

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Joint Application of)	
)	
Qwest Communications Corporation)	
)	
and)	Case No. TM-2007-0433
)	
OnFiber Carrier Services, Inc.)	
)	
For Approval of Pro Forma Reorganization)	
and For Other Necessary Relief)	

JOINT APPLICATION

By this Joint Application and pursuant to Section 392.300, RSMo., and the Rules of the Missouri Public Service Commission (“Commission”), including 4 CSR 240-2.060 and 4 CSR 240-3.520 through 3.535, Qwest Communications Corporation (“QCC”) and OnFiber Carrier Services, Inc. (“OnFiber”) (together, the “Applicants”), hereby request Commission approval of the proposed transaction, discussed below, which will be undertaken to effectuate an internal corporate restructuring of QCC and OnFiber (the “Restructuring”). Applicants also request the Commission to cancel OnFiber’s certificate of authority and intrastate tariffs upon consummation of the restructuring.

Grant of this Application will serve the public interest. The proposed Restructuring will decrease the number of certificated entities subject to the Commission’s oversight and will consolidate Applicants’ operations into a single entity in Missouri. Specifically, the proposed restructuring will merge OnFiber, its immediate corporate parent,¹ and its affiliates² with and into QCC, with QCC emerging as the

¹ OnFiber’s immediate corporate parent is OnFiber Communications, Inc.

surviving corporation. The administrative burden on the Commission's resources presented by the separate existence of QCC and OnFiber therefore will be substantially reduced as a result of the restructuring. The restructuring also will benefit competition in Missouri by permitting QCC and OnFiber, both of which operate in a fiercely competitive environment, to consolidate their operations. This will enable QCC to realize administrative efficiencies and reduce the costs associated with maintaining multiple operating entities in Missouri, thereby improving its ability to compete in an already highly competitive market for telecommunication services.

All OnFiber customers affected by the proposed Restructuring will be notified of their transfer to QCC, and no material rates, terms or conditions of service enjoyed by these customers – all of whom are enterprise customers served pursuant to negotiated contracts and customized arrangements – will change as a result of the restructuring. In short, the proposed restructuring will benefit the Applicants, their customers and the Commission. Grant of this Application therefore is in the public interest.

I. DESCRIPTION OF THE APPLICANTS

A. QCC

QCC is a Delaware corporation whose principal office and place of business is located at 1801 California Street, Denver, Colorado 80202. A copy of QCC's Certificate of Authority to Transact Business in Missouri is on file as a matter of public record with this Commission. Applicants respectfully request that the Commission take official notice of that certificate and incorporate it herein by reference pursuant to 4 CSR 240-2.060(1)(G).

² OnFiber has two affiliates that also provide telecommunications services, although not in Missouri. The first is Info-Tech Communications, which provides services only in California and the second is OnFiber Carrier Services – Virginia, Inc., which provides services only in Virginia.

QCC is an affiliate of Qwest Corporation ("QC"), an Incumbent Local Exchange Carrier in 14 western states, and both QCC and QC are wholly-owned by the same ultimate corporate parent, Qwest Communications International Inc. ("QCII"), a Delaware corporation whose stock is publicly traded on the New York Stock Exchange under the symbol "Q."³

QCC is an indirect corporate parent of OnFiber and provides competitive voice, video and data services principally to retail and wholesale enterprise, government and business customers throughout the United States. QCC is authorized to provide various forms of telecommunications services in all 50 states, in Puerto Rico and in the District of Columbia. In Missouri, QCC is authorized to provide basic local exchange, interexchange and operator service pursuant to certificate of service authority granted by this Commission.⁴

B. OnFiber

OnFiber is a Delaware corporation whose principal office and place of business is located at 1801 California Street, Suite 5100, Denver, Colorado, 80202. A copy of OnFiber's Certificate of Authority to Transact Business in Missouri is on file as a matter of public record with this Commission. Applicants respectfully request that the Commission take official notice of that certificate and incorporate it herein by reference pursuant to 4 CSR 240-2.060(1)(G).

³ A copy of QCII's most recent SEC Form 10-K can be found at <http://phx.corporate-ir.net/phoenix.zhtml?c=119535&p=IROL-secToc&TOC=aHR0cDovL2NjYm4uMTBrd2I6YXJkLmNvbS94bWwvY29udGVudHMueG1sP2lwYWdIPTQ2NTE3MzMmcmVwbz10ZW5r>.

