



October 2, 2008  
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PUBLIC SERVICE  
COMMISSION

2600 Maitland Center Pkwy.  
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Maitland, FL 32751  
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Winter Park, FL  
32790-0200  
Tel: 407-740-8575  
Fax: 407-740-0613  
www.tminc.com

Mr. Brent Kirtley, Tariff Branch Manager  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602-0615

RE: Notice of Merger by Global Crossing North American Networks, Inc. and Budget Call Long Distance, Inc.

Dear Mr. Kirtley:

Enclosed for filing please find the original and four (4) copies of the Notice of Merger by Global Crossing North American Networks, Inc. and Budget Call Long Distance, Inc. The proposed merger is to take place on December 31, 2008.

Neither Global Crossing North American Networks, Inc. nor Budget Call Long Distance, Inc. have presubscribed customers within the state therefore customer notice of the merger as well as a waiver of the Commissions slamming requirements are not necessary.

Please acknowledge receipt of this filing by date stamping the extra copy of this cover letter and returning it to me in the self-addressed stamped envelope.

Any questions you may have regarding this filing may be directed to me at 407-740-3001 or via email to [tforte@tminc.com](mailto:tforte@tminc.com).

Thank you for your assistance with this matter.

Sincerely,

Thomas M. Forte  
Consultant to Global Crossings North American Networks, Inc.

TMF/rg

cc: R. Edward Price – Global Crossings  
file: Global Crossings – KY IXC  
tms: KYi0801

## NOTICE OF MERGER

BY

### **GLOBAL CROSSING NORTH AMERICAN NETWORKS, INC. AND BUDGET CALL LONG DISTANCE, INC.**

Global Crossing North American Networks, Inc. ("GC North American") hereby provides notice relating to the planned *pro forma* merger of GC North American into its affiliate Global Crossing Telecommunications, Inc. ("GC Telecommunications"). Upon consummation of the transaction: (1) GC North American will no longer exist and accordingly seeks cancellation of its certificate; (2) a certificated subsidiary of GC North American, Budget Call Long Distance, Inc. ("Budge Call"), will become a wholly owned subsidiary of GC Telecommunications.

#### **I. THE PARTIES**

GC North American is a company organized under the laws of the State of Delaware with its principal office located in New York. The company was certificated to provide facilities-based interexchange long distance service within the State of Kentucky in Case 94-146 on July 13, 1994. GC North American is a wholly owned indirect subsidiary of Global Crossing Limited, a publicly traded (NASD: GLBC) Bermuda corporation with affiliates in the United States and several other countries providing telecommunications services.

Budget Call is a wholly owned subsidiary of GC North American. Budget Call was certificated to provide interexchange telecommunications service in the state of Kentucky in Case 96-013 on March 22, 1996.

GC Telecommunications is a company organized under the laws of the State of Michigan with its principal office located in New York. The Company was certificated to provide resold long distance service within the state of Kentucky in CPCN Case 9031 on November 21, 1984. The company is currently registered to do business in Kentucky as a foreign entity. GC Telecommunications currently offers intrastate toll telecommunications services via resold services. The Company maintains a Tariff for its intrastate services that is currently filed in compliance with Commission requirements.

GC Telecommunications, like GC North American, is a wholly owned indirect subsidiary of Global Crossing Limited, a publicly traded (NASD: GLBC) Bermuda corporation with affiliates in the United States and several other countries providing telecommunications services.

GC Telecommunications has more than sufficient resources to ensure the successful ongoing operations currently maintained by GC North American. The most recent quarterly financial statement of Global Crossing Limited, the parent company of both GC Telecommunications and GC North American, is provided in Exhibit 1.

## **II. THE TRANSACTION**

No later than December 31, 2008, GC North American will be merged into GC Telecommunications. At that time, all of the assets of GC North American will be transferred to GC Telecommunications, including network facilities, employees and management expertise, and GC North America will cease to exist. Accordingly it will no longer require a Certificate of Public Convenience and Necessity and requests that it be canceled. Once the transaction is complete, Budget Call will become a wholly owned subsidiary of GC Telecommunications.

An organization chart illustrating the transaction and ownership of the companies is attached as Exhibit 2.

### **III. MODIFICATION OF CERTIFICATE**

As stated above, GC Telecommunications was certificated as a resale interexchange telecommunications provider within Kentucky in CPCN Case 9031. GC North American was certificated as a facilities-based interexchange telecommunications provider in Case 94-146. After the closing of this transaction, GC Telecommunications will obtain control over the intrastate facilities previously owned by GC North American. Accordingly, it requests that its certificate, issued in CPCN Case 9031, be modified to include permission to provide the same facilities-based interexchange long distance service as GC North American. Since, as described above, the network assets of GC North American will be transferred to GC Telecommunications, including personnel necessary to operate those facilities, GC Telecommunications will have the technical and managerial expertise necessary to provide facilities-based interexchange long distance service. In addition, since the companies share the same parent company, GC Telecommunications will also have the requisite financial ability to provide high quality telecommunications services in Kentucky after the transaction closes.

