

Categories of Services for 214 Applications
(Streamline/Non-streamline)

- LIMITED/GLOBAL RESALE SERVICE
- LIMITED/GLOBAL FACILITIES-BASED SERVICE
- LIMITED/GLOBAL FACILITIES-BASED/RESALE SERVICE
- INDIVIDUAL FACILITIES-BASED SERVICE
- INTERCONNECTED PRIVATE LINE RESALE SERVICE
- INMARSAT AND MOBILE SATELLITE SERVICE
- INTERNATIONAL SPECIAL PROJECT
- SWITCHED RESALE SERVICE
- TRANSFER OF CONTROL
- ASSIGNMENT OF LICENSE
- PRO FORMA TRANSFER/ASSIGNMENT
- SPECIAL TEMPORARY AUTHORITY
- SUBMARINE CABLE LANDING LICENSE

Description of Application: _____

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

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JAN 28 2000

COPY

NEW YORK OFFICE
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NEW YORK, NY 10022

January 28, 2000

VIA COURIER

Magalie Roman Salas, Esq.
Secretary
Federal Communications Commission
International Bureau Telecommunications Division
P.O. Box 358115
Pittsburgh, PA 15251-5115

Re: Application of RCN Corporation and 21st Century Telecom Group, Inc. for
Authority to Transfer Control of International Authority (ITC-214-19980731-
00532) held by 21st Century Telecom of Illinois, Inc.

Dear Ms. Salas:

Enclosed for filing with the Commission are an original and six (6) copies of the above-captioned application.

As required by the Commission's Rules, a check in the amount of \$780.00 is enclosed. Please date-stamp the extra copy of this application and return it in the enclosed self-addressed, stamped envelope. Any questions regarding the enclosed application should be addressed to the undersigned.

Respectfully submitted,



Russell M. Blau
John M. Beahn

Counsel for RCN Corporation

Enclosures

cc: Mark J. Tauber, Esq.
Joseph O. Kahl
Philip J. Passanante, Esq.
Robert Currey
Breck Blaylock (FCC)
George Li (FCC)

Upon consummation of the transaction, 21st Illinois' international customers will be served by the same team of qualified consumer representatives and will be provided service pursuant to contracts and tariffs that offer all of the services currently offered by 21st Illinois at the same rates, terms and conditions. Thus, service will continue to be provided using the same network, billing systems and customer service operations as are used currently by 21st Illinois.

I. PUBLIC INTEREST STATEMENT

RCN and 21st Century have determined that the proposed merger will enable the two companies to enhance the range of telecommunications services and choices available to their customers. Moreover, the synergies resulting from the transaction will promote operational and administrative efficiencies within each company. These enhancements and efficiencies will enable RCN and 21st Century to compete more effectively in the telecommunications market to the ultimate benefit of consumers. Finally, the proposed transaction will be consummated in a seamless fashion, will be transparent to consumers and will not in any way inconvenience or cause harm to any of 21st Illinois' customers.

II. INFORMATION REQUIRED BY SECTION 63.18

(a) Name, address, and telephone number of Applicants:

Transferee: RCN Corporation
105 Carnegie Center
Princeton, NJ 08540
Phone: (609) 734-3700

Transferor: 21st Century Telecom Group, Inc.
350 N. Orleans Street, Suite 600
Chicago, IL 60654
Phone: (312) 955-2100

(b) Transferee: RCN is a corporation organized under the laws of the State of Delaware.

Transferor: 21st Century is a corporation organized under the laws of the State of Illinois.