⁴ See MoPSC Case No. TA-2000-309 (Order effective June 13, 2000), MoPSC Case No. TA-98-8 (Order effective October 28, 1997), MoPSC Case No. TA-95-196 (Order effective May 22, 1995), MoPSC Case No. 9400038 (Order effective August 18, 1993), MoPSC Case No. TM-2001-628 (Order effective November 9, 2001).

OnFiber is a direct, wholly-owned subsidiary of OnFiber Communications, Inc., which in turn is a direct, wholly-owned subsidiary of QCC. OnFiber therefore is an indirect subsidiary of QCC, and, consequently, is wholly-owned by QCII, the same ultimate corporate parent that owns QCC.

OnFiber provides customized, point-to-point, high-capacity data transport services in the highly competitive retail and wholesale markets targeting enterprise customers and carriers. OnFiber does not serve any aspect of the residential market and does not provide switched voice services. OnFiber and its subsidiaries operate in 20 metropolitan markets across the U.S., serving a total of approximately 250 retail enterprise and wholesale carrier customers nationwide,⁵ each of which is served pursuant to a negotiated contract addressing its specific telecommunications needs.

OnFiber and its affiliates are authorized to provide various forms of telecommunications services in a total of 25 states and in the District of Columbia.⁶ In Missouri, OnFiber is authorized to provide interexchange and non-switched local exchange telecommunications services pursuant to certificate of service authority granted by this Commission.⁷

⁵ Some of these customers only lease dark fiber from OnFiber.

⁶ OnFiber and/or its affiliates currently hold authority in the District of Columbia and the following states: Arizona, California, Connecticut, Delaware, Florida, Georgia, Illinois, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, Texas, Utah, Virginia, Washington and West Virginia.

⁷ See, MoPSC Case No. TA-2000-709 (Order effective March 26, 2001).

II. DESIGNATED CONTACTS

For the purposes of this Application, contacts for the Applicants are as follow:

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Copies of all correspondence, notices and orders pertaining to this Application also should be sent to:

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Fax: (303) 383-8533
Kim.Laakso@qwest.com

III. DESCRIPTION OF THE INTERNAL CORPORATE RESTRUCTURING

QCC acquired OnFiber, together with its corporate parent and affiliates, on August 31, 2006. As a result of that acquisition, OnFiber became – and to this day remains – an indirect, wholly-owned subsidiary of QCC. A diagram depicting the current corporate relationship between QCC and OnFiber can be found in **Exhibit A**. Out of an abundance of caution, QCC and OnFiber Communications, Inc. filed an

application for approval of QCC's acquisition on May 26, 2006. That application was made expressly contingent on the Commission finding that it had jurisdiction. The Commission did not, and dismissed the application on June 13, 2006.⁸

Since acquiring OnFiber, QCC has concluded to undertake an internal corporate restructuring that will consolidate and streamline the operations of both companies. QCC and OnFiber intend to effectuate their internal corporate restructuring through the following successive and effectively simultaneous steps:

1. Merger of OnFiber into OnFiber Communications, Inc.

OnFiber, together with its affiliates, will merge with and into their immediate corporate parent, OnFiber Communications, Inc. ("OnFiber Inc."), with OnFiber Inc. emerging as the surviving corporation.

2. Merger of OnFiber Inc. into QCC

OnFiber Inc. will merge with and into QCC, with QCC emerging as the surviving corporation.

Following the completion of these two steps, QCC will incorporate into its tariff the rates, terms and conditions of service in OnFiber's tariff, to the extent those rates, terms and conditions do not already appear in QCC's tariff and subject to QCC's ability to modify them in the future pursuant to Missouri law. QCC will honor the current rates, terms and conditions of OnFiber's existing customer contracts during the terms of those contracts. QCC will notify this Commission once the proposed internal corporate restructuring is complete and at that time surrender OnFiber's certificate of service authority to provide service in Missouri. Thus, as part of its request for approval of the proposed internal corporate restructuring, this Application also requests the

⁸ See, MoPSC Case No. TM-2006-0452 (*Order Dismissing Joint Application*, effective June 23, 2006).

