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FEDERAL COMMUNICATIONS COMMISSION ISSUES FINAL APPROVAL OF QWEST-U S WEST MERGER

Divestiture of Qwest's Prohibited Long Distance Businesses to Touch America, Inc. is Approved

Washington, D.C. – Today, the Federal Communications Commission (FCC) ruled that Qwest's proposed divestiture of its long distance services, customers and assets in the U S WEST Region to Touch America, Inc. is consistent with the Communications Act. On March 10, 2000, the FCC approved the proposed merger of Qwest and U S WEST, subject to the Commission's determination that Qwest's divestiture of its long distance services in U S WEST's region complies with Section 271 of the Act. Section 271 prohibits a Bell Operating Company from providing long distance services within its region until it has fulfilled its legal requirement to open its local telecommunications markets to competition.

In today's action, the Commission determined that Qwest's divestiture of its interLATA, or long distance, in-region services, customers and assets in the 14-state U S WEST region is consistent with the requirements of section 271. The Commission will also permit Qwest to provide Touch America with temporary support services to ensure that the transferred customers can be successfully incorporated into Touch America's business operations.

The long distance services and assets that will be sold to Touch America include switched long distance services that Qwest provides to customers in U S WEST's region, tollfree (800, 888 and 877) services that terminate in U S WEST's region, and calling card calls and prepaid card calls originating in U S WEST's region.

Action by the Commission June 26, 2000 by Memorandum Opinion and Order (FCC 00-231). Chairman Kennard, Commissioners Ness, Furchtgott-Roth, Powell and Tristani.

CC Docket No. 99-272

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