(c) Correspondence concerning this Application should be sent to:

For the Transferee:

Russell M. Blau, Esq.
John M. Beahn, Esq.
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W., Suite 300
Washington, DC 20007
Phone: (202) 945-6947
Fax: (202) 424-7645

With copies to:

Joseph O. Kahl
Philip J. Passanante, Esq.
RCN Corporation
105 Carnegie Center
Princeton, NJ 08540
Phone: (609) 734-3827
Fax: (609) 734-3784

For the Transferor:

Mark J. Tauber, Esq.
Piper Marbury Rudnick & Wolfe, L.L.P.
1200 19th Street, N.W.
Washington D.C. 20036
Phone: (202) 861-3900

With copies to:

Robert Currey
President and CEO
21st Century Telecom Group, Inc.
350 North Orleans Street
Suite 600
Chicago, IL 60654

- (d) Transferee: RCN holds Section 214 authorizations through a variety of subsidiaries (see attached Exhibit A) granted by this Commission to provide global resale and/or facilities-based international telecommunications services.

Transferor: 21st Illinois, a wholly-owned subsidiary of 21st Century, holds Section 214 authorization, ITC-214-19980731-00532 (effective September 11, 1998) granted by this Commission to provide global resale and/or facilities-based international telecommunications services.

- (e)(3) By this application, Applicants seek authority to transfer control of 21st Illinois' Section 214 authorization to RCN.

- (h) RCN certifies that it is not affiliated with any foreign carrier.

The name, address, citizenship and principal business of the shareholders owning 10% or more of RCN Corporation are as follows:^{1/}

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Level 3 Telecom Holdings Inc. One Thousand Kiewit Plaza Omaha, NE 68131	40.1%	United States	Telecommunications

The following entities hold a ten percent (10%) or greater ownership or management interest in Level 3 Telecom Holdings Inc.:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Level 3 Holdings, Inc. One Thousand Kiewit Plaza Omaha, NE 68131	90%	United States	Telecommunications

^{1/} Vulcan Ventures, Incorporated ("Vulcan"), 110 110th Avenue, N.E., Suite 550, Bellevue, WA 98004, a United States investment corporation, has agreed to purchase certain convertible preferred stock in RCN. If this stock is issued as agreed and converted to common stock, Vulcan would potentially control more than 10% of RCN. Currently, however, Vulcan owns less than 10% of the voting stock of RCN.

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
David C. McCourt 105 Carnegie Center Princeton, NJ 08540	10%	United States	Investment

The following entities hold a ten percent (10%) or greater ownership or management interest in Level 3 Holdings, Inc.:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
PKS Information Services, Inc. One Thousand Kiewit Plaza Omaha, NE 68131	100%	United States	Investment

The following entities hold a ten percent (10%) or greater ownership or management interest in PKS Information Services, Inc.:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Level 3 Communications Inc. One Thousand Kiewit Plaza Omaha, NE 68131	100%	United States	Investment

The following entities hold a ten percent (10%) or greater ownership or management interest in Level 3 Communications Inc.:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Walter Scott One Thousand Kiewit Plaza Omaha, NE 68131	12%	United States	Investment

RCN has no interlocking directorates with a foreign carrier.

(i) RCN certifies that it is not affiliated within the meaning of Section 63.09(e) of the Commission's Rules with a foreign carrier, as defined in Section 63.09(d) of the Commission's Rules.

(j) RCN certifies that it does not seek to provide international telecommunications services to any destination country where:

- (1) RCN is a foreign carrier in that country; or
- (2) RCN controls a foreign carrier in that country; or

- (3) any entity that owns more than 25 percent of RCN, or that controls RCN, controls a foreign carrier in that country; or
- (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of RCN and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.
- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) RCN certifies that it has not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly, from any foreign carrier, as defined in Section 63.09(d) of the Commission's Rules, with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market, and will not enter into such agreements in the future.
- (o) RCN and 21st Century certify that no party to this application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See Exhibit B.
- (p) Applicants request streamlined processing of this application pursuant to Section 63.12 of the Commission's Rules.

III. CONCLUSION

WHEREFORE, for the reasons stated herein, RCN Corporation and 21st Century Telecom Group, Inc. respectfully request that the Commission approve this Application and grant all other relief as necessary and appropriate to effectuate the transaction described herein.