Commission to cancel OnFiber's certificate of authority and intrastate tariff(s) upon consummation of the restructuring,⁹ as well as any other relief necessary and appropriate to effectuate the restructuring. A diagram depicting QCC's proposed post-transaction ownership structure can be found in at **Exhibit B**.

IV. CUSTOMER NOTIFICATION

As required by applicable FCC rules (47 C.F.R. § 64.1120(e)(3)) and consistent with the Missouri Commission's anti-slamming rule (4 CSR 240-33.150), OnFiber customers will be notified in writing of their proposed transfer from OnFiber to QCC. This written notification will be provided to affected customers at least 30 days in advance of the proposed transfer. A copy of the form customer notice letter to be provided, which complies with the disclosure obligations set forth in the Commission's rules, can be found at **Exhibit C**.

V. PUBLIC INTEREST STATEMENT

The proposed Restructuring is being undertaken to further the integration of OnFiber and QCC. QCC acquired OnFiber principally as a catalyst to the expansion and enhancement of QCC's capabilities outside of the QC 14-state region. By acquiring OnFiber – and now by consolidating its business and operations into one entity – QCC is continuing to improve its ability to compete against other, larger entities in the provision of services to corporations and carriers on a national scale.

The proposed Restructuring also will reduce the administrative burdens associated with operating multiple entities whose businesses and operations overlap and thus are duplicative. In fact, a more efficient corporate structure will allow QCC and

⁹ QCC's existing tariffs already can accommodate, to the extent necessary and appropriate, the provision of service under the same rates, terms and conditions as those in the OnFiber tariff.

its affiliates to devote resources to the provision of improved services to end users. This, in turn, will enhance QCC's ability to compete in the already fiercely competitive market for telecommunications services to enterprise, government and other customers in Missouri. The proposed restructuring also will reduce the number of certificated entities subject to regulation by this Commission, thereby freeing up scarce public resources.

VI. ADDITIONAL INFORMATION REQUIRED BY RULES

Pursuant to the requirements of 4 CSR 240-2.060(K), Applicants state that they do not have any pending action or unsatisfied final judgments or decisions against them in any state or federal agency or court which involve customer service or rates, which action, judgment or decision occurred within the last three (3) years.

Pursuant to the requirements of 4 CSR 240-2.060(L), Applicants state that, to the best of their knowledge, they have no annual report or assessment fees that are overdue.

Pursuant to the requirements of 4 CSR 240-3.520(F), Applicants state that they do not anticipate that the proposed transaction will have any impact on tax revenues of any political subdivision in which structures, facilities or equipment of the Applicants are located.

VII. CONCLUSION

For the reasons stated above, Applicants respectfully submit that grant of this Application will not be detrimental to the public interest. In fact, Applicants believe and assert that approval of the instant Application will, in fact, advance the public interest, convenience and necessity. In light of the benefits that will result from the proposed

Restructuring, Applicants respectfully request expedited review and approval of this Application and all other relief necessary or appropriate to effectuate the Restructuring.

Respectfully submitted,

/s/ William D. Steinmeier

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ATTORNEYS FOR
QWEST COMMUNICATIONS CORPORATION
AND ONFIBER CARRIER SERVICES, INC.

Dated: May 15, 2007

Certificate of Service

I hereby certify that a copy of this document has been electronically transmitted to the Office of the General Counsel of the Missouri Public Service Commission, and to the Office of Public Counsel, on this 15th day of May 2007.

/s/ William D. Steinmeier

William D. Steinmeier

Verification

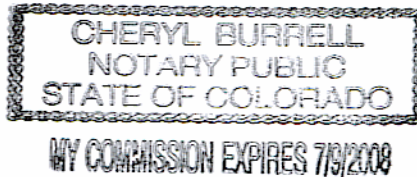
VERIFICATION

I, Thomas J. Wilten, being duly sworn according to law, depose and say that I am President of Qwest Communications Corporation and President of OnFiber Carrier Services, Inc.; that I am authorized to, and do, make this verification on their behalf; and that the facts set forth in the above Joint Application are true and correct to the best of my knowledge, information and belief.

Signed: Thomas J. Wilten
Thomas J. Wilten
President

SUBSCRIBED AND SWORN to me this 15TH day of May, 2007.

