

State of Florida



ORIGINAL

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CLERK

DATE: January 5, 2005

TO: Blanca S. Bayó, Commission Clerk and Administrative Services Director

FROM: Toni J. McCoy, Regulatory Analyst II, Division of Competitive Markets & Enforcement *Jm*

RE: Docket No. 041397-TI

Please add the attached information to the IXC Registration to the above docket.

Please call if you have any questions. I can be reached at 413-6532.

Thank you.

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FAX TRANSMITTAL SHEET

TO: Toni Jay McCoy
FAX NUMBER: (850) 413-6533
DATE: 1-3-05
FROM: Phil Fraga
EXTENSION: (412) 316-7803
TOTAL PAGES INCLUDING COVER: 4 (Please call if all pages are not received.)

Mrs. McCoy-

Per our conversation

Thanks

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January 3, 2005

Ms. Toni Joy McCoy
Regulatory Analyst
Florida Public Service Commission
Bureau of Market Development
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Expedient Carrier Services, LLC Application for Authority to Provide Alternative Local Exchange Service

Dear Ms. McCoy:

Pursuant to our telephone conversation earlier today, enclosed please find a revised page 5 to the above-referenced application.

Furthermore, in response to the issue regarding my being listed as the officer of record for BroadStreet Communications, Inc. ("BroadStreet") for IXC/CLEC certification purposes, please be advised that at this time I am choosing to take no action regarding the outstanding regulatory assessment fees. I appreciate and respect the Florida Public Service Commission's position on this matter though I'm effectively in the same position with twelve (12) states given what transpired with BroadStreet.

Noting that it is my understanding from our conversation that the regulatory assessment fees issue would be moot had BroadStreet filed for bankruptcy as opposed to effecting an orderly liquidation outside of bankruptcy, I respectfully request that the Florida Public Service Commission ignore such distinction in this instance.

A thorough analysis was conducted in conjunction with outside counsel for BroadStreet as well as outside counsel for our three (3) respective venture capital firms in which a decision was made to effect the orderly liquidation as opposed to filing for Chapter 7 or Chapter 11 bankruptcy. Such a decision was reached for two (2) reasons.

The first reason was that as Lucent Technologies was BroadStreet's secured creditor, no creditors beyond Lucent Technologies would have recovered any of their claims given the material amount of Lucent Technologies' claims. The second reason was that the venture capital investors were not interested in funding the company through a reorganization. Hence, the rationale for filing either form of bankruptcy simply did not exist in this instance.



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Accordingly, it would seem that viewing an orderly liquidation differently than a bankruptcy for purposes of assessing whether a given creditor would recover any of its respective claims is a distinction without a difference. As such, again I respectfully request that the Florida Public Service Commission reconsider its stance on the matter.

While I was in fact the person designated as BroadStreet's contact person for all regulatory matters at the federal and state levels, I certainly had no control over the course of action taken as regards BroadStreet's inability to satisfy each and every related obligation - particularly as exacerbated by the decision to discontinue operations and without the requisite resources in which to do so.

Having said this, I can assure you that we acted as responsibly as possible under the circumstances - and in fact were commended on several occasions by representatives of the Federal Communications Commission along with several state public utility commissions who recognized the merit of our efforts when others may simply have chosen to walk away without any such effort.

Should you have any questions or require further information, please feel free to contact me at (412) 316-7803. Thank you for your assistance.

Sincerely,

A handwritten signature in cursive script that reads "Phillip M. Fraga".

Phillip M. Fraga
Vice President and General Counsel

REVISED

15. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. Provide explanation.

(b) an officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

See Management Bure re: Phillip M. Fraga only

16. Who will serve as liaison to the Commission with regard to the following?

(a) The application:

Name: Phillip M. Fraga
Title: Vice President and General Counsel
Address: 40 2nd Street
City/State/Zip: Pittsburgh, PA 15222
Telephone No.: (412) 316-7803 Fax No.: (412) 316-2899
Internet E-Mail Address: phil.fraga@expedient.com
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