subject: RE: XO of Florida

Thanks, Tommy. We'll place this fax in the undocketed correspondence file and wait for an "official" document to open a docket.

Kay

From: Tommy Williams
Sent: Tuesday, August 03, 2004 11:21 AM
To: Sally Simmons
Cc: Kay Flynn
Subject: XO of Florida

FYI:

Talked to Julie this morning and I had forgotten about a letter that we received on July 19 that was in my in box. As soon as they get conformation back from Division of Corp. on another name change concerning all of XO subsidiaries I will open a docket to transfer and waive slamming. All is well and I will hole on the the name change information until this arrives.

XO Communications

Fax

To: Kay Flynn **From:** Martin Pfister

Fax: (850) 413-6745 **Pages:** (including cover)

Phone: (850) 413-6744 **Date:** 7/30/2004

Re: Allegiance Telecom Address Change **CC:**

Urgent **For Review** **Please Comment** **Please Reply** **Please Recycle**

● **Comments:** Please change the mailing address on file for Allegiance Telecom and provide copies of the Local and Long Distance Allegiance returns for the period 7/03-12/03.

XO Communications, Inc.

11111 Sunset Hills Road
Reston, VA 20190
USA

Memo

To: Kay Flynn
From: Martin Pfister, Regulatory Tax Manager
Date: 7/30/2004
Re: Allegiance Telecom Change of Address due to acquisition by XO Communications, Inc.

On June 23, 2004, XO Communications, Inc. purchased Allegiance Telecom, Inc. (FEIN 75-2777353). Please change the all mailing addresses for Allegiance Telecom to the following:

XO Communications, Inc.
C/O Tax Department
11111 Sunset Hills Rd,
Reston, VA 20190

I have attached the Form 8-K which was filed appropriately with the SEC as proof of purchase. Please call me with any questions or concerns.

I would also like to request a copy of both the Local and Long Distance returns filed by Allegiance for 07/01/03-12/31/03. If you could fax those to (703) 547-2420 I would greatly appreciate it.

Thank you,

Martin Pfister
Property & Regulatory Tax Manager
(703) 547-2866
martin.g.pfister@xo.com

Form 8-K for XO COMMUNICATIONS INC

29-Jun-2004

Acquisition or Disposition of Assets and Financial Statements & Exhibits**Item 2. Acquisition or Disposition of Assets.**

On June 23, 2004, XO Communications, Inc. ("XO") announced that it completed its acquisition of the purchase of substantially all of the assets of Allegiance Telecom, Inc. for approximately \$322.0 million in cash, including \$11 million of adjustments for working capital, and 45.4 million shares of XO common stock. The cash portion of the purchase price was funded out of XO Communication's working capital. The terms of the purchase agreement, including the purchase price, were determined through arms-length negotiations between the parties thereto. Allegiance is a facilities-based national local exchange carrier that provides integrated telecommunications services to business, government and other institutional users in 36 major metropolitan areas across the United States.

A copy of the press release of the Company announcing the approval of the purchase is attached hereto as Exhibit 99.1.

Item 7. Financial Statements and Exhibits.

Exhibits. XO Communications, Inc.

99.1 Press Release of XO Communications, Inc., dated June 23, 2004.

XO Communications, Inc.



11111 Sunset Hills Road
Reston, VA 20190
USA

VIA OVERNIGHT MAIL

July 29, 2004

Mr. Tom Williams
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: **XO Florida, Inc. and Allegiance Telecom of Florida, Inc. Name Change to XO COMMUNICATIONS SERVICES, INC.**

Dear Mr. Williams:

Per our conversation, I have enclosed labels in which to affix to the current tariffs on file for XO Florida, Inc. and Allegiance Telecom of Florida, Inc. XO has currently filed an application to change the name of these entities to XO Communications Services, Inc.

Enclosed you will find six bundles of labels. Each package has a copy of Title Page of one of our tariffs and several sheets of labels to correct the header and footer of that tariff as needed.

Should you have any questions or require more labels, please feel free to contact me by telephone at (703) 547-2980 or by email to julia.k.orcino@xo.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Julie K. Orcino', written in a cursive style.

