

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 10th day
of July, 2007.

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

ORDER APPROVING JOINT APPLICATION

Issue Date: July 10, 2007

Effective Date: July 20, 2007

Syllabus

This order approves a Joint Application for OnFiber Carrier Services, Inc., to merge into OnFiber Communications, Inc., and for OnFiber Communications Inc. to simultaneously merge into Qwest Communications Corporation.

The Applicants

On May 15, 2007, OnFiber Carrier Services, Inc., and Qwest Communications Corporation applied to the Commission for authority for OnFiber Carrier Services, Inc., to merge into OnFiber Communications, Inc., and for OnFiber Communications Inc. to simultaneously merge into Qwest Communications Corporation.

The Commission granted OnFiber Carrier Services, Inc., a certificate to provide interexchange and non-switched local exchange telecommunications services in Case No. TA-2000-709. The Commission granted Qwest Communications Corporation a certificate of service authority to provide interexchange telecommunications services in Case No. TA-94-155, a certificate of service authority to provide non-switched local exchange

services in Case No. TA-95-196, and a certificate of service authority to provide basic local exchange services in Case No. TA-2000-309.

The Corporate Structure

OnFiber Carrier Services is a wholly owned subsidiary of OnFiber Communications, Inc., which, in turn, is a wholly owned subsidiary of Qwest Communications Corporation.

The Transaction

The joint applicants ask for authority for OnFiber Carrier Services, Inc., to merge into OnFiber Communications, Inc., and for OnFiber Communications Inc. to simultaneously merge into Qwest Communications Corporation. Once the transaction is completed, OnFiber Carrier Services, Inc., and OnFiber Communications, Inc., would cease to exist and Qwest Communications Corporation would be the surviving entity.¹

The applicants state that the proposed transaction is not detrimental to the public interest. They state that Qwest Communications Corporation's current tariff will allow it to provide the same services under the same terms and conditions that OnFiber Carrier Services, Inc., currently provides its customers. Also, the merger would strengthen Qwest Communications Corporations' competitive position by reducing the administrative burdens associated with operating multiple entities whose business and operations are duplicative. The applicants state that they intend to give at least 30 days' notice to customers of the merger, and provided a sample notice along with their application.

¹ OnFiber Carrier Services, Inc., and Qwest Communications Corporation attached a pre-transaction and a post-transaction organizational chart to their application, which is affixed to this order.

Discussion

On June 21, 2007, Staff filed its recommendation. Staff notes that Section 392.300, RSMo 2000, governs mergers. The Commission may approve an asset transfer if it is “not detrimental to the public interest.”²

Staff agrees that the Commission’s approval of the merger will not be detrimental to the public interest. Staff recommends that the Commission approve the merger.

The Commission has reviewed the verified application and Staff’s verified recommendation, which are hereby admitted into evidence. The Commission finds that the proposed transaction is not detrimental to the public interest and that the Commission should therefore approve it. The Commission notes that the merger involves competitively classified companies, and that OnFiber Carrier Services, Inc.’s customers will receive notice of the merger and can freely change carriers.

IT IS ORDERED THAT:

1. The Joint Application filed by OnFiber Carrier Services, Inc., and Qwest Communications Corporation is approved.
2. Qwest Communications Corporation shall file a pleading in this case informing the Commission of when the merger is completed, so the Commission can cancel the certificate of service authority and tariff of OnFiber Carrier Services, Inc.
3. Qwest Communications Corporation and OnFiber Carrier Services, Inc., shall give the customers of OnFiber Carrier Services at least 30 days’ notice of the

² See *In re WorldCom*, 5 Mo. P.S.C.3d 312, 315 (1996); *In re Computer Network Technology Corporation*, Commission Case No. XM-2005-0283 (Order Approving Merger and Directing Filing, March 29, 2005).

transaction, with the notice being the same as or substantially similar to the proposed customer notice affixed to the Joint Application, and shall inform the Commission once those customers have received the required 30 days' notice.

4. This order shall become effective on July 20, 2007.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Gaw, Clayton,
and Appling, CC., concur.

Pridgin, Regulatory Law Judge