BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Joint Application of)
Xspedius Management Co. of Kansas City, LLC)))
and Xspedius Management Co. Switched Services LLC) Case No. TM-2007-0472)
For Approval of a Merger, and Approval of a Name Change of the Surviving Corporation to Time Warner Telecom of Kansas City LLC)))

JOINT APPLICATION

COME NOW Xspedius Management Co. of Kansas City, LLC ("Xspedius KC"), and Xspedius Management Co. Switched Services, LLC ("Xspedius Switched Services"), (hereinafter collectively referred to as, "Joint Applicants"), by their undersigned counsel and, pursuant to Section 392.300, RSMo, 4 CSR 240-2.060 and 4 CSR 240-3.520 through 3.535, request Commission approval of the proposed transaction, discussed below, which will be undertaken to effectuate an internal corporate consolidation of Joint Applicants. Applicants also seek the Commission's approval of a change of name of the surviving corporate entity to "Time Warner Telecom of Kansas City LLC." Lastly, Joint Applicants request that the Commission cancel Xspedius Switched Services' certificates of service authority upon consummation of the consolidation.

Grant of this Application will serve the public interest. The proposed consolidation 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 Xspedius Switched Services with and into Xspedius KC, with Xspedius KC (renamed "Time Warner of Kansas City LLC") emerging as the surviving corporation. The administrative burden on the Commission's resources presented by the separate existence of two Xspedius entities therefore will be substantially reduced as a result of the consolidation. The restructuring also will benefit competition in Missouri by permitting Xspedius KC and Xspedius Switched Services, both of which operate in a fiercely competitive environment, to consolidate their operations. This will enable the new "Time Warner Telecom of Kansas City LLC" 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 Xspedius customers will be notified of the transfer and name change, and no material rates, terms or conditions of service enjoyed by these customers will change as a result of the restructuring. In short, the proposed restructuring will benefit the Joint Applicants, their customers and the Commission. Grant of this Application therefore is in the public interest.

I. DESCRIPTION OF THE APPLICANTS

A. Xspedius Management Co. of Kansas City, LLC

1. Xspedius Management Co. of Kansas City, LLC is a limited liability Delaware corporation whose principal office and place of business is located at 10475 Park Meadows Drive, Suite 400, Littleton, Colorado (CO) 80124. Its telephone number is 1-800-937-7473. A copy of Xspedius KC's Certificate of Authority to Transact Business in Missouri is on file as a matter of public record with this Commission, in

Case No. XA-2002-1154. Joint 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. Xspedius KC and Xspedius Switched Services are both wholly-owned subsidiaries of Time Warner Telecom Inc., a publicly-held Delaware corporation whose stock is traded on the NASDAQ under the symbol "TWTC" 1
- 3. In Missouri, Xspedius KC is authorized to provide interexchange and non-switched local exchange telecommunications services pursuant to certificate of service authority granted by this Commission.²

B. Xspedius Management Co. Switched Services, LLC

- 4. Xspedius Management Co. Switched Services, LLC is a limited liability Delaware corporation whose principal office and place of business is located at 10475 Park Meadows Drive, Suite 400, Littleton, Colorado (CO) 80124. A copy of Xspedius Switched Services' Certificate of Authority to Transact Business in Missouri is on file as a matter of public record with this Commission in Case No. CA-2002-1153. 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).
- 5. In Missouri, Xspedius Switched Services is authorized to provide basic local exchange, interexchange and non-switched local exchange telecommunications services pursuant to certificate of service authority granted by this Commission.³

A copy of Time Warner Telecom's most recent SEC Form 10-K can be found at: http://www.twtelecom.com/Documents/Announcements/Financial_Docs/2006/10K_TWTC_as_filed-2006.pdf .

See, MoPSC Case No. XA-2002-1154 (Order effective February 8, 2003).

³ See, MoPSC Case Nos. CA-2002-1153 (Order effective March 30, 2003), and LA-2003-0001 (Order effective February 28, 2003).

II. **DESIGNATED CONTACTS**

6. All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

William D. Steinmeier Mary Ann (Garr) Young WILLIAM D. STEINMEIER, P.C. P.O. Box 104595

Jefferson City, Missouri 65110-4595 Telephone: (573) 659-8672 Facsimile: (573) 636-2305 Email: wds@wdspc.com myoung@wdspc.com

Pamela Sherwood Vice President of Regulatory Midwest Region Time Warner Telecom 4625 W. 86th Street, Suite 500 Indianapolis, Indiana (IN) 46268 Telephone: 317-713-8977

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317-713-8937 Email: Pamela.sherwood@twtelecom.com