Julie K. Orcino
Regulatory and External Affairs

Enclosures

COMMUNICATIONS SERVICES
2004 JUL 30 10:11:00

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

1200 19TH STREET, N.W.

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WASHINGTON, D.C. 20036

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June 24, 2004

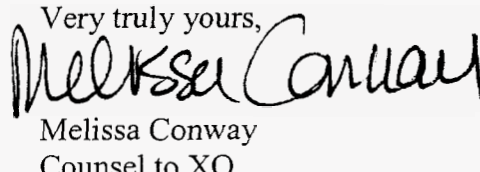
VIA UPS

Florida Public Service Commission
Attention: Mr. Tom Williams
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Completion of Transaction

Dear Mr. Williams:

On February 25, 2004, Allegiance Telecom, Inc., Debtor-in-Possession ("ATI"), and XO Communications, Inc. ("XO"), by their attorneys, filed a Notification regarding the transfer of ultimate control of ATI's Florida operating subsidiary, Allegiance Telecom of Florida, Inc., Debtor-in-Possession, to XO. This letter is to advise the Commission that the transactions that were the subject of the Notification were completed on June 23, 2004. As described in the Notification, there is no change in the carrier providing service to ATI customers, this change in control is therefore transparent to ATI's Florida customers, and accordingly the change in control will not have any adverse impact on those customers. Should there be any questions regarding this matter, please contact the undersigned.

Very truly yours,

Melissa Conway
Counsel to XO

RECEIVED
DIVISION OF
COMPETITIVE SERVICES

2004 JUN 25 AM 10:39

KELLEY DRYE & WARREN LLP
A LIMITED LIABILITY PARTNERSHIP

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BRUSSELS, BELGIUM

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AFFILIATE OFFICES
JAKARTA, INDONESIA
MUMBAI, INDIA

July 14, 2004

VIA UPS

Ms. Blanco S. Bayo, Director
Bureau of Records and Reporting
& Administrative Services Director
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

2004 JUL 19 10:10 AM

Re: Notification of XO Florida, Inc. XO Communications Services, Inc. and Allegiance Telecom of Florida, Inc., of an Internal Corporate Reorganization and Request for Approval, as Necessary of Related Transactions

Dear Ms. Bayo:

XO Florida, Inc. ("XO Florida"), Allegiance Telecom of Florida, Inc. ("ALGX Florida"), and XO Communications Services, Inc. ("XO Communications") (collectively "XO Subsidiaries"), all subsidiaries of XO Communications, Inc. ("XO")¹, the ultimate parent corporation, by their attorneys hereby respectfully notify the Florida Public Service Commission ("Commission") and request the Commission approve or grant such authority as may be necessary for an internal corporate reorganization whereby the existing operating subsidiaries of XO in Florida will be merged into a single operating subsidiary, XO Communications.² Upon consummation of this reorganization, XO Communications will provide service to the existing

¹ XO's acquisition of ALGX Florida was consummated on June 23, 2004. The XO Subsidiaries notified the Commission on February 25, 2004 of the change of ownership of ALGX Florida. Accordingly, ALGX Florida currently is a direct, wholly owned subsidiary of XO.

² XO Communications became the new name of XO Domestic Holdings, Inc. on June 29, 2004. XO is in the process of obtaining the necessary documentation from the Florida Secretary of State showing the name change and will late-file the documentation and any necessary additional request for name change approval.

KELLEY DRYE & WARREN LLP

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Florida Public Service Commission
July 14, 2004
Page Two

customers of XO Florida and ALGX Florida. This internal reorganization will simplify the XO corporate structure, streamlining XO's operations in Florida, eliminating administrative redundancy and improving overall efficiency. The XO Subsidiaries anticipate that the consolidation in Florida will occur after receipt of the required regulatory approvals in Florida; thus, the XO Subsidiaries request that the Commission take any action necessary to approve this notification at its earliest possible convenience.

