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REGULATORY AUTH.

JUN 29 PM 1 01

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*** Also admitted in New York, Illinois, and Washington, D.C.

June 28, 1999

Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

99-00465

RE: Petition for Authority to Transfer Control of STORMTEL, INC. F/K/A Z-TEL, INC. to
CCC MERGER CORP.

Dear Sir:

Enclosed herewith for filing with the Tennessee Regulatory Authority, please find an original and thirteen (13) copies of the Petition for Authority to Transfer Control of STORMTEL, INC. to CCC MERGER CORP. Also enclosed is a check in the amount of \$25.00 for filing fees.

Also enclosed is an exact duplicate of this letter attached to a copy of the petition. Please stamp the duplicate received, and return same in the self-addressed, stamped envelope.

Should you have any questions or concerns relating to this matter, please contact the undersigned.

Respectfully submitted,

EARLY, LENNON, PETERS & CROCKER, P.C.

Patrick D. Crocker
PDC/tms

**BEFORE THE
STATE OF TENNESSEE
REGULATORY AUTHORITY**

REC'D TN
REGULATORY AUTH.
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OFFICE OF THE
EXECUTIVE SECRETARY
99-00465

**Petition for Authority to Transfer
Control of
STORMTEL, INC. F/K/A Z-TEL, INC.
to CCC MERGER CORP**

Docket No.

To the Regulatory Authority:

PETITION FOR AUTHORITY TO TRANSFER CONTROL

STORMTEL, INC. F/K/A Z-TEL, INC. ("STORMTEL") by its attorneys, hereby respectfully requests, pursuant to Tennessee Code Annotated Section 654112, that the Tennessee Regulatory Authority ("TRA") *immediately* approve the transfer of control of STORMTEL from its current shareholders to CCC MERGER CORP. ("CCC MERGER") through the sale of STORMTEL's parent corporation's stock. STORMTEL is currently certified to provide intrastate telecommunication services in Tennessee.¹ The Petitioner requests expedited treatment of this petition in order to permit the consummation of the transaction without undue delay.

¹ STORMTEL, INC. F/K/A Z-TEL, INC. was authorized by the Tennessee Regulatory Authority to provide intrastate telecommunications services as a reseller in Docket No. 97-1275.

THE PARTIES

1. The principal office of CCC MERGER is located at:

601 Cleveland Street, Suite 930
Clearwater, FL 33755

2. STORMTEL currently has authority to operate as a reseller of intrastate interexchange telecommunication services in 47 states. STORMTEL's address is:

4417 S.E. 16th Place, Suite #11
Cape Coral, FL 33904

3. Questions about this application should directed to Patrick D. Crocker:

Patrick D. Crocker
EARLY, LENNON, PETERS & CROCKER, P.C.
900 Comerica Building
Kalamazoo, MI 49007
(616) 381-8844
(616) 349-8525 (facsimile)

TRANSFER OF CONTROL

4. On December 31, 1998, Progressive Telecommunications Corporation ("Progressive") and the shareholders of STORMTEL, entered into a Merger Agreement whereby CCC MERGER, a wholly owned subsidiary of Progressive, will acquire 100 percent of the issued and outstanding capital stock of STORMTEL's parent corporation, CCC Communications Corp. "CCC". CCC's current shareholders will receive 50% of the stock in CCC MERGER.

QUALIFICATIONS OF TRANSFEREE

5. CCC MERGER is financially qualified to acquire control of STORMTEL and its business.

6. After the transfer of control, STORMTEL will continue to operate as it has in the past, using the same name, tariff and operating authority. CCC MERGER intends to retain all key STORMTEL personnel, including certain senior management personnel. Thus, the transfer of control will be transparent to, and will have no adverse impact upon, STORMTEL's customers.

PUBLIC INTEREST

7. The transfer of control of STORMTEL from its current shareholders to CCC MERGER is in the public interest. The addition of STORMTEL to CCC MERGER will enhance both CCC MERGER and STORMTEL's ability to compete in the market for telecommunications services in Tennessee and elsewhere. The Petitioners will benefit from increased economies of scale that will permit them to operate more efficiently and thus to compete more effectively.

8. In addition, STORMTEL will have access to the financial resources it needs to introduce new products and services and to respond to competition in the competitive telecommunications environment in Tennessee. Over time, consumers in Tennessee will benefit from a greater number of products and service options, as well as lower prices offered by Petitioner.

WHEREFORE, STORMTEL respectfully requests that the TRA *immediately* authorize the transfer of control of STORMTEL from its current shareholders to CCC MERGER so that the transaction may proceed without undue delay.

Respectfully submitted,

STORMTEL, INC.

By: 

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