

**ORIGINAL**

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January 13, 2000

**VIA OVERNIGHT DELIVERY**

Blanca S. Bayo  
Director, Division of Public Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

000047-TP

Re: Joint Application of PaeTec Communications, Inc. and Campuslink Communications Systems, Inc. d/b/a Parklink Communications, Inc. (CCS) for Approval of Intra-corporate Merger and Cancellation of CCS's Certificate to Provide Telecommunications Systems in the State of Florida

Dear Ms. Bayo:

PaeTec Communications, Inc. ("PaeTec") and Campuslink Communications Systems, Inc. d/b/a Parklink Communications, Inc. ("CCS") (together "Applicants"), by their undersigned attorneys and pursuant to Section 364.33 of the Florida Statutes and Florida Public Service Commission ("Commission") Rules 25-24.474 and 25-24.820, hereby request: (1) Commission approval of the proposed intra-corporate merger of PaeTec and CCS, with PaeTec the surviving entity, and (2) cancellation of CCS's certificate to provide intrastate telecommunications services.

PaeTec and CCS are wholly owned subsidiaries of PaeTec Corp. PaeTec and CCS each hold certification from this Commission to provide alternative local exchange and intrastate interexchange telecommunications services within the State of Florida. Following the merger, ownership and control of CCS's business will continue to reside in PaeTec Corp. PaeTec, however, will continue the provision of telecommunications services that CCS currently provides to Florida customers. Attached hereto as Exhibit A is an illustrative chart depicting the corporate structure of PaeTec Corp. and its subsidiaries, PaeTec and CCS, prior to and following the proposed merger.

Applicants respectfully request expedited treatment of this Application in order to permit them to consummate the proposed merger as soon as possible, but no later than March 31, 2000. An original and five (5) copies of this letter are enclosed. Please date stamp the enclosed extra copy of this filing and return it in the attached self-addressed, postage prepaid enveloped provided.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

In support of this Joint Application, Applicants state as follows:

**I. THE APPLICANTS**

**A. PaeTec Communications, Inc. ("PaeTec")**

PaeTec is a privately held Delaware corporation with principal offices located at 290 Woodcliff Drive, Fairport, New York 14450. PaeTec is authorized to provide intrastate interexchange and/or competitive local exchange telecommunications services in 48 states, including Florida. In Florida, PaeTec is authorized to provide alternative local exchange and intrastate interexchange telecommunications services pursuant to the Commission's Orders in Docket Nos. 980919-TX and 980916-TI, both effective as of December 5, 1998.

PaeTec is a wholly owned subsidiary of PaeTec Corp., a privately held Delaware holding company whose principal business is telecommunications.

**B. Campuslink Communications Systems, Inc. d/b/a Parklink Communications, Inc. ("CCS")**

CCS is a privately held Delaware corporation with principal offices located at 1530 Eisenhower Place, Ann Arbor, Michigan 48108. CCS is a supplier of integrated telecommunications systems to educational institutions and is authorized to provide intrastate interexchange and/or competitive local exchange telecommunications services in ten (10) states, including Florida. In Florida, CCS is authorized to provide alternative local exchange and intrastate interexchange telecommunications services pursuant to the Commission's Orders in Docket Nos. 981224-TX and 981084-TI, both effective as of December 5, 1998. CCS is a wholly owned subsidiary of PaeTec Corp. and a sister company to PaeTec.

**II. DESCRIPTION OF THE INTRA-CORPORATE MERGER**

For corporate reasons related to the cost, complexity and inconvenience of operating separate corporate subsidiaries that provide competitive telecommunications services, PaeTec Corp. has determined to implement a merger of PaeTec and CCS, whereby CCS will merge into and with PaeTec, with PaeTec the surviving entity.

