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February 2, 2005

RECEIVED

VIA OVERNIGHT DELIVERY

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Thomas Dorman, Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40602

PUBLIC SERVICE
COMMISSION

Dear Mr. Dorman:

Computer Network Technology Corporation (“CNT”), Condor Acquisition, Inc. (“Condor”) and McDATA Corporation (“McDATA”) (collectively, “Parties”), through undersigned counsel, hereby advise the Public Service Commission of Kentucky (“Commission”) of a series of transactions, described in greater detail below, whereby McDATA will acquire control of CNT through a merger of Condor, McDATA’s wholly-owned subsidiary, and CNT (“Transaction”).

Based on a review of Kentucky law, it is the Parties’ understanding that Commission approval is not required to complete the transaction described herein. Accordingly, the Parties submit this letter for informational purposes only to ensure the continuing accuracy of the Commission’s records. In support of this filing, Parties state as follows:

I. Description of Parties

A. Computer Network Technology Corporation (“CNT”)

CNT is a corporation organized under the laws of the state of Minnesota. CNT’s address is Computer Network Technology Corporation, 6000 Nathan Lane North, Minneapolis, Minnesota 55442. CNT is publicly traded on the Nasdaq National Market System under the symbol “CMNT”. In Kentucky, CNT is authorized to provide telecommunications services in Docket No. T-64-1269. After the consummation of the transaction, CNT will retain its authorization and will continue to provide services to its customers. Further information concerning CNT’s legal, technical, managerial and financial qualifications to provide service was submitted with its application with the Commission and is, therefore, a matter of public record.

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CNT respectfully requests that the Commission take official notice of that information and incorporate it herein by reference. Additional information on CNT is available on the company's website at: <http://www.cnt.com>.

B. Condor Acquisition, Inc. ("Condor")

Condor is a newly formed Minnesota corporation established to effect the merger of CNT. Condor's principal offices are located at 380 Interlocken Crescent, Broomfield, Colorado 80021. Condor is a wholly owned subsidiary of McDATA Corporation. Condor is not authorized to provide telecommunication services in any state.

C. McDATA Corporation ("McDATA")

McDATA is a Delaware corporation with principal offices located at 380 Interlocken Crescent, Bloomfield, Colorado 80021. McDATA is publicly traded on the Nasdaq National Market System. McDATA's Class A common shares are traded under the symbol "MCDTA" and its Class B common shares are traded under the symbol "MCDT". Neither McDATA nor any of its subsidiaries have any licenses relating to the provision of telecommunications services. McDATA's revenue from the twelve months ending January 31, 2004 was \$418.9 million and for the quarter ending October 31, 2005 was \$98.5 million. McDATA is financially qualified to acquire control of CNT. Additional information on McDATA is available on the company's website at: <http://www.mcdata.com>.

II. Contact Information

Questions or inquiries concerning this filing may be directed to:

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III. Description of the Transaction

Parties have entered into an Agreement and Plan of Merger dated as of January 17, 2005 (“Merger Agreement”)¹ through which (1) Condor will be merged with and into CNT whereupon the separate existence of Condor shall cease and CNT will be the surviving corporation (“Surviving Corporation”) and (2) outstanding shares of CNT will be converted into the right to receive 1.3 shares of McDATA Class A Common Stock plus cash in lieu of fractional shares and the Surviving Corporation will become a wholly owned subsidiary of McDATA. Upon completion of the transaction, current McDATA and CNT stockholders will own approximately 76% and 24%, respectively, of McDATA. In light of the structure of the proposed Transaction, Parties hereby advise the Commission of both: (1) the merger of CNT and Condor; and (2) the transfer of control of CNT to McDATA. Attached as Exhibit A is an illustrative chart describing the proposed Transaction.

Following the consummation of the Transaction, CNT’s customers will continue to receive service under the same rates, terms and conditions of service as before. CNT will become a wholly owned subsidiary of McDATA, will continue to operate and provide services to CNT’s customers and will retain the assets used in the provisions of those services. As a result, the proposed Transaction will not involve a change in CNT’s operating authority in Kentucky and CNT’s tariffs will remain in effect. As a result, the Transaction will be virtually transparent to CNT’s customers in terms of the services they receive.

IV. Public Interest Considerations

Parties respectfully submit that the proposed Transaction serves the public interest. In particular, Parties submit that: (1) the Transaction will increase competition in the Kentucky telecommunications market by reinforcing the status of CNT as a viable competitor and (2) the Transaction will minimize the disruption of service and be virtually transparent to CNT’s customers.

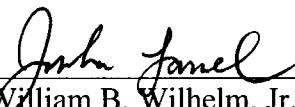
The proposed Transaction is expected to facilitate competition in Kentucky by improving the operational position of both CNT and McDATA. The combination of CNT’s and McDATA’s complementary products and services will provide customers with the long-term confidence that their strategic requirements for a storage networking infrastructure needed for increased productivity, business continuity and regulatory compliance will be met. Moreover, given that the Transaction will not affect CNT’s rates, terms and conditions of services, the Transaction will have no negative effects on customers.

¹ A copy of the Merger Agreement will be provided upon request.

V. **Conclusion**

An original and ten (10) copies of this letter are enclosed. Kindly date stamp and return the enclosed extra copy of this letter. The Parties hope to close the transaction described as soon as possible after receipt of necessary approvals. Therefore, the Parties respectfully request that the Commission notify the Parties promptly if it has any questions regarding the proposed transaction or believes that further action is required.

Respectfully submitted,

By: 
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COUNSEL FOR PARTIES

Dated: February 2, 2005

LIST OF EXHIBITS

Exhibit A - Illustrative Chart

Verifications

Exhibit A

Illustrative Chart

Pre-Transaction

McDATA
Corporation



Condor
Acquisition,
Inc.

Merge with
and into



Computer
Network
Technology
Corporation

Post-Transaction

McDATA
Corporation



Computer
Network
Technology
Corporation

Verifications

VERIFICATION

I, Gregory T. Barnum, state that I am Chief Financial Officer of Computer Network Technology Corporation, a Party in the foregoing filing; that I am authorized to make this Verification on behalf of Computer Network Technology Corporation; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.



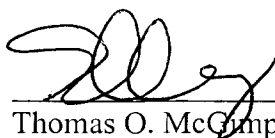
Gregory T. Barnum

Chief Financial Officer
Computer Network Technology Corporation

Dated: 1/20/05

VERIFICATION

I, Thomas O. McGimpsey, state that I am Vice President, General Counsel and Business Development of McDATA Corporation, a Party in the foregoing filing; that I am authorized to make this Verification on behalf of McDATA Corporation; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.



Thomas O. McGimpsey

Vice President, General Counsel and
Business Development
McDATA Corporation

Dated: 1-20-05