Specifically, as described below, the XO Subsidiaries propose that XO Florida's intrastate customer base, tariff and Certificate No. 5648 (local exchange) and Certificate No. 3505 (IXC) providing XO Florida authority to provide telecommunications services in Florida be transferred to its affiliate, XO Communications. The XO Subsidiaries will submit the necessary documentation from the Florida Secretary of State showing the new name as soon as it is available. XO Florida's tariff will be amended to reflect the name change and will be late filed with the Commission. Should the Commission require XO Communications to file a new tariff in lieu of amending XO Florida's tariff, the XO Subsidiaries respectfully request that XO Florida's current tariff be cancelled upon the completion of the transaction described herein. The proposed transaction is not expected to result in any loss or impairment of service to the XO Florida customers that would be affected by consummation of the proposed transaction. XO end users will continue to receive service at substantially similar rates, terms and conditions and will continue to see the "XO" name on their bills.

Similarly, ALGX Florida's intrastate customer base will be transferred to XO Communications. Current ALGX Florida customers will be given sufficient notification of the proposed change of their service provider to XO Communications pursuant to the FCC's slamming rules and any applicable state carrier to carrier migration rules. Again, the proposed transaction is not expected to result in any loss or impairment of service to the ALGX Florida customers. The XO Subsidiaries intend to grandfather ALGX Florida's existing tariff, amended with the new name XO Communications and late filed with the Commission, so that existing ALGX Florida end users will continue to receive the same services at the same rates, terms and conditions as at present.

In support of this Notification, the XO Subsidiaries provide the following information:

I. The XO Subsidiaries

XO Communications, Inc. is a Delaware corporation whose principal office and place of business is located at 11111 Sunset Hills Road, Reston, Virginia 20190-5339. The company's stock is publicly traded on the Over the Counter Bulletin Board under the symbol "XOCM.OB." XO is a leading facilities-based provider of broadband telecommunications services. The company offers a complete set of telecommunications services including local and long distance

KELLEY DRYE & WARREN LLP

Ms. Blanco S. Bayo
Florida Public Service Commission
July 14, 2004
Page Three

voice, Internet access, Virtual Private Networking (VPN), Ethernet, Wavelength, Web Hosting and Integrated voice and data services. XO provides service through its facilities-based broadband networks and Tier One Internet peering relationships. The company also is one of the nation's largest holders of fixed wireless spectrum, covering 95% of the population of the 30 largest U.S. cities. XO currently offers facilities-based broadband telecommunications services within and between more than 70 markets throughout the United States.

XO is authorized by the FCC to provide interstate and international telecommunications services and, through one or more of its subsidiaries, is authorized to provide intrastate interexchange services virtually nationwide, and is authorized to provide competitive local exchange services in 47 states. In Florida, XO Florida is authorized to provide competitive local exchange and interexchange services pursuant to its authorization issued by the Commission.³ Thus, XO Florida and its corporate parent, XO, have been found by this Commission to possess the requisite financial, managerial and technical qualifications necessary to operate as a provider of intrastate telecommunications services in Florida.⁴ XO is ultimately controlled by Carl C. Icahn, a U.S. citizen, through his ultimate control and ownership of various companies.

ALGX Florida is a corporation organized under the laws of the State of Delaware. In furtherance of the reorganization of Allegiance Telecom, Inc., Debtor-in-Possession ("Allegiance"), and subsidiaries, including ALGX Florida, under chapter 11 of the U.S. Bankruptcy Code, the parties agreed that XO would acquire substantially all of the assets of Allegiance, including the stock of ALGX Florida. As noted above, the XO Subsidiaries notified the Commission of the change in control on February 25, 2004, and the transaction was consummated on June 23, 2004. As a result, ALGX Florida became a wholly owned, direct subsidiary of XO.

XO's acquisition of Allegiance has resulted in a combined competitive carrier that holds sufficient financial, managerial, operations and technical resources to compete on a national basis against established and incumbent local exchange carriers and long distance companies. Prior to the transfer of control, Allegiance, through its operating subsidiaries, provided facilities-based telecommunications products and services to over 100,000 small and medium-sized business customers, large business enterprises (e.g., national customers with multiple locations), governmental entities, and other institutional users in 36 metropolitan areas in 24 states,

³ See Docket No. 980472-TI, Certificate No. 3505 (TJ112-IXC) and Certificate No. 5648 (TX205-local exchange).

