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LELAND B. CURTIS
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June 5, 2002

Secretary of the PSC
P.O. Box 360
Jefferson City, MO 65102-0360

Re: Application of Broadwing Communications Services Inc. to Place Certain Real
Property Assets Located in the State of Missouri into a Wholly Owned Subsidiary
Broadwing Communications Services, Inc.

Dear Secretary of the Commission:

Enclosed for filing with the Commission in the above-referenced case is an original and eight copies of the Application of Broadwing Communications Services Inc. to Place Certain Real Property Assets Located in the State of Missouri into a Wholly Owned Subsidiary Broadwing Communications Services, Inc. Also enclosed is an additional copy of the Application without the exhibits. Please file stamp this additional copy and return it to me in the enclosed self-addressed stamped envelope.

If you have any questions, please do not hesitate to contact me.

Very truly yours,



Leland B. Curtis

LBC/kw

**Before the
MISSOURI PUBLIC SERVICE COMMISSION**

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| Application of Broadwing Communications) | |
| Services Inc. to Place Certain Real Property) | Case No. |
| Assets Located in the State of Missouri into) | |
| a Wholly Owned Subsidiary) | |

APPLICATION

COMES NOW Broadwing Communications Services Inc. (f/k/a IXC Communications Services, Inc.), a Delaware corporation (hereinafter "Broadwing-CSI"), by its attorneys, and hereby requests approval pursuant to 4CSR240.2.060 and §392.300.1 RSMo from the Missouri Public Service Commission ("Commission") to place certain of its real property assets located in Missouri into a wholly owned subsidiary of Broadwing-CSI. In support of its Application, Broadwing-CSI states:

1. THE APPLICANT

Broadwing-CSI, is a Delaware corporation in good standing and maintains its headquarters at 1122 Capital of Texas Highway South, Austin, Texas 78746. Broadwing-CSI is a wholly owned subsidiary of Broadwing Communications Inc., which in turn is a wholly owned subsidiary of Broadwing Inc. (f/k/a Cincinnati Bell, Inc.), an Ohio Corporation. Broadwing Inc. is a diversified telecommunications services holding company.

Broadwing-CSI currently provides intrastate interexchange services in forty-eight states, including Missouri. Broadwing-CSI received its authority to provide telecommunications services in Missouri on August 11, 1995, in Case No. TA-95-387, under the name IXC Long Distance, Inc. ("IXC-LD"). As the Commission was previously notified, IXC-LD's name was later changed to IXC Communications Services, Inc. and then to Broadwing Communications Services Inc. Broadwing-CSI also provides interstate and international telecommunications

services pursuant to authority granted by the Federal Communications Commission. Current financial information for Broadwing Inc., which includes information about Broadwing-CSI, is attached hereto as Exhibit 1. Broadwing-CSI is authorized to do business in the State of Missouri as evidenced by the Certificate of Good Standing from the Missouri Secretary of State attached hereto as Exhibit 2.

2. **DESIGNATED CONTACTS**

The designated contacts for questions concerning this Application are:

Missouri Counsel

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3. Broadwing-CSI seeks authority to place certain of its real property located in Missouri into a wholly owned subsidiary pursuant to the terms of a preexisting credit agreement. A copy of the Amendment and Restatement of the Credit Agreement (including Amendment Nos. 1 through 9) (the "Agreement") is attached hereto as Exhibit 3. The Missouri real property will not be placed into Broadwing-CSI's wholly owned subsidiary until after requisite regulatory approval has been obtained. The affected property is listed on Exhibit "4" attached to this

Application and will be recorded under the name of the subsidiary, Broadwing Communications Real Estate Services LLC.

4. Broadwing-CSI and Broadwing Inc. are both named borrowers under the Agreement.

Pursuant to the Agreement, the companies have received loans in the amount of \$1.67 billion. In addition, the Agreement established credit facilities that the companies are able to draw on as needed. Under circumstances specified in the Agreement, the borrowers are now required to place certain real property into a wholly owned subsidiary.

5. This transaction will not adversely affect the provision of telecommunications services in Missouri. Broadwing-CSI will continue to operate and remain the holder of its authorization, and the day-to-day operations of Broadwing-CSI will not be impaired. Further, all customer contracts as well as other personalty will remain with Broadwing-CSI. Thus, Broadwing-CSI's customers will not be adversely affected. Broadwing-CSI will continue to provide services to its current customers under pre-existing service arrangements and will control the wholly owned subsidiary in which its Missouri real property will be placed.

6. The proposed delivery of real property to a wholly owned subsidiary is in the public interest. Following the terms of the Agreement will enable Broadwing-CSI to continue to benefit from the funds available under the Agreement. The continued availability of those funds will facilitate Broadwing-CSI's ability to continue to provide the highest quality telecommunications services to customers in Missouri and throughout the continental United States. Thus, placing the real property into a wholly-owned subsidiary will benefit the public interest by enabling Broadwing-CSI to continue to serve its current and new customers in Missouri with a full range of competitively priced services, thereby helping to ensure healthy competition in Missouri's long distance marketplace.

7. Broadwing-CSI has no pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involved customer service or rates within the past three years.
8. Broadwing-CSI has no overdue annual report or overdue assessment fees in Missouri.
9. The verification for Broadwing-CSI's Application is attached hereto as Exhibit "5."

CONCLUSION

WHEREFORE, Broadwing-CSI respectfully requests the Commission to expeditiously grant approval of this Application, permitting the placement of real property into a wholly owned subsidiary pursuant to the Agreement.

Respectfully submitted,

Broadwing Communications Services Inc.

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CERTIFICATE OF SERVICE BY MAIL

A true and correct copy of the foregoing was served upon the parties identified in the attached service list on this 5th day of June, 2002, by placing same in a postage paid envelope and depositing in the U.S. Mail.

Wanda R. Curtis

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