### **IV. CUSTOMER IMPACT**

GC North American currently does not have any customers within the State of Kentucky. Therefore no customers will be affected by this change and no customer notice is required.

Customer notice of the change in ownership of Budget Call is also not required. First, and foremost, the change will be completely transparent to customers. Customers will continue to receive the same services at the same rates, terms and conditions as before the merger. There will be no change to Budget Call's filed Tariff, the company name on the customer's bill or the manner in which billing is accomplished. Additionally, Budget Call is a casual calling provider. Accordingly, it does not have a presubscribed customer base to notify.

## V. CONTACT INFORMATION

The name and address of the individual who handles regulatory affairs on behalf of GC North American, Budget Call and GC Telecommunications for this filing will be:

R. Edward Price  
Senior Counsel  
Global Crossing Telecommunications, Inc.  
225 Kenneth Drive  
Rochester, New York 14623  
Telephone: (585) 255 - 1227  
Facsimile: (585) 344 - 0201  
Email: ted.price@globalcrossing.com

Correspondence for this filing can also be sent to:

Thomas M. Forte  
Consultant to Global Crossing Telecommunications, Inc.  
c/o Technologies Management, Inc.  
2600 Maitland Center Parkway, Suite 300  
Maitland, FL 32751  
Telephone: (407) 740 - 3001  
Facsimile: (407) 740 - 0613  
Email: tforte@tminc.com

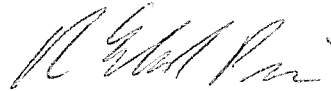
## VII. TARIFFS

No Tariff revisions will be required to complete this transaction. GC North American has no customers within Kentucky and there is therefore no reason to transfer any of the products from the GC North American Tariff to the current GC Telecommunications Tariff. As set forth above, the transaction will be transparent to Budget Call customers and no changes are necessary to its Tariff.

STATE OF NEW YORK  
COUNTY OF MONROE

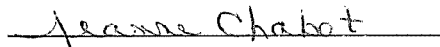
**VERIFICATION**

I, R. Edward Price, hereby declare, under penalty of perjury, that I am Senior Counsel for Global Crossing North American Networks, Inc.; that I am authorized to make this verification on behalf of Global Crossing North American Networks, Inc.; that I have read the foregoing Notice; and that the facts stated therein are true and correct to the best of my knowledge, information and belief.



\_\_\_\_\_  
R. Edward Price  
Senior Counsel  
Global Crossing North American Networks, Inc.

Sworn to and subscribed before me this 30<sup>th</sup> day of September, 2008.



\_\_\_\_\_  
Notary Public

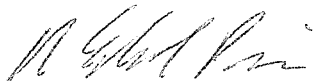
My Commission expires:

JEANNE CHABOT  
Notary Public, State of New York ·  
No. 01CH6034835  
Qualified in Ontario County  
Commission Expires December 20, 2009

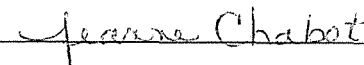
STATE OF NEW YORK  
COUNTY OF MONROE

VERIFICATION

I, R. Edward Price, hereby declare, under penalty of perjury, that I am Senior Counsel for Global Crossing Telecommunications, Inc.; that I am authorized to make this verification on behalf of Global Crossing Telecommunications, Inc.; that I have read the foregoing Notice; and that the facts stated therein are true and correct to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
R. Edward Price  
Senior Counsel  
Global Crossing Telecommunications, Inc.

Sworn to and subscribed before me this 30<sup>th</sup> day of September, 2008.

  
\_\_\_\_\_  
Notary Public

My Commission expires:  
JEANNE CHABOT  
Notary Public, State of New York ·  
No. 01CH6034835  
Qualified in Ontario County  
Commission Expires December 20, 2009

STATE OF NEW YORK  
COUNTY OF MONROE

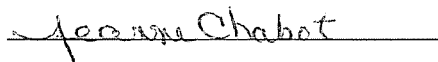
VERIFICATION

I, R. Edward Price, hereby declare, under penalty of perjury, that I am Senior Counsel for Budget Call Long Distance, Inc.; that I am authorized to make this verification on behalf of Budget Call Long Distance, Inc.; that I have read the foregoing Notice; and that the facts stated therein are true and correct to the best of my knowledge, information and belief.



\_\_\_\_\_  
R. Edward Price  
Senior Counsel  
Budget Call Long Distance, Inc.

Sworn to and subscribed before me this 30<sup>th</sup> day of September, 2008.