⁴ XO's most recent Annual Report and Form 10-Q which contains the consolidated financial statements of XO and subsidiaries can be accessed at www.xo.com.

Ms. Blanco S. Bayo
Florida Public Service Commission
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including Florida, and the District of Columbia.⁵ By acquiring ownership of Allegiance and its subsidiaries and substantially all of their assets, XO has pooled the resources of XO and Allegiance such that the combined company can compete more effectively in the markets in which they both operate, provide new services and expand into new markets, and achieve economies of scope and scale. Moreover, the acquisition ensures that ALGX Florida's current customers will continue to receive the high quality services that they currently receive.

To further streamline and simplify its corporate structure, XO intends to collapse both ALGX Florida and XO Florida into XO Communications. After completion of the consolidation, XO will remain the ultimate corporate parent and it will have only one XO subsidiary operating in Florida. Like ALGX Florida and XO Florida, XO Communications is a direct, wholly owned subsidiary of XO. XO Communications, currently being renamed from XO Domestic Holdings, Inc., is authorized to transact business in Florida as a foreign corporation, but it is not licensed to provide telecommunications services in any state at this time.

II. Designated Contacts

The designated contact for questions concerning this notification is:

Erin Weber Emmott, Esq.
KELLEY DRYE & WARREN LLP
1200 19th Street, N.W., Suite 500
Washington, D.C. 20036
Telephone: (202) 955-9766
Facsimile: (202) 955-9792

Copies of any correspondence also should be sent to the following designated representative of the XO Subsidiaries:

Doug Kinkoph
Vice President Regulatory and External Affairs
XO COMMUNICATIONS, INC.
Two Easton Oval, Suite 300
Columbus, OH 43219
Telephone: (614) 416-1468
Facsimile: (614) 416-9268

⁵ See *Docket No. 990883-TX* Certificate No. 7143 (local exchange) and *Docket No. 990882-TI*, Certificate No. 7144 (IXC).

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III. Description of the Reorganization

The reorganization and consolidation of the XO Subsidiaries into a single operating entity, XO Communications, is anticipated to occur via a number of mergers. Corporate organizational charts showing XO's corporate structure before and after the consolidation are appended hereto as *Exhibit A*. The XO Subsidiaries propose to transfer XO Florida's intrastate customer base, tariff and Certificate No. 3505 and Certificate No. 5648 to provide telecommunications services to XO Communications through a merger of XO Florida into XO Communications. After the merger, XO Florida will cease to exist by operation of law, and XO Communications will assume all of XO Florida's assets and operations and will provide telecommunications services to XO Florida's customers pursuant to XO Florida's tariff, amended with the new name XO Communications.

In connection with the merger, the telecommunications authorizations currently held by XO Florida will be transferred to XO Communications. The XO Subsidiaries respectfully request that the Commission authorize, to the extent necessary, the merger of XO Florida with and into XO Communications together with the transfer of XO Florida's Certificate No. 3505 and Certificate No. 5648, tariff and customer base to XO Communications. XO Florida's tariff will be amended to reflect the name change and will be late filed with the Commission. Should the Commission require XO Communications to file a new tariff in lieu of amending XO Florida's tariff, the XO Subsidiaries respectfully request that XO Florida's current tariff be cancelled upon the completion of the transaction described herein. The Commission has already examined the financial, managerial, technical and operational qualifications of XO to provide telecommunications services – XO Communications is backed by the same qualifications as XO Florida and will provide the same high quality services to customers.

The proposed transfer of operating authority from XO Florida to XO Communications will be virtually transparent to consumers in Florida and will have no adverse impact on them. XO will remain the parent corporation, and the name that customers see on their telecommunications invoice will remain "XO." Further, the same services will be provided to end users at substantially similar rates, terms and conditions. Because XO Florida and XO Communications are managed by the same team of experienced telecommunications personnel, day-to-day operations will continue to function as they have in the past. Customer service functions will be provided by the same team of qualified consumer representatives. In order to facilitate a seamless transfer, XO Communications will file a revised tariff, as required, to reflect its slightly changed name. Thus, XO Florida's end user customers will continue to receive high quality services from the same qualified personnel, at substantially similar rates, terms and conditions.

