#### CURTIS, OETTING, HEINZ, GARRETT & O'KEEFE, P C Attorneys at Law 130 S Bemiston, Suite 200 St Louis, Missouri 63105 (314) 725-8788 (314) 725-8789 (FAX)

Carl J Lumley Principal clumley@cohgs com

November 26, 2002

Secretary of the Commission Missouri Public Service Commission P O Box 360 Jefferson City, Missouri 65102

Via Federal Express 835733397498

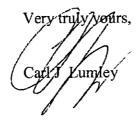
Re Case No TW-2003-0063

Dear Secretary of the Commission

Enclosed please find for filing with your office an original and nine (9) copies of the following

- 1 An original and nine (9) copies of Second Quarterly Status Report of WorldCom, Inc and its US Subsidiaries,
- 2 Two (2) copies WorldCom's Response to Commission Questions designated as Non-Proprietary, and
- 3 An original and nine (9) copies of Worldcom's Response to Commission Questions designated as Highly Confidential and filed under seal

Please file stamp the extra copies received and return to the undersigned in the enclosed, selfaddressed, stamped envelope If you have any questions, please contact us Thank you



**FILED**<sup>4</sup>

NOV 2 7 2002

Missouri Public Service Commission

CJL dn Enclosures cc Parties of Record (W/Enclosure)

#### **BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION**

In the Matter of an Investigation into the Effects ) of the Bankruptcy of Telecommunications Carriers ) in the State of Missouri )

Case No TW-2003-0063

#### WORLDCOM'S RESPONSE TO COMMISSION QUESTIONS

COME NOW WorldCom, Inc , Intermedia Communications, Inc , TTI National, Inc , Brooks Fiber Communications of Missouri, Inc , MCI WorldCom Communications, Inc , MCI WorldCom Network Services, Inc , MCImetro Access Transmission Services, LLC, Metropolitan Fiber Systems of St Louis, Inc , and Teleconnect Long Distance Services & Systems Co (WCOM) and, for their Response to questions raised by the Commission at the October 9, 2002 proceedings on the record, state to the Commission

1 There were several questions that were asked by the Commissioners during the October 9, 2002 proceedings on the record herein that WCOM could not answer during such proceedings, but that WCOM can answer now

2 Commissioner Murray asked about pre-petition Missouri PSC regulatory fees and Missouri sales and use taxes (Tr 14) WCOM believes that it has paid all such obligations

3 Commissioner Murray asked about disputed post-petition invoices (Tr 15) WCOM does not believe that it is withholding any disputed post-petition amounts from SWBT regarding Missouri services at this time

4 Commissioner Gaw asked about high-level executive bonuses (Tr 35) WCOM supplies the following information

2001

Beaumont \$2,000,000

| \$10,000,000 |
|--------------|
| \$10,000,000 |
|              |
| \$7,500,000  |
| \$800,000    |
| \$2,760,000  |
| \$2,760,000  |
|              |
| \$7,115,000  |
| \$9,651,000  |
| \$2,000,000  |
| \$2,000,000  |
|              |

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5. Commissioner Forbis asked about information being provided to customers about the bankruptcy through call-in centers (Tr 41) Copies of such information are attached hereto as Exhibit 1. This Exhibit is highly confidential under the protective order issued in this case, as it concerns market-specific information relating to services offered in competition with others.

6 Additionally, supplementing responses provided at the proceedings on October 9, 2002, attached hereto as Exhibit 2 is a copy of Organizational News recently released by WCOM

7 Further, supplementing its First Quarterly Report filed herein, WCOM states that it recently added 43 non-operating entities to the bankruptcy proceedings to

assure complete resolution of all issues, including Metropolitan Fiber Systems of Kansas City, Missouri, Inc (an inactive company holding a Missouri certificate of authority) See First Quarterly Report, footnote 1 A copy of the press release is attached hereto as Exhibit 3

8 WCOM supplies the foregoing information in further response to Commissioner questions WCOM will make the required quarterly reports as previously ordered and stands ready to provide any additional information should it be requested by the Commission

