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T-01846B-05-0279  
T-03258A-05-0279  
T-03475A-05-0279  
T-03289A-05-0279  
T-03198A-05-0279  
T-03574A-05-0279  
T-02431A-05-0279  
T-03197A-05-0279  
T-02533A-05-0279  
T-03394A-05-0279  
T-03291A-05-0279

Chairman Jeff Hatch-Miller  
Commissioner William A. Mundell  
Commissioner Marc Spitzer  
Commissioner Mike Gleason  
Commissioner Kristin K. Mayes  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

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AZ CORP COMMISSION  
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Re: Case Number T-01846B-05-0279, et. al. (Verizon/MCI Change of Control Proceeding)

Dear Commissioners:

As you are aware, the hearing in this matter was held on September 14, and we are awaiting the submission of a proposed order. In anticipation of that order, I wanted to bring you up to date on events that have occurred since the hearing was held.

On October 6<sup>th</sup>, MCI's shareholders satisfied a merger requirement and voted by an overwhelming margin to approve the merger. This vote of support represents a key milestone in the merger process. The next day, another piece fell into place when the European Commission – antitrust regulator for the 25-nation European Union – approved the merger application. Together these approvals add momentum to the approval process and keep the two companies on track for final closure of the transaction around the end of the year.

The Federal Communications Commission ("FCC") and the United States Department of Justice ("DOJ") are nearing completion of their comprehensive nationwide review processes. The FCC has scheduled this matter for a vote at its next open meeting on October 28, and all indications are that DOJ will similarly conclude its review in the coming weeks.

Of the 23 United States jurisdictions in which Verizon and MCI have sought approval, 12 have already approved the transaction, and another 7 (not including Arizona) are anticipated by the end of November. None of the jurisdictions in which approval is pending have scheduled a final decision for release later than December 31.

We look forward to a timely completion of this proceeding, and appreciate your staff's efforts in that regard. Thank you for your consideration.

Sincerely,

Timothy J. McCallion