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Similarly, the XO Subsidiaries propose to transfer ALGX Florida's intrastate customer base to XO Communications through a merger of ALGX Florida into XO Communications. After the merger, ALGX Florida will cease to exist by operation of law, and XO Communications will assume all of ALGX Florida's assets and operations and will provide telecommunications services to ALGX Florida's end users. The XO Subsidiaries intend to grandfather ALGX Florida's existing tariff, amended with the new name XO Communications to be late filed with the Commission so that existing ALGX Florida end users will continue to receive the same services at the same rates, terms and conditions.

In connection with the merger, the telecommunications authorizations currently held by ALGX Florida, Certificate No. 7143 and Certificate No. 7144 will be surrendered, upon completion of the transfer of XO Florida's certificates, amended tariff and customer base and the transfer of ALGX Florida customers to XO Communications.. The XO Subsidiaries respectfully request that the Commission authorize, to the extent necessary, the merger of ALGX Florida with and into XO Communications together with the transfer of ALGX Florida's, customer base to XO Communications and the surrender of ALGX Florida's authorization and tariff upon the completion of the transaction and customer transfer.

The proposed transfer of operating authority from ALGX Florida to XO Communications will have no adverse impact on customers. XO will remain the parent corporation. Current ALGX Florida end users will continue to receive service under the same rates, terms and conditions that currently apply to their services and any future changes in the rates, terms and conditions of those services will be made consistent with Commission requirements. As a result, the proposed transfer will be virtually transparent to customers in terms of the services, rates, terms and conditions that they receive. In accordance with applicable FCC and state carrier change requirements, advance written notice will be sent to affected customers informing them of the proposed transaction and giving them an opportunity to switch to another service provider without penalty. A copy of the customer notification letter will be provided to the Commission upon request. In order to facilitate a seamless transfer, the ALGX Florida tariff will be grandfathered so that existing ALGX Florida end users will continue to receive the same services at the same rates, terms and conditions. Further, to prevent customer confusion, XO Communications will include the Allegiance name in addition to the XO name on customer bills for the existing ALGX Florida customers for a few months immediately following the restructuring.

IV. Public Interest Analysis

The proposed internal corporate reorganization and transfer of operating authority is in the public interest. As noted above, the reorganization will generally be transparent to customers and will have no adverse impact on them. Current ALGX Florida customers will be properly

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notified of the change in their service provider from ALGX Florida to XO Communications. Current XO Florida customers will continue to see "XO" on their invoices and the consolidation will be entirely transparent to them. This proposed consolidation will provide significant reductions in legal, accounting and tax administrative burdens and will simplify the XO companies' corporate structure, eliminating administrative redundancy and improving the companies' overall efficiency thereby enhancing the company's ability to compete in Florida and elsewhere. Over time, consumers in Florida will benefit from a greater number of product and service options as well as more efficient prices resulting from the enhanced competitive ability of the streamlined company.

As reflected on the ownership charts appended hereto, upon completion of the reorganization, the ownership of XO Communications will be identical to its current ownership and the ownership of XO Florida and ALGX Florida. Thus, there should be no question about the qualifications of XO Communications and its parent, XO, to operate in the public interest as the reorganization will not cause any meaningful change in the ownership, financial condition or services of the utility entities.

V. Conclusion

The XO Subsidiaries respectfully request that the Commission grant them authority, to the extent necessary, to reorganize, as described herein, and for such other and further relief as may be necessary to carry out the reorganization described herein.

Respectfully submitted,

XO FLORIDA, INC., ALLEGIANCE TELECOM
OF FLORIDA, INC. AND XO
COMMUNICATIONS SERVICES, INC.