WHEREFORE, WCOM respectfully requests the Commission to accept this Response

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Attorneys for WorldCom, Inc, Intermedia Communications, Inc, TTI National, Inc, Brooks Fiber Communications of Missouri, Inc, MCI WorldCom Communications, Inc, MCI WorldCom Network Services, Inc, MCImetro Access Transmission Services, LLC, Metropolitan Fiber Systems of St Louis, Inc, and Teleconnect Long Distance Services & Systems Co

#### **Certificate of Service**

A true and correct copy of the foregoing document was mailed this  $\underline{2}$  day of November, 2002, by placing same in the US Mail, postage paid to

Office of Public Counsel P O Box 7800 Jefferson City, Missouri 65102

General Counsel Missouri Public Service Commission P O Box 360 Jefferson City, Missouri 65102

Carol Keith NuVox Communications of Missouri, Inc 16090 Swingley Ridge Road, Suite 500 Chesterfield, MO 63017

Paul Lane Southwestern Bell Telephone Co One Bell Center, Room 3520 St Louis, MO 63101

Exhibit 1

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**NP Version** 

[this entire exhibit is HC]

# Exhibit 2

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#### November 4, 2002

**Organizational News** WorldCom, Inc reiterated today the actions it has taken to restore confidence in the company including the appointment of new CFO, John Dubel, new members of the Board of Directors, a new Chief Restructuring Officer and new legal and financial advisors

These actions are pivotal as WorldCom, Inc continues a successful reorganization, becomes cash-flow positive, and emerges from bankruptcy

WorldCom CEO, John Sidgmore "We are working to create a new WorldCom We have developed and implemented new systems, policies and procedures We have reorganized our finance and accounting functions and have implemented, or are implementing, other organizational changes intended to help correct the company's past problems, pre-empt their reoccurrence and create a system that will permit its newly-appointed independent auditors to complete their review of the financial statements for the years 2000, 2001 and 2002 "

Mr Sidgmore said the company's newest Board members, which have been previously announced, are serving on the special investigative committee of the Board These Board members are

**Nicholas deB Katzenbach**, former US Attorney General, Under Secretary of State and Senior VP and General Counsel of IBM,

**Dennis Beresford**, Professor of Accounting at the Terry College of Business at the University of Georgia and former Chairman of the Financial Accounting Standards Board, and

**C B Rogers, Jr**, Chairman and CEO of Equifax, Inc. and who has served on the Board of such companies as Sears, Roebuck & Co, Dean Witter and Briggs and Stratton Corp

"This is a terrific company with outstanding employees and loyal customers," Mr Sidgmore said "WorldCom is not the handful of people you have read about in the newspaper It is 63,000 hard working, dedicated people who are committed to their families, their jobs and their customers What the Board, senior management and every employee of this company can and will do, however, is take whatever action is necessary to ensure that the actions which caused the company's past problems cannot and will not happen again."

# Exhibit 3

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#### FOR IMMEDIATE RELEASE

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### Contact: Brad Burns

(800) 644-NEWS

# WorldCom Files Additional Chapter 11 Petitions for 43 Subsidiaries

**CLINTON, Miss** – November 8, 2002 – WorldCom, Inc (WCOEQ) today filed additional bankruptcy petitions for 43 of its subsidiaries, most of which were effectively inactive and none of which had significant debt The petitions were filed with the U S Bankruptcy Court for the Southern District of New York The company made the decision to file the additional entities in order to provide them with the same relief under Chapter 11 as its other businesses

"Today's filing is a formality," said John Dubel, chief financial officer of WorldCom "We have asked the Court for permission to jointly administer these cases under the WorldCom petition Today, like every day, it's business as usual for WorldCom and its subsidiaries "

A court date has been set for November 12, 2002, to hear the company's request.

About WorldCom, Inc

WorldCom, Inc (WCOEQ, MCWEQ) is a pre-eminent global communications provider for the digital generation, operating in more than 65 countries

With one of the most expansive, wholly-owned IP networks in the world, WorldCom provides innovative data and Internet services for businesses to communicate in today's market In April 2002, WorldCom launched The Neighborhood built by MCI - the industry's first truly any-distance, all-inclusive local and long-distance offering to consumers For more information, go to <a href="http://www.worldcom.com">http://www.worldcom.com</a>>

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