III. DESCRIPTION OF THE INTERNAL CORPORATE RESTRUCTURING

- 7. Time Warner Telecom Inc. acquired Xspedius Communications, LLC, the corporate parent of both of the Joint Applicants, in 2006. Letter-notice of that transaction, which occurred only at the holding-company level, was given to the Missouri Public Service Commission by letter dated August 9, 2006. A copy of that letter-notice is being filed with this Joint Application, in the form of a separate pdf document, as **Exhibit A.** As a result of that acquisition, Joint Applicants became - and to this day remain - whollyowned subsidiaries of Time Warner Telecom.
- 8. Since acquiring the Xspedius entities, Time Warner Telecom has undertaken an internal corporate restructuring that will consolidate and streamline the

operations of the Xspedius companies. Time Warner Telecom and Xspedius intend to effectuate this internal corporate restructuring through the following successive and effectively simultaneous steps:

a. Merger of Xspedius Management Co. Switched Services, LLC into Xspedius Management Co. of Kansas City, LLC.

Xspedius KC will acquire all of the assets of Xspedius Switched Services. Thus, Xspedius Switched Services will merge with and into its sister corporation, Xspedius KC, with Xspedius KC emerging as the surviving corporation.

b. Name Change of Xspedius Management Co. of Kansas City, LLC to Time Warner Telecom of Kansas City LLC.

With the Commission's approval, Xspedius Management Co. of Kansas City, LLC, the surviving company after the merger, will change its name to Time Warner Telecom of Kansas City LLC, to reflect the better-known name of its parent company.

9. Simultaneously with the filing of the instant Joint Application, Xspedius KC is filing an Application seeking basic local exchange certificate of service authority from the Commission. Since Xspedius Switched Services currently has such authority, but Xspedius KC does not, this will assure that, upon approval of the merger, the surviving Xspedius entity can continue to provide all the services currently being provided by the two Xspedius entities. Xspedius KC will adopt the basic local exchange tariff of Xspedius Switched Services as part of its CLEC application. Thus, Xspedius KC (as Time Warner Telecom of Kansas City) will simply absorb the basic local exchange

services currently being provided by Xspedius Switched Services, and will continue to honor the current rates, terms and conditions of the existing customers of both Xspedius entities. Xspedius KC will notify this Commission once the proposed internal corporate restructuring is complete so that Xspedius Switched Services' certificate of service authority may be cancelled. Thus, as part of its request for approval of the proposed internal corporate restructuring, this Application also requests the Commission to cancel Xspedius Switched Services' certificate of service authority (basic local, IXC and non-switched local exchange) upon consummation of the restructuring, as well as any other relief necessary and appropriate to effectuate the consolidation. Diagrams depicting the pre-consolidation relationship of Time Warner Telecom and the Xspedius companies, as well as the proposed post-transaction ownership structure, can be found in **Exhibit B**.

IV. CUSTOMER NOTIFICATION

10. 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), customers of Xspedius Switched Services will be notified in writing of their proposed transfer to Xspedius KC, and all Xspedius customers in Missouri will notified of the change of name to Time Warner Telecom of Kansas City LLC. 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, is attached to this Joint Application as **Exhibit C**.

V. PUBLIC INTEREST STATEMENT

11. By consolidating the business and operations of Xspedius KC and Xspedius Switched Services into one entity, Time Warner Telecom 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 new name, Time Warner Telecom of Kansas City LLC, will enhance the public visibility of the Xspedius entities.

12. The proposed consolidation will also 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 Xspedius (Time Warner Telecom of Kansas City LLC) to devote resources to the provision of improved services to end users. This, in turn, will enhance the ability of the consolidated entity to compete in the already fiercely competitive market for telecommunications services to 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. NAME CHANGE

13. Pursuant to 4 CSR 240-2.060 (5), as part of their proposed consolidation herein, Joint Applicants request approval of the Commission to change the name of the surviving telecommunications provider from its old name, "Xspedius Management Co. of Kansas City, LLC", to a new name, "Time Warner Telecom of Kansas City LLC". Evidence of registration of the new corporate name with the Missouri Secretary of State will be late-filed as **Exhibit D**. Pursuant to 4 CSR 240-2.060 (5)(C), the adoption notices and/or revised tariff title sheets necessary to accomplish this name change will also be late-filed. A sample, proposed adoption notice, for adoption of Xspedius Switched Services' basic local exchange tariff by Xspedius KC (as Time Warner Telecom of

Kansas City LLC) is being filed in the certificate application case submitted to the Commission contemporaneously with the instant Joint Application by Xspedius KC.

VII. ADDITONAL INFORMATION REQUIRED BY RULES

- 14. Pursuant to the requirements of 4 CSR 240-2.060(K), Joint 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.
- 15. Pursuant to the requirements of 4 CSR 240-2.060(L), Joint Applicants state that, to the best of their knowledge, they have no annual report or assessment fees that are overdue.
- 16. Pursuant to the requirements of 4 CSR 240-3.520(F), Joint 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

17. For the reasons stated above, Joint Applicants respectfully submit that grant of this Application will not be detrimental to the public interest. In fact, Joint 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 corporate consolidation and name change, Applicants respectfully request prompt review and approval of this Application and all other relief necessary or appropriate to effectuate the consolidation.