By: Erin W Emmott

Brad E. Mutschelknaus

Melissa S. Conway

Erin W. Emmott

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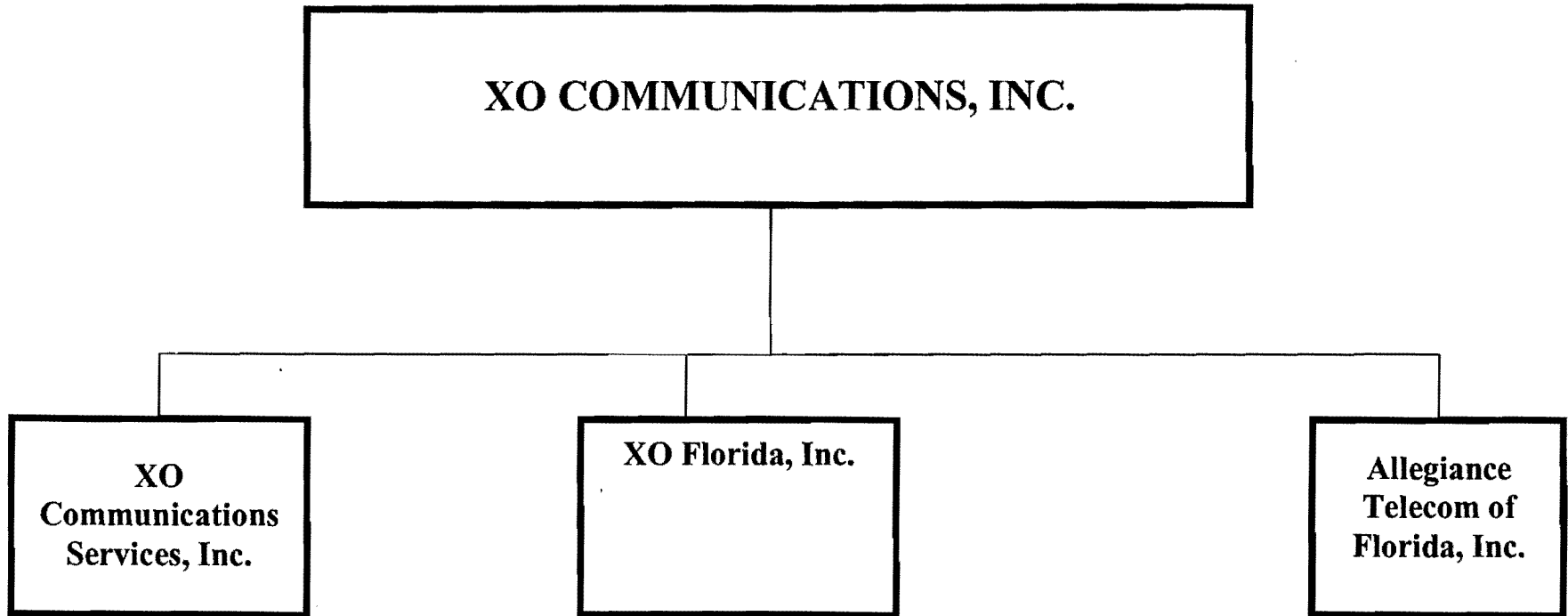
Their Attorneys