Notary Public



LIST OF EXHIBITS

Exhibit A	Pre-Restructuring Corporate Organizational Diagram
Exhibit B	Post-Restructuring Corporate Organizational Diagram
Exhibit C	Form of Customer Notice

EXHIBIT A

Pre-Restructuring Corporate Organizational Diagram

PRE-TRANSACTION

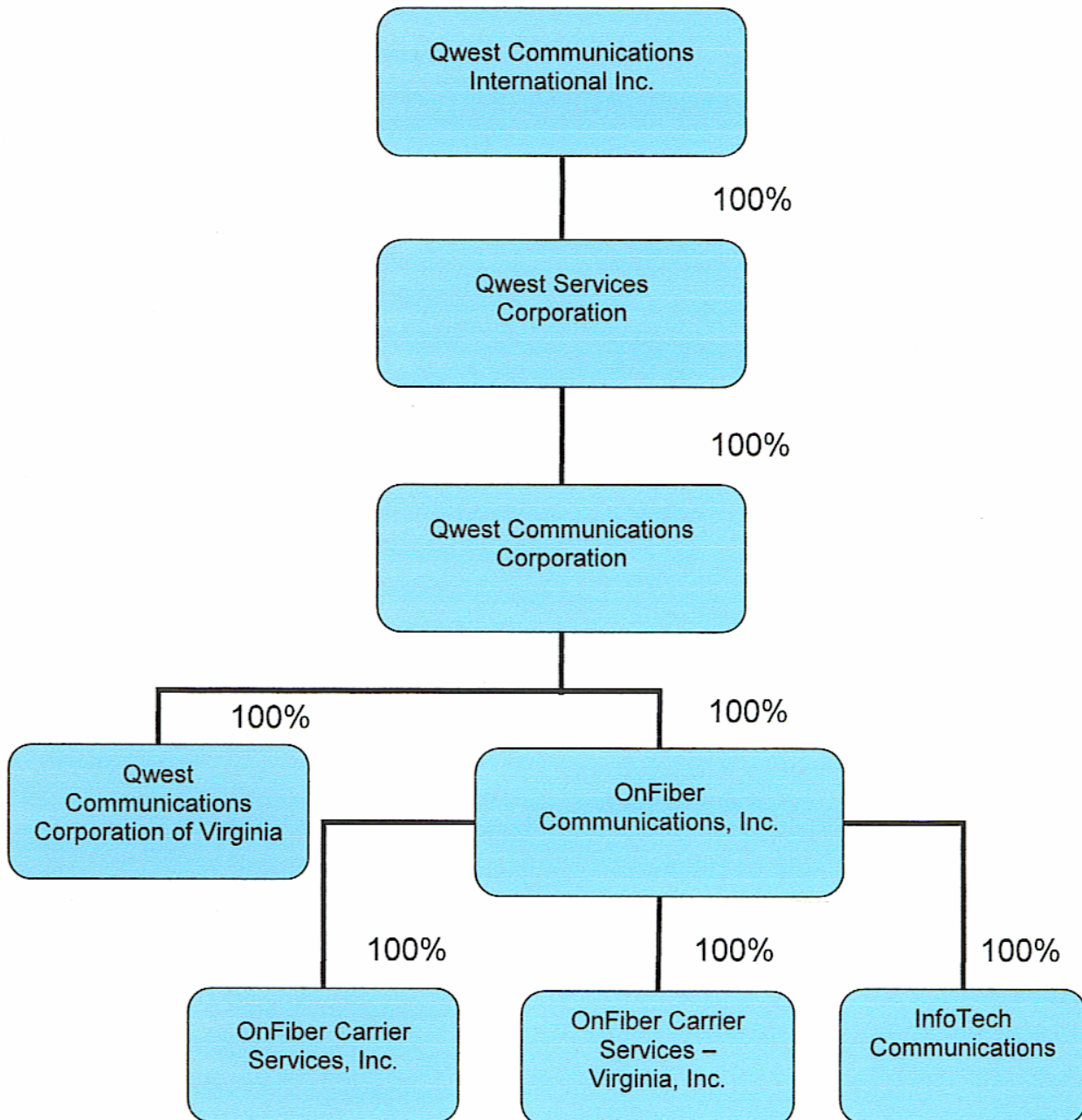


EXHIBIT B

Post-Restructuring Corporate Organizational Diagram

POST-TRANSACTION

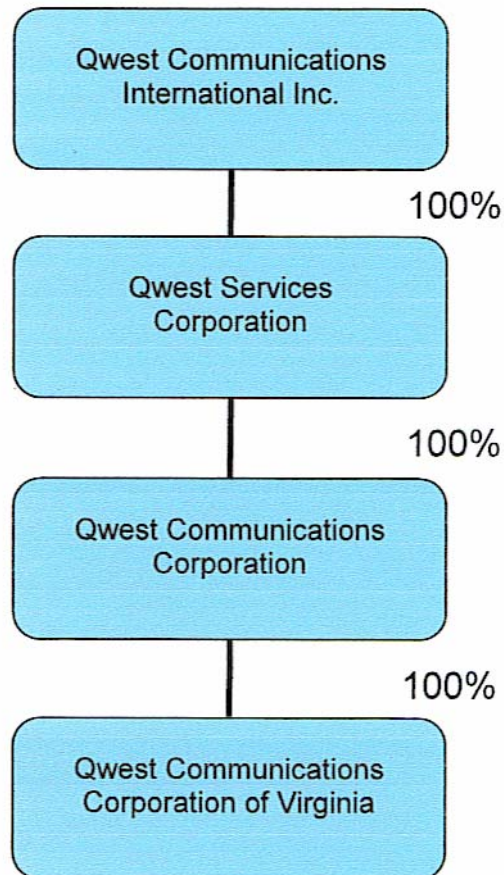


EXHIBIT C

Form of Customer Notice



May 1, 2007

RE: Notice of Corporate Reorganization and Transfer of _____ [insert name of contract]
between _____ [insert name of vendor] ("You") and OnFiber Communications, Inc.
[include reference to prior entities, if appropriate] ("OnFiber") dated effective as of _____
[insert date of contract] (the "Agreement")

Dear OnFiber Customer:

As you may know, in 2006 Qwest Communications Corporation ("QCC") acquired all of the outstanding stock of OnFiber. QCC is a wholly-owned subsidiary of Qwest Communications International Inc., a publicly-traded company whose common stock trades on the New York Stock Exchange under the symbol "Q."

In connection with the acquisition, OnFiber is now merging into QCC, with the result that QCC will be the surviving entity (the "Corporate Reorganization"). Although all contractual obligations of OnFiber will, by operation of law, thereafter flow to QCC, the Corporate Reorganization will not alter the rights and obligations of the parties under the Agreement.

The Corporate Reorganization is expected to be completed on or around September 30, 2007. Other than the name change from "OnFiber" to "QCC" or "Qwest," we expect the Corporate Reorganization to be transparent to you. You will continue to receive and be billed for service under the same rates, terms and conditions in your Agreement that you have enjoyed up to now; and, should there be any changes to these rates, terms and conditions in the future, you will be notified in accordance with the terms of your Agreement and applicable law. If you cannot locate your Agreement, please contact us at the number below so that we can provide you with a copy.

