

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

In the Matter of the Application of)	
)	
Qwest Communications Corporation)	Case No. <u>TM-2008-0101</u>
)	
For Approval of Corporate Restructuring)	

APPLICATION FOR APPROVAL OF CORPORATE RESTRUCTURING

Qwest Communications Corporation ("QCC" or "Applicant"), by and through counsel, and pursuant to Section 392.300.1 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, hereby requests Commission approval of, or a finding of lack of jurisdiction over, a proposed internal corporate restructuring involving the merger of two wholly-owned subsidiaries of QCC into QCC. The two companies to be merged into QCC are Qwest Internet Solutions, Inc. ("QIS") and Phoenix Telecom, Inc. ("PTI").

The corporate restructuring will benefit QCC's ultimate parent corporation, Qwest Communications International Inc. ("QCI"), by reducing administrative burdens and simplifying its corporate structure. This will enable QCC to realize administrative efficiencies and reduce costs, thereby improving its ability to compete in an already highly competitive market for telecommunication services. Although the proposed transaction will result in a change in the corporate structure of QCC, no transfer of assets or customers, and no impact on customers, will occur as a consequence. Accordingly, this transaction will be transparent to the Missouri customers of QCC.

I. DESCRIPTION OF APPLICANT AND COMPANIES TO BE MERGED

A. QCC

QCC is a Delaware corporation whose principal office and place of business is located at 1801 California Street, Denver, Colorado 80202. QCC is the direct corporate parent of PTI and QIS. QCC is also 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, QCII, a Delaware corporation whose stock is publicly traded on the New York Stock Exchange under the symbol Q."¹

QCC 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 interexchange and operator service pursuant to the certificate of service authority granted by this Commission.²

¹ 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=aHR0cDovL2NjYm4uMTBrd2I6YXJkLmNvbS94bWwvY29udGVudHMueG1sP2lwYWdlPTQ2NTE3MzMzMzEmcmVwbz10ZW5r>.

² 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. TA-94-39 (Order effective August 18, 1993), MoPSC Case No. TM-2001-628 (Order Effective November 9, 2001).

B. PTI

PTI is a Delaware corporation whose principal office and place of business is located at 1801 California Street, Suite 5100, Denver, Colorado, 80202. PTI is not a telecommunications provider and is not certificated at the FCC or in this state. PTI has no customers, assets, tariffs or employees, and has had no financial records, operations or revenues for at least five (5) years. PTI was formerly a subsidiary of Phoenix Network, Inc., which merged into QCC in 2001.

C. QIS

QIS is a Delaware corporation whose principal office and place of business is located at 1801 California Street, Suite 5100, Denver, Colorado, 80202. Like PTI, QIS is not a telecommunications provider and is not certificated at the FCC or in this state. In the past, QIS provided professional services supporting internet solutions. It no longer serves those or any functions. QIS never provided regulated telecommunications services.

II. DESIGNATED CONTACTS

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

Mary Ann (Garr) Young
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Qwest Corporation
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Seattle, WA 98191
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Copies of all correspondence, notices and orders pertaining to this Application
also should be sent to:

Kim E. Laakso
Corporate Counsel
Qwest Services Corporation
1801 California Street, 10th Floor
Denver, Colorado 80202
Tel: (303) 383-6557
Fax: (303) 383-8533
Kim.Laakso@qwest.com

III. DESCRIPTION OF THE INTERNAL CORPORATE RESTRUCTURING

In order to simplify the Qwest corporate structure, PTI and QIS (in separate transactions) will be merged into QCC, with QCC emerging as the surviving entity in both transactions. A diagram depicting the current corporate relationship between QCC, PTI and QIS can be found in **Attachment A**. A diagram depicting QCC's proposed post-transaction ownership structure can be found in **Attachment B**.

IV. CUSTOMER NOTICE

As noted above, neither PTI nor QIS is a public utility, and neither has customers in this state. QCC's customers will not be impacted by these transactions. As such, no customer notification will be provided.

V. PUBLIC INTEREST STATEMENT

The proposed restructuring also will reduce the administrative burdens and costs associated with operating subsidiaries that serve no function. A more efficient corporate structure will allow QCC and its operating 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. These transactions are, therefore, in the public interest.

VI. ADDITIONAL INFORMATION REQUIRED BY RULES

Pursuant to the requirements of 4 CSR 240-2.060(K), Applicant states that it does not have any pending action or unsatisfied final judgments or decisions against it 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), Applicant states that it has no annual report or assessment fees that are overdue.

Pursuant to the requirements of 4 CSR 240-3.520(F), Applicant states that it does 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 Applicant are located.

VII. CONCLUSION

QCC anticipates that these transactions will be completed on or by December 31, 2007. Should the Commission have any concerns regarding these transactions, please do not hesitate to contact the undersigned.