Notary Public

My Commission expires:

JEANNE CHABOT  
Notary Public, State of New York ·  
No. 01CH6034835  
Qualified in Ontario County  
~~Commission Expires December 20, 2009~~



**GLOBAL CROSSING LIMITED**

**EXHIBIT 1**

**FINANCIAL STATEMENT**

Table 1  
Global Crossing Limited and Subsidiaries  
Unaudited Summary of Consolidated Revenues, Cost of Access, and Adjusted Gross Margin  
(\$ in millions)

	Quarter Ended June 30, 2008			Quarter Ended March 31, 2008			Quarter Ended June 30, 2007								
	GCUK	GC Impsat	ROW <sup>1</sup>	Eliminations	Total	GCUK	GC Impsat	ROW	Eliminations	Total	GCUK	GC Impsat	ROW <sup>2</sup>	Eliminations	Total
<b>Revenues</b>															
Enterprise, carrier data and indirect channels	\$ 154	\$ 110	\$ 282	\$ -	\$ 546	\$ 150	\$ 104	\$ 263	\$ -	\$ 517	\$ 139	\$ 56	\$ 237	\$ -	\$ 432
Wholesale voice	3	2	101	-	106	3	2	107	-	112	2	1	111	-	114
Other	-	-	-	-	1	-	-	1	-	1	-	-	1	-	1
Intersegment revenue	-	3	-	(4)	-	-	-	2	(3)	-	-	-	-	(2)	-
Consolidated revenues	\$ 157	\$ 115	\$ 385	\$ (4)	\$ 653	\$ 153	\$ 107	\$ 373	\$ (3)	\$ 650	\$ 141	\$ 58	\$ 350	\$ (2)	\$ 547
<b>Cost of access</b>															
Enterprise, carrier data and indirect channels	\$ (46)	\$ (25)	\$ (141)	\$ -	\$ (212)	\$ (44)	\$ (24)	\$ (135)	\$ -	\$ (203)	\$ (40)	\$ (13)	\$ (127)	\$ -	\$ (180)
Wholesale voice	(2)	(2)	(90)	-	(94)	(2)	(2)	(92)	-	(96)	(1)	(1)	(99)	-	(101)
Other	-	-	(2)	-	(2)	-	-	-	-	-	-	-	-	-	-
Intersegment cost of access	-	(1)	(2)	3	(2)	(6)	(2)	(1)	3	(2)	(2)	(1)	(1)	1	-
Consolidated cost of access	\$ (48)	\$ (28)	\$ (235)	\$ 3	\$ (205)	\$ (46)	\$ (28)	\$ (228)	\$ 3	\$ (205)	\$ (43)	\$ (15)	\$ (226)	\$ 1	\$ (281)
<b>Adjusted Gross Margins</b>															
Enterprise, carrier data and indirect channels	\$ 108	\$ 85	\$ 141	\$ -	\$ 334	\$ 106	\$ 80	\$ 128	\$ -	\$ 314	\$ 99	\$ 43	\$ 110	\$ -	\$ 252
Wholesale voice	1	-	11	-	12	1	-	15	-	16	1	-	12	-	13
Other	-	-	(1)	-	1	-	(1)	1	-	1	-	-	1	-	1
Intersegment adjusted gross margin	-	2	(1)	(1)	-	-	(1)	1	(1)	-	-	-	1	(1)	-
Consolidated adjusted gross margin	\$ 109	\$ 87	\$ 152	\$ (1)	\$ 347	\$ 107	\$ 79	\$ 145	\$ -	\$ 331	\$ 100	\$ 43	\$ 124	\$ (1)	\$ 266

<sup>1</sup>Rest of World (ROW) represents operations of Global Crossing Limited and subsidiaries excluding Global Crossing (UK) Telecommunications Ltd. and subsidiaries (GCUK) and GC Impsat Holdings I Plc and subsidiaries (GC Impsat).

<sup>2</sup>In May 2008, Global Crossing Limited transferred its GC Brazil operations from the ROW Segment to the GC Impsat Segment. Since the transfer is between entities under common control, the Company has retroactively restated GC Impsat's results to include GC Brazil operations and removed GC Brazil from ROW for all periods presented.

On May 9, 2007, Global Crossing announced that it had acquired Impsat Fiber Networks Inc. (Impsat), and since that date Impsat's results have been consolidated into Global Crossing's results as part of GC Impsat. Definition: Adjusted gross margin is revenue minus cost of access. See Table 4 for the reconciliation of adjusted gross margin to gross margin.

**GLOBAL CROSSING TELECOMMUNICATIONS, INC.**

**EXHIBIT 2**

**ILLUSTRATION OF TRANSACTION AND ORGANIZATIONAL CHART**

Global Crossing Limited



Global Crossing North America, Inc.



ALC Communications Corporation



Global Crossing North American Networks, Inc.

Global Crossing Telecommunications, Inc.



Budget Call Long Distance, Inc.