Respectfully submitted,



Russell M. Blau

John M) Beahn

SWADLER BERLIN SHEREFF FRIEDMAN, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007

Counsel to RCN Corporation



Mark J. Tauber

Piper Marbury Rudnick & Wolfe, L.L.P.
1200 19th Street, N.W.
Washington D.C. 20036
Phone: (202) 861-3900

Counsel to 21st Century Telecom Group, Inc.

Dated: January 28, 2000

EXHIBIT A

Section 214 Authorizations of RCN Corporation

Section 214 Authorizations of RCN Corporation Subsidiaries

RCN Long Distance Company and RCN Telecom Holding Company (formerly "RCN Telecom Services, Inc.")^{2/}:

RCN Long Distance Company	ITC 93-265
RCN Telecom Holding Company and all present and future subsidiaries	ITC-214-19981002-00679

RCN Telecom Holding Company subsidiaries:

RCN Telecom Services of Arizona, Inc.	ITC-214-19981002-00679
RCN Telecom Services of California, Inc.	ITC-214-19981002-00679
RCN Telecom Services of Connecticut, Inc.	ITC-214-19981002-00679
RCN Telecom Services of Delaware, Inc.	ITC-214-19970723-00430
RCN Telecom Services of Maine, Inc.	ITC-214-19981002-00679
RCN Telecom Services of Maryland, Inc.	ITC-214-19970723-00430
RCN Telecom Services of Massachusetts, Inc.	ITC-214-19961004-00490
RCN Telecom Services of Nevada, Inc.	ITC-214-19981002-00679
RCN Telecom Services of New Hampshire, Inc.	ITC-214-19981002-00679
RCN Telecom Services of New Jersey, Inc.	ITC-214-19970723-00430
RCN Telecom Services of New York, Inc.	ITC-214-19961004-00489
RCN Telecom Services, Inc. ^{2/} (formerly "RCN Telecom Services of Pennsylvania, Inc.")	ITC-214-19970707-00379
RCN Telecom Services of Philadelphia, Inc.	ITC-97-367
RCN Telecom Services of Rhode Island, Inc.	ITC-214-19981002-00679
RCN Telecom Services of Southeast New York, Inc.	ITC-214-19981002-00679
RCN Telecom Services of Vermont, Inc.	ITC-214-19981002-00679
RCN Telecom Services of Virginia, Inc.	ITC-214-19970723-00430
RCN Telecom Services of Washington D.C., Inc.	ITC-214-19970723-00430
RCN Telecom Services of Washington, Inc.	ITC-214-19981002-00679

^{2/} On November 4, 1999 RCN Telecom Services, Inc., a Delaware corporation, changed its name to RCN Telecom Holding Company.

^{2/} On September 29, 1999 RCN Telecom Services of Pennsylvania, Inc. changed its name to RCN Telecom Services, Inc., a Pennsylvania corporation.

EXHIBIT B

Certification of Applicants

CERTIFICATION OF APPLICANT

On behalf of RCN Corporation and 21st Century Telecom Group, Inc. and in accordance with Section 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. ' 1.2001-1.20003, I hereby certify that no party to this application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. See 21 U.S.C. ' 853a. I also hereby certify that the statements in the foregoing application for approval to transfer control of Section 214 authorizations are true, complete and correct to the best of my knowledge and are made in good faith.

Neither RCN Corporation nor 21st Century Telecom Group, Inc. has agreed to accept nor shall it accept in the future any special concessions, as defined by the Commission's Rules, directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows on any U.S. international route where the foreign carrier possess sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market.

RCN CORPORATION

By: *John D. Filipowicz*
Name: John D. Filipowicz
Title: Senior Vice President
Date: January 24, 2000

21ST CENTURY TELECOM GROUP, INC.

By: *Robert J. Currey*
Name: Robert J. Currey
Title: President / CEO
Date: 1/20/00