cc: Mr. Tom Williams

EXHIBIT A

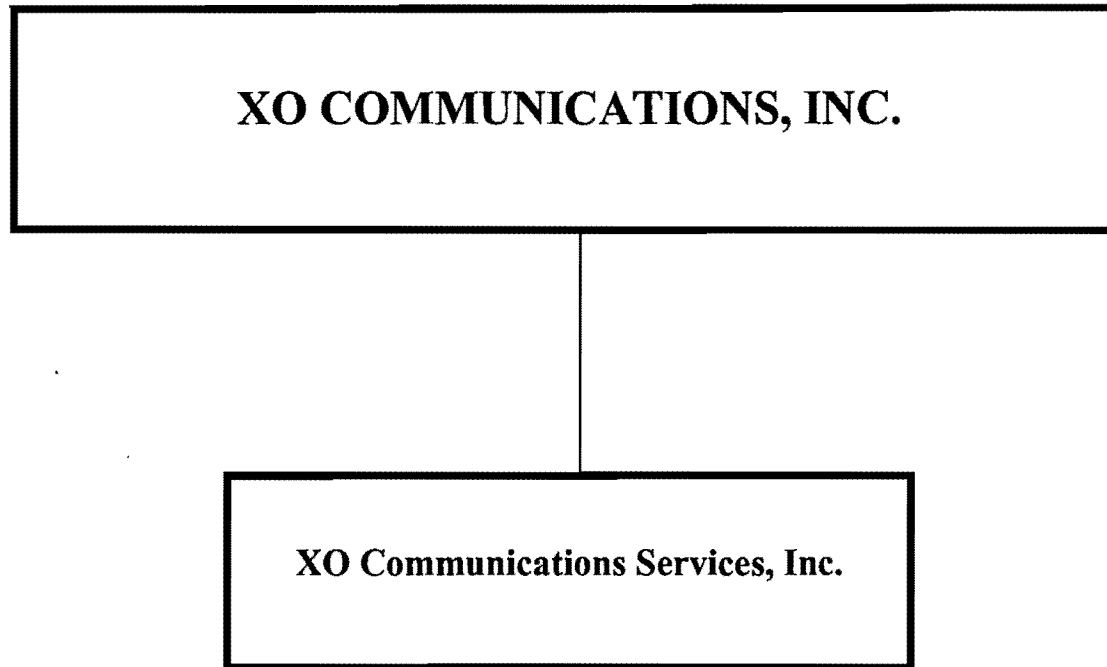
CORPORATE ORGANIZATIONAL CHARTS

EXISTING CORPORATE STRUCTURE¹



¹ Each entity is 100% owned by the entity immediately above it

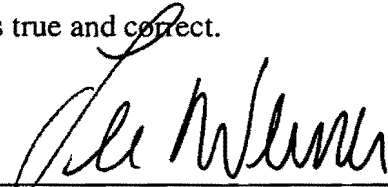
CORPORATE STRUCTURE AFTER RESTRUCTURING¹



¹ Each entity is 100% owned by the entity immediately above it

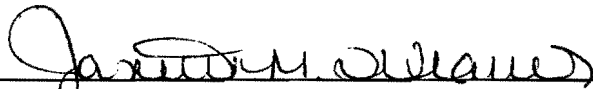
VERIFICATION

I, LEE WEINER, am authorized to represent XO Communications, Inc. and its subsidiaries, and to make this verification on their behalf. The statements in the foregoing document relating to XO Communications, Inc. and its subsidiaries, except as otherwise specifically attributed, are true of my own knowledge, except as to matters that are stated herein on information or belief, and as to those matters, I believe them to be true. I declare under penalty of perjury that the foregoing is true and correct.



Name: LEE WEINER
Title: Sr. Vice President, General Counsel
and Secretary

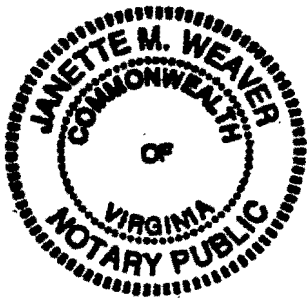
Subscribed and sworn to before me on this 24th day of June, 2004.



Notary Public

My commission expires: 03-31-05

- SEAL -



COMPANY IDENTIFICATION

Printed on 08/17/2004 at 10:58:23 by TEW

Complete Name: Allegiance Telecom of Florida, Inc.

Mailing Name: Allegiance Telecom of Florida, Inc.

Company Code: TJ282 FEID Number: 75-2726851

RAF ACCOUNT FOR THE PERIOD 01/01/2003 THROUGH 12/31/2003

Reg. Date: 11/12/1999 Inactive Date:
 Service: IXC - Interexchange Telephone
 Received: Actual RAF Form
 Status: Satisfied
 Amended: No Extension: No
 Frozen: No Comments: No
 Payment Count: 1 Payment Made to Date
 Operating Rev: Confidential Interstate Rev: Confidential
 RAF Rate: 0.0015 Net RAF Due: Confidential

| Assessment | Due | Paid | Owe |
|---------------|--------------|--------------|--------------|
| RAF | Confidential | Confidential | Confidential |
| Penalty | Confidential | Confidential | Confidential |
| Interest | Confidential | Confidential | Confidential |
| Extension Fee | Confidential | Confidential | Confidential |
| Total | Confidential | Confidential | Confidential |