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Via E-Filing

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

Re: Notice of Internal Corporate Restructuring

Dear Ms. Van Gerpen:

Pursuant to S.D.C.L. § 49-31-20, MCI Communications Services, Inc. d/b/a Verizon Business Services (“MCI”) and XO Communications Services, LLC (“XO”), respectfully provide notice of an internal corporate restructuring.

On or after July 30, 2018, XO Communications, LLC (“XOC”), the unregulated corporate parent of XO, will merge into MCI.¹ XOC is a holding company and does not offer telecommunications services in South Dakota or elsewhere. XOC, XO, and MCI are all wholly-owned subsidiaries of Verizon Communications Inc. (“VCI”). Following the transaction, XO will continue to exist and operate as a certificated legal entity, and both XO and MCI will remain indirect, wholly-owned subsidiaries of VCI.

The transaction is merely an internal corporate restructuring within the Verizon family of companies and will not result in any meaningful change in the management or control of XO, or in the services it provides to customers in South Dakota. The elimination of the XOC holding company is for purposes of administrative simplicity, particularly in connection with the preparation of tax returns. XO and MCI have a substantial volume of transactions with each other,

¹ MCI is a certificated South Dakota IXC, and XO is a certificated South Dakota CLEC/IXC.

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and making XO a direct subsidiary of MCI will greatly simplify MCI's tax accounting and the preparation of its income tax returns.

Please feel free to contact me if you have any questions.

Sincerely,

/s/ Deborah Kuhn

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