

2004 NOV -1 PM 12: 29

COMMISSIONER SERVICES

October 29, 2004

VIA OVERNIGHT DELIVERY

Ms. Blanca S. Bayo, Director

Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

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04 NOV -2 AM 10: 20
COMMISSION
CLERK

040000-70

Re: Notification of Structure Modification for Corporate Parents of
Excel Telecommunications, Inc.

Dear Ms. Bayo:

Transmitted herewith on behalf of Excel Telecommunications, Inc. ("Excel"), please find an original and five (5) copies of this correspondence for the Commission's review and records. This notice is intended to inform the Commission of a modification to the internal corporate organizational structure of Excel's corporate parents. Excel was previously granted authority to provide long distance services (Docket No. 891356-TI) and competitive local exchange services (Docket No. 960605-TX) by the Commission. As explained in more detail below, Excel's ultimate parent company, VarTec Telecom, Inc. ("VarTec"), has taken recent action to merge certain unregulated subsidiaries which are no longer necessary in VarTec's overall corporate organizational structure. One of these modifications involves Excel's sole shareholder, Excel Telephone, Inc. ("Excel Telephone").

On October 26, 2004, VarTec, also the ultimate parent of Excel Telephone, determined that it was necessary and appropriate to merge Excel Telephone into its sole shareholder, Excelcom, Inc. ("Excelcom"); both Excel Telephone and Excelcom are unregulated holding companies. Excelcom is and will continue to be wholly owned by VarTec Telecom Holding Company, which is and will continue to be wholly owned by VarTec. It has become clear that the numerous layers in the VarTec family of companies are no longer necessary, and as a result, VarTec's Board of Directors has moved to simplify the overall organizational structure. These changes minimize the administrative burdens for the involved corporations and have no impact on Excel's operations, consumers, competitors or other external parties.

With no operational or other material impact to Excel, Excel Telephone will be merged into Excelcom, and this merger will allow Excel to be held directly by Excelcom. Ultimately, the only modification is the removal of Excel Telephone, an unregulated holding company, from the corporate organizational structure. As such, control of Excel will remain with Excelcom and ultimate control with VarTec, and Excel will continue its usual operations with absolutely no impact to its customers, tariffs or rates. A corporate organizational chart is attached to reflect

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- ECR _____
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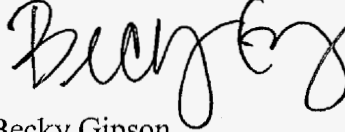
1600 Viceroy Drive
Dallas, Texas 75235

FPSC-COMMISSION CLERK

this simple structure modification, which is scheduled to become effective on October 31, 2004, as Excel believes that prior approval for this type of internal modification is not required.

Excel appreciates the Commission's time and attention in reviewing this minor structure modification. Acknowledgment and date of receipt of this transmittal are respectfully requested. Please date-stamp the enclosed extra copy of this letter and return it in the self-addressed stamped envelope. Please contact the undersigned with any questions regarding this correspondence directly at (214) 424-1509 or at bgipson@vartec.net.

Respectfully submitted,

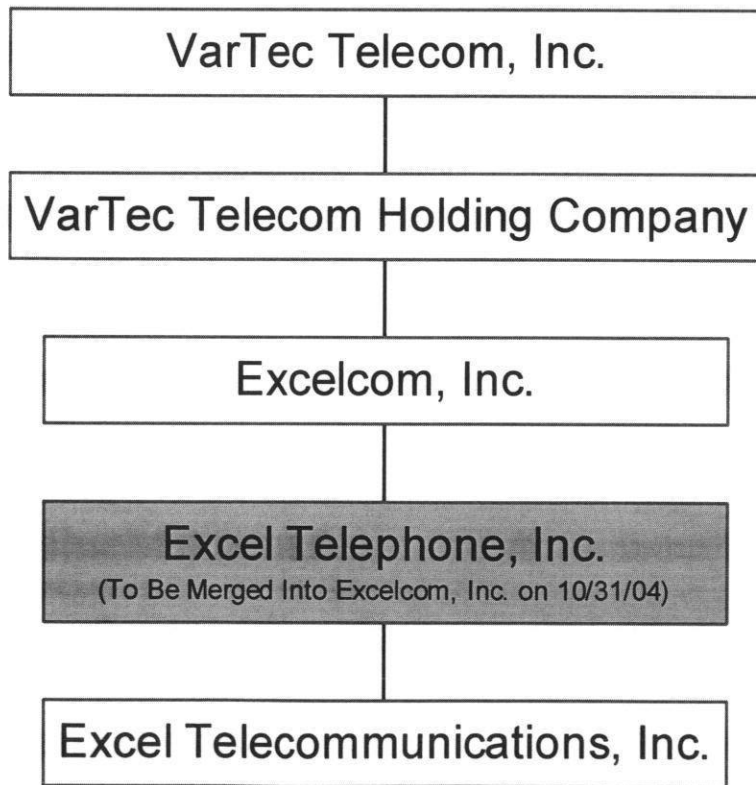


Becky Gipson
Director, Regulatory Affairs

cc: Melissa A. Drennan, Esq.
Vice President – External Legal Affairs

**VarTec Telecom, Inc.
Corporate Organizational Chart Demonstrating Control of
Excel Telecommunications, Inc.**

Current



As of 10/31/04

