



1200 EIGHTEENTH STREET, NW
WASHINGTON, DC 20036

TEL 202.730.1300
FAX 202.730.1301
WWW.HARRISWILTSHIRE.COM

10 February 2006

BY ELECTRONIC FILING

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20054

Re: WC Docket No. 06-39

Dear Ms. Dortch:

On February 10, 2006, Alexis Johns of the Commission's Wireline Competition Bureau requested clarification of a couple of matters in connection with the proposed acquisition by Level 3 Communications, LLC ("Level 3"), of the domestic common-carrier transmission lines of Progress Telecom, LLC ("Progress Telecom"), in the above-captioned docket. This letter responds to Ms. Johns' request.

Direct Owners of Progress Telecom: The direct and indirect ownership interests in Progress Telecom are set forth in Attachment 1 to the application seeking FCC consent for the transaction.¹ As illustrated graphically in that attachment, Progress Energy, Inc. ("Progress Energy") and Odyssey Telecorp, Inc. ("Odyssey"), hold their interests in Progress Telecom through a variety of holding companies. The only 10-percent-or-greater *direct* owner of Progress Telecom is PT Holding Company, LLC ("PT Holding"), a Delaware limited-liability company which owns 100 percent of the membership interests in Progress Telecom. PT Holding will be retained by Progress Energy and Odyssey following the consummation of the proposed transaction.

¹ See Application of Progress Energy, Inc., and Odyssey Telecorp, Inc., Transferors, and Level 3 Communications, LLC, Transferee, for Consent to Transfer Control of Domestic Common Carrier Transmission Lines of Progress Telecom, LLC, Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 06-39 (filed Feb. 3, 2006) ("Application").

Marlene H. Dortch
Federal Communications Commission
10 February 2006
Page 2

Ten-Percent-or-Greater Owners of Level 3 Communications, Inc.: Prior to its recent acquisition of WilTel Communications Group, LLC (“WCG”), Level 3 Communications, Inc., had three ten-percent-or-greater direct or indirect owners: (1) Southeastern Asset Management, Inc. (“SAM”); (2) Longleaf Partners Fund (“LPF”); and (3) Legg Mason, Inc. (“Legg Mason”). But the consummation of the WCG acquisition—which added Leucadia National Corporation (“Leucadia”) as a significant shareholder—diluted the interests of the other shareholders, including LPF and Legg Mason, which had previously held ten-percent-or-greater direct or indirect ownership interests. Thus, as of the filing date of the Application, Level 3 Communications, Inc., has only two 10-percent-or-greater direct or indirect owners: (1) SAM and (2) Leucadia.

If you have any questions, please do not hesitate to contact me by telephone at +1 202 730 1337 or by email at kbressie@harriswiltshire.com.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kent D. Bressie', is written over a horizontal line. The signature is fluid and cursive.

Kent D. Bressie

Counsel for Level 3 Communications, LLC

cc: Alexis Johns