

**OF THE STATE OF MISSOURI**

In the Matter of the Application of Qwest  
Communications Corporation for Approval of  
Corporate Restructuring )  
 ) **Case No. TM-2008-0101**  
 )

## ORDER DIRECTING FILING

Issue Date: October 18, 2007

Effective Date: October 18, 2007

This order directs the Staff of the Commission to file a pleading informing the Commission when it will file its recommendation in this matter.

According to the verified pleadings in this case, Qwest Communications Corporation (“QCC”) is a Delaware corporation headquartered in Colorado which is authorized to provide various forms of telecommunications services in all 50 states and has been certificated to provide operator and basic interexchange telecommunications services in Missouri for more than ten years. QCC is the direct corporate parent of Phoenix Telecom, Inc. (“PTI”) and Qwest Internet Solutions, Inc. (“QIS”), both of which are wholly-owned subsidiaries of QCC.

PTI, a Delaware corporation headquartered in Colorado, was formerly a subsidiary of Phoenix Network, Inc., which merged into QCC in 2001. PTI is not a telecommunications provider or public utility, and is not certificated in Missouri. It currently has no customers, assets, tariffs, or employees, and has had no financial records, operations, or revenues for at least the past five years.

QIS is also a Delaware corporation headquartered in Colorado. Like PTI, QIS is not a telecommunications provider or public utility, and is not certificated in Missouri. While it formerly provided Internet-related professional services, it no longer performs those or any other functions in Missouri and has never provided regulated telecommunications services.

On October 9, 2007, QCC filed a verified application with the Commission<sup>1</sup> seeking the Commission's approval of two proposed internal corporate mergers whereby PTI and QIS would be merged into QCC in separate transactions, with QCC emerging as the surviving entity. QCC alleges that this is in the public interest since it will reduce the administrative burdens and costs associated with operating wholly-owned subsidiaries that serve no function, thus allowing QCC and its operating affiliates and corporate parents to devote those resources to the provision of improved services to end users. In the alternative, QCC seeks an order finding that the Commission lacks jurisdiction over the proposed mergers and dismissing the application on that ground.<sup>2</sup>

Bearing in mind that QCC anticipates completing the proposed mergers on or before December 31, 2007, the Commission will order Staff to file a pleading informing the Commission when it will file its recommendation.

---

<sup>1</sup> Commission Rule 4 CSR 240-2.060(C) requires any applicant that is a foreign corporation to include, in its application, a certificate from the Missouri Secretary of State that it is authorized to do business in Missouri. The Commission notes that QCC's application contains no such certificate.

<sup>2</sup> The application avers that although the proposed mergers would result in a change in the corporate structure of QCC, it would be transparent to QCC's Missouri customers and would not result in the transfer of QCC's assets or customers. For this reason, the proposed merger transactions may not be within the jurisdiction of the Commission under Section 392.300, RSMo 2000. Cf. Order Dismissing Joint Application, Case No. TM-2006-0289 (issued February 23, 2006).

**IT IS ORDERED THAT:**

1. The Staff of the Commission shall, by no later than October 31, 2007, file a pleading informing the Commission when it will file its recommendation in this matter. When it is filed, Staff's recommendation shall address the jurisdictional question referred to in the body of this order.
2. This order shall become effective on October 18, 2007.

**BY THE COMMISSION**



Colleen M. Dale  
Secretary

( S E A L )

Benjamin H. Lane, Regulatory  
Law Judge, by delegation of authority  
under Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 18th day of October, 2007.