Following the merger, ownership and control of CCS's business will continue to reside in PaeTec Corp. PaeTec, however, will continue the provision of telecommunications services that CCS currently provides to Florida customers pursuant to revisions to PaeTec's tariffs

incorporating CCS's service offerings and the rates, terms and conditions of service related thereto currently on file with the Commission. The proposed merger, therefore, will be completely seamless to CCS's existing customers in terms of the services they currently receive. Applicants plan to give CCS customers notice of the merger prior to and/or immediately following completion of the transaction by means of billing notices and/or written or oral communications. The proposed merger, therefore, will be undertaken in a seamless fashion that will have no adverse effect on CCS's current provision of intrastate telecommunications services to the Florida public.

To accomplish the proposed corporate restructuring, prior state regulatory approval is required in several states in addition to Florida. CCS, however, must retain its authorization to provide service in the State of Florida until all such approvals are obtained and the merger completed. Therefore, to avoid premature cancellation of CCS's certificate, Applicants hereby request that cancellation of CCS's certificate become effective upon notification to the Commission by PaeTec of the completion of the merger. In this manner, Applicants may assure that CCS provides continuous uninterrupted service to the Florida public in the period following this Commission's grant of this Application and prior to completion of the proposed merger.

In connection with the cancellation of its certificate, CCS proposes to pay its Regulatory Assessment Fee no later than thirty (30) days following consummation of the merger.

### **III. PUBLIC INTEREST CONSIDERATIONS**

This Commission has previously determined that PaeTec has the technical, managerial and financial abilities to provide telecommunications services in the State of Florida. In this regard, Applicants note that the officers and directors of PaeTec are also officers and directors of CCS. Applicants therefore assure the Commission that PaeTec possesses the necessary managerial qualifications to continue the provision of high quality telecommunications services to CCS's existing Florida customers following consummation of the merger.

Further, given that following the merger PaeTec will continue the provision of all of the telecommunications services that CCS currently provides to Florida customers with no adverse change in the rates or terms and conditions of service they currently enjoy, the proposed merger is not detrimental to the public interest. To the contrary, Applicants anticipate that the merger will benefit Florida customers because it will enable PaeTec Corp. to achieve economies of scale and efficiencies in operations, with opportunities to enhance service quality and expand service offerings. Because the merger will be undertaken in a seamless fashion that will not adversely affect the provision of intrastate telecommunications services to Florida customers, grant of this Application is in the public interest.

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**IV. REQUEST FOR EXPEDITED REVIEW**

Applicants submit that expeditious grant of this Application is appropriate given that: (1) the transaction is an intra-corporate merger involving sister companies; (2) the surviving entity, PaeTec, holds authority from this Commission that is equal to or greater than that granted to CCS; and (3) approval of the merger is in the public interest. Accordingly, PaeTec Communications, Inc. and Campuslink Communications Systems, Inc. d/b/a Parklink Communications, Inc. respectfully request that this Application be considered and ruled on by the Commission no later than March 31, 2000.

Should there be any questions concerning this Application, please do not hesitate to contact the undersigned.

Respectfully submitted,



Dana Frix  
Grace R. Chiu

Counsel to PaeTec Communications, Inc. and  
Campuslink Communications Systems, Inc. d/b/a  
Parklink Communications, Inc.

