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A LIMITED LIABILITY PARTNERSHIP

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April 12, 2006

VIA UPS

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

Re: Pro Forma Internal Restructuring Involving XO Communications
Services, Inc. – *Notice of Non-Consummation of Transaction*

Dear Ms. Bayo:

On December 12, 2005, XO Communications Services, Inc. (“XOCS”), by its attorneys, notified the Commission of a pro forma internal corporate restructuring whereby Carl C. Icahn, who beneficially holds approximately 62% of the equity and voting interests in XOCS’s parent, CMP XO Communications, Inc. (“XO”), would obtain 100% ultimate ownership and control of COM XOCS. More specifically, it was anticipated that (1) XO would create a subsidiary, XO CTR Holdings, Inc., which in turn would have a subsidiary, XO Communications, LLC (“XO LLC”). ECR XO would merge with and into XO LLC with XO LLC surviving and becoming the new direct 3CL parent company of XOCS (the “Restructuring Merger”); and then, (2) Elk Associates LLC 3PC (“Elk”) would acquire all of the outstanding member interests in XO LLC and thus, through his RCA ownership and control of Elk, Carl C. Icahn would hold 100% of the outstanding membership SCR interests of XO LLC. In other words, after the Restructuring Merger, Carl C. Icahn would IGA indirectly hold approximately 62% of the interests in XOCS, and after the sale to Elk, Carl C. EC Icahn would indirectly hold 100% of the interests in XOCS – remaining the ultimate majority ITH owner of XOCS.

This letter is to advise the Commission that, although the Restructuring Merger (step 1) has been consummated, the sale to Elk (step 2) will *not* be consummated. As a result, although

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April 12, 2006
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XOCS has a new direct corporate parent, XO LLC, and new ultimate parent, XO Holdings, Inc., the ultimate ownership of XOCS has not changed. Carl C. Icahn continues to indirectly, beneficially hold approximately 62% of the equity and voting interests in XOCS. A diagram showing the corporate ownership structure of XOCS is appended hereto as Attachment 1.

As described in the notification, XOCS's ultimate ownership remains the same, its authorization to provide telecommunications services remains in place, and its customers will not be affected in any way as they will continue to be offered the same services by the same service provider with the same name at the same rates, terms and conditions as at present. XOCS submits this filing solely for the Commission's information and to keep its records current. Enclosed please find a duplicate of this letter and a self-addressed, postage-paid envelope. Please date-stamp the duplicate upon receipt and return it in the envelope provided. Should the Commission have any questions or believe that any further information is required, please contact Melissa Conway at (202) 955-9667.

Respectfully submitted,

XO COMMUNICATIONS SERVICES, INC.

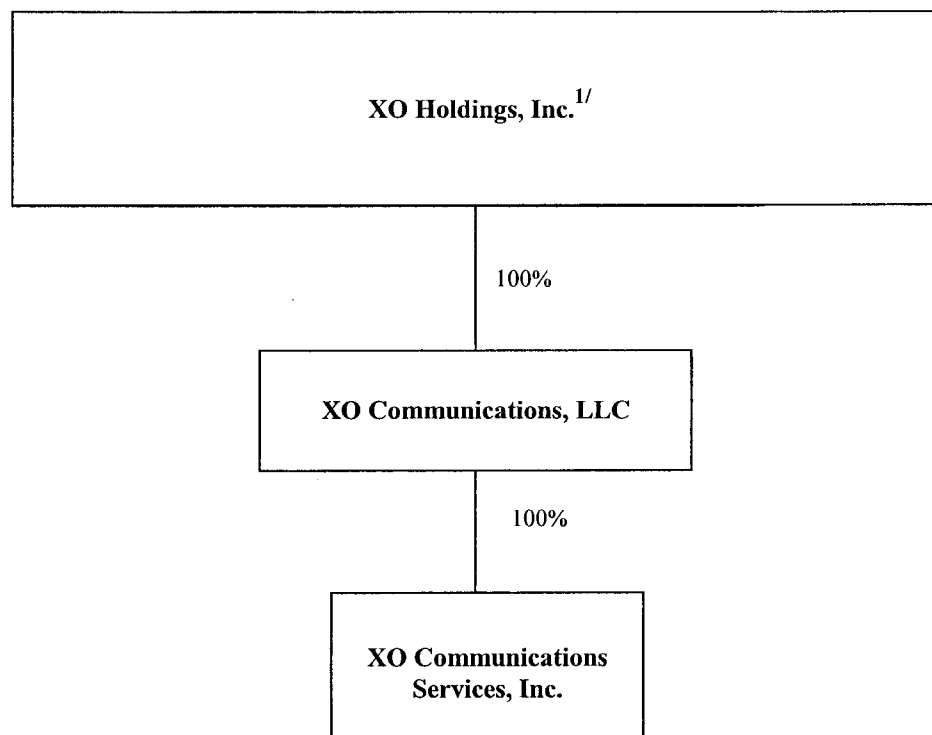


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Its Counsel

Attachment

CURRENT OWNERSHIP STRUCTURE OF XOCS
(AFTER CONSUMMATION OF RESTRUCTURING MERGER)



^{1/} Cardiff Holding LLC ("Cardiff") beneficially holds approximately 62% of the equity and voting interests in XO Holdings, Inc. Cardiff is indirectly, wholly owned and controlled by Carl C. Icahn through his ownership and control of various intermediary companies that hold ownership interests in Cardiff.