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UT-081329-AT

A Professional Limited Liability Company

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Philip R. Adams, Jr.

July 17, 2008

Via Overnight Mail

Executive Secretary
Washington Utilities & Transportation Commission
1300 South Evergreen Park Dr. S.W
Olympia, WA 98504

RECEIVED
2008 JUL 18 AM 9:04

Re: Notification by Telecom Management, Inc. d/b/a Pioneer Telephone and
Broadwing Communications, LLC for Approval of an Asset Purchase Agreement

Dear Sir or Madam:

On behalf of Telecom Management, Inc. d/b/a Pioneer Telephone and Broadwing Communications, LLC ("Broadwing") (together "Applicants")¹, this letter is to advise the Commission of Asset Purchase Agreements (the "Agreements"), whereby Pioneer will acquire Broadwing's residential and small medium enterprise ("SME") long distance customer accounts in this State (the "Acquisition").

It is our understanding, based upon review of the applicable statutes and regulations, that this transaction does not require prior Commission approval. Accordingly, absent written notice to the contrary within thirty (30) days of the date of this letter, the parties will proceed to consummate the transaction in a timely fashion.

Pioneer is a Maine corporation with principal offices located at 583 Warren Avenue, Portland, ME 04103. Pioneer is a certified long distance telecommunications provider in this State.²

¹ The Applicants elected to execute separate purchase agreements for each base of customers that are to be acquired.

² Pioneer provides resold long distance telecommunications services in this State pursuant to authority granted in Docket No. UT-041341, dated August 10, 2004.

Broadwing is a Delaware limited liability company and a wholly-owned subsidiary of Level 3 Communications, LLC, with principal offices located at 1025 Eldorado Boulevard, Broomfield, CO 80021. Broadwing is a certified long distance telecommunications provider in this State³.

The Acquisition contemplates the following:

- a. Pioneer will acquire ownership, right, title and interest in and to substantially all of Broadwing's residential and SME customer accounts, as defined in the Agreements.
- b. Broadwing will receive the purchase price set forth in the Agreements,

The Acquisition will consolidate and transfer Broadwing's residential and SME accounts to Pioneer in order to create a single, larger provider of telecommunications services, facilitating efficiencies to benefit all of Pioneer's customers, including those customers acquired from Broadwing. Service to Broadwing's customers will continue uninterrupted.

Broadwing's customers will be given the opportunity to switch their service to a different carrier. Pioneer anticipates that none of Broadwing's customers will experience any increase in rates due to the Acquisition. Pursuant to Washington's rules, enclosed is a copy of the customer notice, informing customers of the transaction between Pioneer and Broadwing. To the extent that any of Broadwing's rates are not presently included in Pioneer's Tariffs, Pioneer will amend its Tariffs accordingly to include such rates. As a result, the transaction should not cause any inconvenience or confusion to Broadwing customers. Those Broadwing customers who choose not to switch their service to a different carrier will receive service from Pioneer.

Broadwing's technical, managerial and financial personnel will assist with the transition and integration of the acquired assets after the transaction and Pioneer's technical, managerial and financial personnel will continue to serve the transferred Broadwing customers with the same high level of expertise.

Critical to the Acquisition is the need to ensure the continuation of high quality service to all customers currently served by Broadwing. The Acquisition will serve the public interest in that it will ensure that current Broadwing customers maintain uninterrupted service. The Acquisition will also serve to create a heightened level of operating efficiency, which will serve to enhance the overall capacity of Pioneer to compete in the marketplace and to provide telecommunications

³ Broadwing provides resold long distance telecommunications services in this State pursuant to a registration .

services to a greater number of consumers in this State at competitive rates.

Applicants do not request transfer of Broadwing's Certificates of Public Convenience and Necessity, or other operating authority, to Pioneer.

The parties are forwarding this letter to the Commission for informational purposes only, to be included in the appropriate files. Absent receipt of written notification to the contrary within thirty (30) days of the date of this letter, the Applicants will proceed under the understanding that no approval or other formal action is required by the Commission prior to consummation of the proposed transaction.

Enclosed are the original and three (3) copies of this letter. Please return one (1) of the copies file-stamped in the envelope provided. If you need any further information or have any questions regarding the matters discussed herein, please do not hesitate to contact me. Thank you for your assistance in this matter.

Respectfully submitted,



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