Attachment

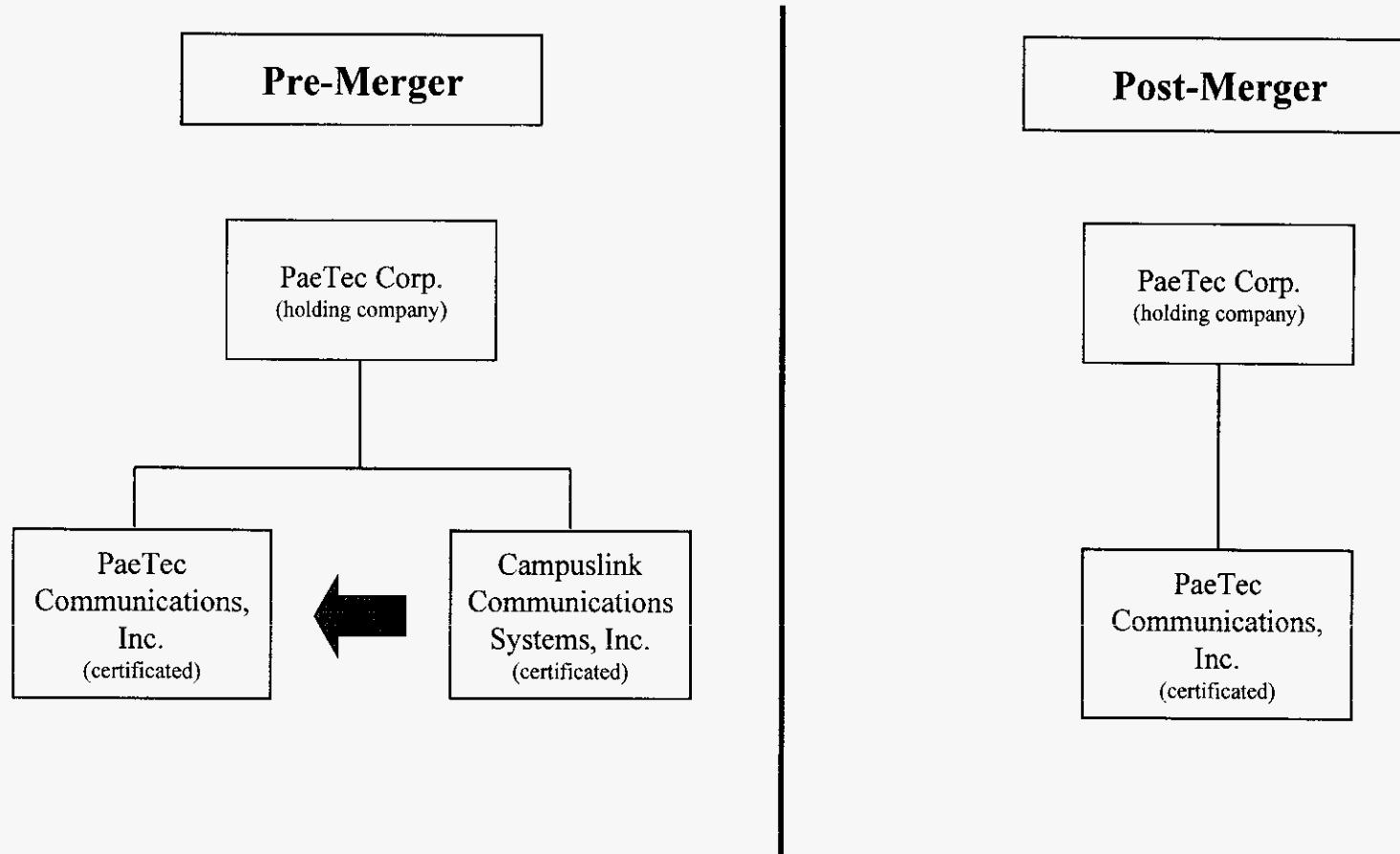
cc: Daniel J. Venuti (PaeTec)  
Vickie S. Byrd

**EXHIBIT A**

**ILLUSTRATIVE CHART OF PROPOSED MERGER**

# EXHIBIT A

## Intra Corporate Merger of Campuslink and PaeTec



VERIFICATION

\_\_\_\_\_  
STATE OF NEW YORK            )  
  )  
  ) SS  
COUNTY OF MONROE         )  
\_\_\_\_\_

I, Daniel J. Venuti, declare under penalty of perjury that I am Executive Vice President of PaeTec Communications, Inc. and Secretary of Campuslink Communications Systems, Inc., the Applicants in the subject proceeding; that I have read the foregoing Joint Application and know the contents thereof; and that the same are true of my own knowledge, except as to the matters which are therein stated on information or belief, and as to those matters I believe them to be true.

By: *Daniel J. Venuti*  
Daniel J. Venuti

Subscribed and sworn to before me  
this 11<sup>th</sup> day of January, 2000  
*Karen F. Ferrini*  
Notary Public

My Commission Expires: 11/30/00

**KAREN F. FERRINI**  
Notary Public, State of New York  
No. 4765553  
Qualified in Monroe County  
Commission Expires Nov. 30, 2000