Qwest understands that you have a choice of service providers and we are dedicated to earning and keeping your business. Because of the nature of the services you today receive, Qwest does not anticipate that its Corporate Reorganization will cause you to incur any carrier change charges; but, if you do, Qwest will pay them. Additionally, you have the right to select another service provider, subject to any termination charges agreed to in your Agreement. Assuming you do not select an alternative provider by September 1, Qwest will become your service provider.

The dedicated data transport services you today receive from OnFiber generally are not subject to preferred carrier freezes. Nevertheless, if you have arranged a preferred carrier freeze on your OnFiber account, it will be lifted to accommodate the transfer of your services to Qwest. You therefore may need to arrange a new preferred carrier freeze once Qwest assumes responsibility for your service.

Qwest is committed to continuing to provide you with the same level of excellence and customer service that you enjoy today from OnFiber. Qwest therefore will assume responsibility for any pending complaints or concerns you have raised in connection with your OnFiber service.

Pursuant to the Agreement, we are hereby providing you with written notice of the Corporate Reorganization and the transfer of OnFiber's rights and obligations under the Agreement to QCC that will occur by virtue of the Corporate Reorganization.

Any questions about the issues discussed in this letter or any other aspect of your OnFiber service should be directed to me 1-8XX-XXX-XXXX or by visiting our website at www.qwest.com.