

STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:                    G. Nanette Thompson, Chair  
    Bernie Smith  
    Patricia M. DeMarco  
    Will Abbott  
    James S. Strandberg

In the Matter of the Joint Applica-    )  
tion by GLOBAL CROSSING LTD and        )                    U-99-32  
FRONTIER CORPORATION To Transfer a    )  
Controlling Interest in FRONTIER        )                    ORDER NO. 1  
COMMUNICATIONS INTERNATIONAL, INC.,    )  
Holder of Certificate of Public            )  
Convenience and Necessity No. 498,     )  
and FRONTIER COMMUNICATIONS SERVICES, )  
INC., Holder of Certificate of            )  
Public Convenience and Necessity        )  
No. 529, to GLOBAL CROSSING LTD.       )  
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**ORDER APPROVING APPLICATION  
AND REQUIRING FILING**

BY THE COMMISSION:

Introduction

On April 20, 1999, Global Crossing Ltd. (Global Crossing) and Frontier Corporation (Frontier) jointly filed an application to transfer control of FRONTIER COMMUNICATION INTERNATIONAL, INC. (FCII),<sup>1</sup> and FRONTIER COMMUNICATIONS SERVICES, INC. (FCSI),<sup>2</sup> to Global Crossing.

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<sup>1</sup>FCII is the holder of Certificate of Public Convenience and Necessity (Certificate) No. 498, authorizing it to furnish intrastate interexchange carrier service within Alaska.

<sup>2</sup>FCSI is the holder of Certificate No. 529, authorizing it to  
(continued...)

On May 7, 1999, notice of the application for approval of the transaction was issued to the public with a closing date of June 7, 1999, for submission of comments in support of, or in opposition to, the application. No comments were received by the Commission in response to the notice.

The Commission Staff (Staff) reviewed the filings in this proceeding and, on June 10, 1999, submitted its analysis and recommendation (Report) thereon. Staff's Report sets out in detail the history of the proceeding, the public noticing of the application, and Staff's findings and recommendations regarding disposition of the application. A copy of Staff's Report is attached to this Order as an Appendix.

Staff concluded that the acquisition of the controlling interest in FCII and FCSI, resulting from the proposed transactions between Global Crossing and Frontier, be approved. Staff stated that following the completion of the proposed transaction, there will be no changes in the rates, terms, or conditions for the provision of any telecommunications service provided in Alaska. Staff recommended that the proposed acquisition by Global Crossing of the controlling interest in FCII and FCSI be approved effective the date of the actual acquisition.

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<sup>2</sup>(...continued)  
furnish intrastate interexchange carrier service within Alaska.

Discussion

Based on its review of the record in this proceeding, the Commission concurs with Staff's recommendation to approve the application whereby Global Crossing will acquire controlling interest in FCII and FCSI. In addition, the Commission concurs with Staff that the approval should be effective the date of the actual acquisition. Staff's Report is incorporated herein by reference and adopted as the Commission's findings of fact and conclusions of law.

ORDER

THE COMMISSION FURTHER ORDERS:

1. The application jointly filed by Global Crossing Ltd. and Frontier Corporation to acquire the controlling interest in Frontier Communication International, Inc., and Frontier Communications Services, Inc., is approved effective the date of acquisition.

2. Within thirty days of the date of the acquisition, Global Crossing Ltd. shall file with the Commission written notification of that acquisition date.

DATED AND EFFECTIVE at Anchorage, Alaska, this 26th day of July, 1999.

BY DIRECTION OF THE COMMISSION

( S E A L )