WHEREFORE, Xspedius Management Co. of Kansas City, LLC and Xspedius Management Co. Switched Services, LLC, Joint Applicants herein, respectfully request an Order of the Commission: (1) approving the transfer of assets of Xspedius Management Co. Switched Services, LLC to Xspedius Management Co. of Kansas City, LLC and the resulting consolidation of the Joint Applicants; (2) approving a change of name of Xspedius Management Co. of Kansas City, LLC to Time Warner Telecom of Kansas City LLC; (3) canceling the certificates of service authority of Xspedius Management Co. Switched Services, LLC upon consummation of the merger; and (4) such other orders as the Commission deems necessary in order to carry out the proposed transaction.

Respectfully submitted,

/s/ William D. Steinmeier

William D. Steinmeier, MoBar #25689 Mary Ann (Garr) Young, MoBar #27951 WILLIAM D. STEINMEIER, P.C. 2031 Tower Drive P.O. Box 104595 Jefferson City, Missouri 65110-4595

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Fax: 573-636-2305
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myoung@wdspc.com

ATTORNEYS FOR XSPEDIUS
MANAGEMENT CO. OF KANSAS CITY, LLC
and XSPEDIUS MANAGEMENT CO.
SWITCHED SERVICES, LLC

Dated: June 7, 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 7^{th} day of June 2007.

/s/ William D. Steinmeier		
William D.	Steinmeier	

LIST OF EXHIBITS

Exhibit A Notice-Letter to MoPSC Regarding Time Warner Acquisition of

Xspedius Communications, LLC, August 9, 2006 - filed as

separate pdf file

Exhibit B Pre- and Post-Restructuring Corporate Organizational Diagrams

Exhibit C Form of Customer Notice

Exhibit D Missouri Secretary of State Certificate of Time Warner Telecom

of Kansas City LLC - to be late-filed

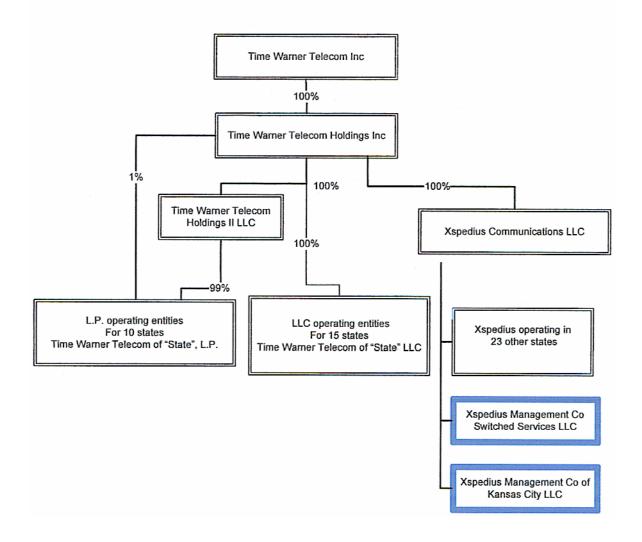
EXHIBIT A

Notice-Letter to MoPSC Regarding Time Warner Acquisition of Xspedius Communications, LLC, August 9, 2006 (filed as separate pdf file)

EXHIBIT B

Pre- and Post-Restructuring Corporate Organizational Diagrams

Time Warner Telecom Inc. Pre Consolidation



Post Consolidation Subsidiary Structure

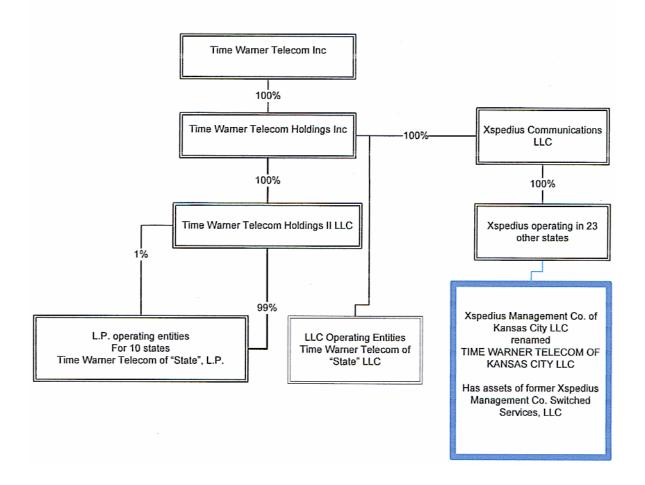


EXHIBIT C

Form of Customer Notice

DRAFT

Dear Customer:

AN IMPORTANT NOTICE REGARDING YOUR
TELECOMMUNICATION SERVICE FROM
XSPEDIUS MANAGEMENT CO. SWITCHED SERVICES, LLC
XSPEDIUS MANAGEMENT CO. OF KANSAS CITY, LLC

Thank you for being a loyal customer of Xspedius Management Co. Switched Services, LLC or Xspedius Management Co. of Kansas City, LLC (collectively "Xspedius"). It has been our pleasure to provide you with quality telecommunications service.