Respectfully submitted,

/s/Mary Ann Young

Mary Ann (Garr) Young, MoBar #27951

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ATTORNEYS FOR

QWEST COMMUNICATIONS CORPORATION

Dated: October 9, 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 5th day of October 2007.

/s/Mary Ann Young

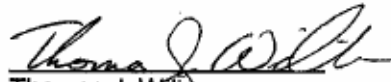
Mary Ann (Garr) Young

STATE OF COLORADO


COUNTY OF DENVER

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 Qwest Internet Solutions, 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.



Thomas J. Wilten
President


Signature of Notary

Sworn and subscribed before me this 9 day of October, 2007

My Commission Expires: 7/9/2008



LIST OF EXHIBITS

- | | |
|------------------|---|
| Exhibit A | Pre-Restructuring Corporate Organizational Diagram |
| Exhibit B | Post-Restructuring Corporate Organizational Diagram |

EXHIBIT A

Pre-Restructuring Corporate Organizational Diagram

PRE-TRANSACTION

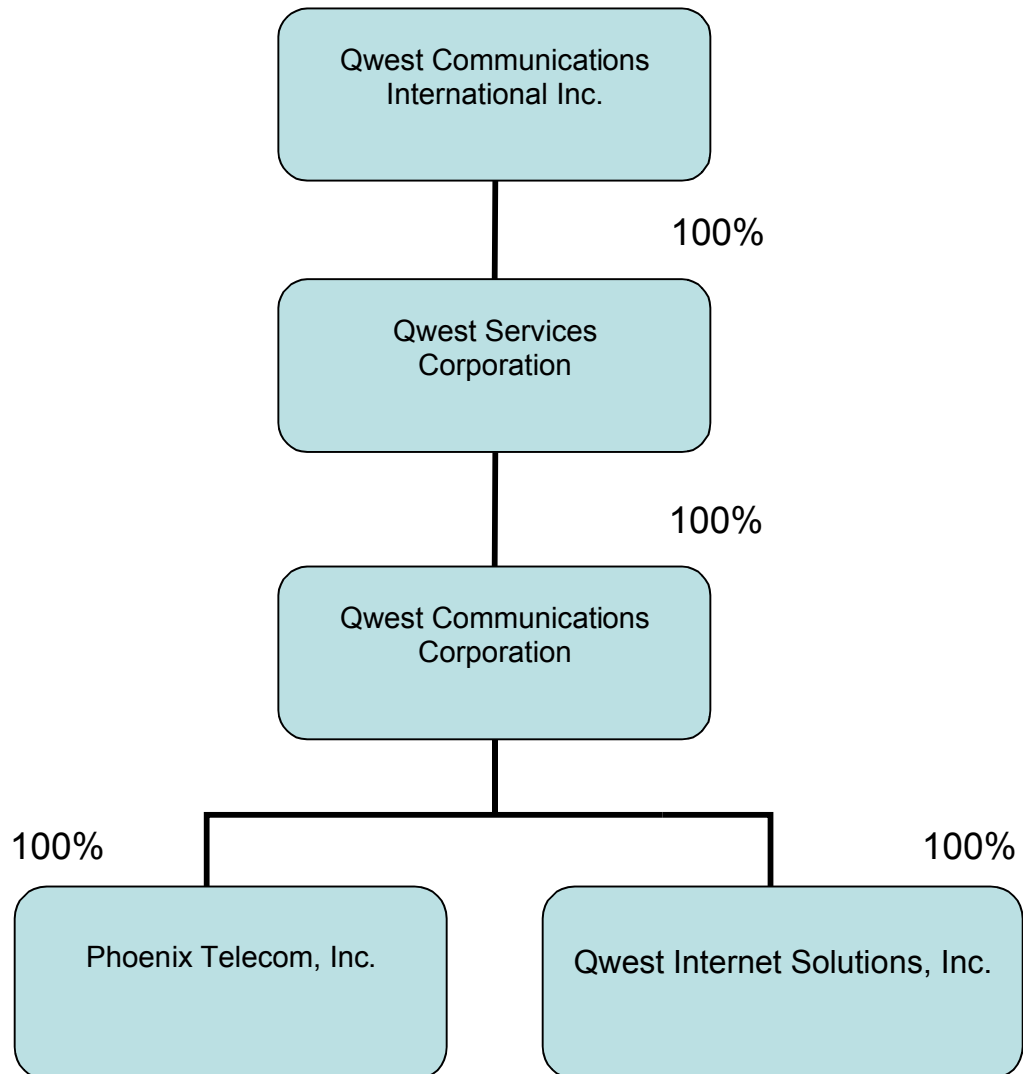


EXHIBIT B

Post-Restructuring Corporate Organizational Diagram

POST-TRANSACTION