As you know, Xspedius recently sold its Missouri regulated telecommunications assets to Time Warner Telecom, Inc. We are pleased to now inform you that Time Warner Telecom, Inc. is consolidating all of its Missouri regulated telecommunications assets into Xspedius Management Co. of Kansas City, LLC and then renaming this subsidiary "Time Warner Telecom of Kansas City LLC." Following this consolidation, Xspedius will no longer be the name of your service provider. Your transition from Xspedius to Time Warner Telecom of Kansas City LLC for telecommunications services requires no action on your part.

The transfer of your service to the newly named company, Time Warner Telecom of Kansas City LLC will be invisible to you because Time Warner Telecom of Kansas City LLC will utilize the same facilities that currently serve your account. Moreover, there will be no change in the services you have ordered. The transfer of your services to Time Warner Telecom of Kansas City LLC will be seamless and without down time or modification to existing services or rates. This transfer requires no action on your part. The local account team who services your account today will continue to provide you the excellent service that you have experienced to date.

We believe that this new development will be good for your company. The vision, financial capital, and experience of Time Warner Telecom, Inc. will bring our customers innovation and excellent customer service. As your new service provider, Time Warner Telecom of Kansas City LLC will continue to provide you with the same telecommunications services you currently receive in accordance with the rates, terms and conditions of your existing contract or effective tariffs on file with the Missouri Public Service Commission. If in the future Time Warner Telecom of Kansas City LLC determines that rates, terms, or conditions require modification, it will follow the contract terms or the Missouri Public Service Commission rules regarding such changes, including, where required, written 30 day notice to customers. Xspedius and Time Warner Telecom, Inc. will continue to be responsible

for the resolution of any complaints filed or otherwise raised until the consolidation is finalized.

If you do not wish to become a customer of Time Warner Telecom of Kansas City LLC, you may, in accordance with the terms of your contract, select another service provider within thirty days of the date of this letter. If you do not select another provider Time Warner Telecom of Kansas City LLC will automatically become your service provider effective thirty days from the date of this letter. You will not incur any charges for the change to Time Warner Telecom of Kansas City LLC. However, should you select another provider, you may incur additional charges. If you change providers, the terms and conditions of your Xspedius contract will still apply, including any applicable termination liability or change charges. Please be aware that you are responsible for paying all bills rendered to you by Xspedius during this transition. You may be subject to termination of your service in accordance with the terms of your contract and applicable Commission rules if you fail to pay your telephone bill.

If you do not want service from Time Warner Telecom of Kansas City LLC you must select a new provider as soon as possible. Otherwise, you need do nothing and your service will seamlessly transfer to Time Warner Telecom of Kansas City LLC.

Xspedius remains committed to providing you with excellent service during this period of transition. If you have any questions regarding this notice or your service, please call 1-800-937-7473.

Time Warner Telecom of Kansas City LLC looks forward to meeting your communication needs including bundled packages of voice and data services, local phone service, Internet access, and managed networking solutions.

EXHIBIT D

Missouri Secretary of State Certificate Time Warner Telecom of Kansas City LLC (To be late-filed)

OFFICERS' VERIFICATIONS

VERIFICATION

I, Rochelle D. Jones, being duly sworn according to law, depose and say that I am an officer of Time Warner Telecom Holdings Inc and its subsidiaries; that I am authorized to and do make this verification for it; and that the facts set forth in the above Application are true and correct to the best of my knowledge, information and belief.

TITLE: Senior Vice President - Regulatory

SUBSCRIBED AND SWORN to me this 4 day of 4. 2007.

SANDRA BOOKER

Notary Public, State of New York

Qualified in Kings County

Commission Expires: 01-31-20 No. 24-4713771

Notary Public

VERIFICATION

I, Pamela H. Sherwood, being duly sworn according to law, depose and say that I am Vice President of Regulatory of Time Warner Telecom, which includes its subsidiaries Xspedius Management Co. Switched Services, LLC and Xspedius Management Co. of Kansas City, LLC; 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.

SUBSCRIBED AND SWORN to me this 5th day of June, 2007.

SEAL

ANDREA B. MOORE, PUBLIC NOTARY MY COMMISSION EXPIRES: 02/02/13 COUNTY OF RESIDENCE: HAMILTON

Notary Public