

State of Utah Department of Commerce Division of Public Utilities

FRANCINE GIANI Executive Director THAD LEVAR

Deputy Director

PHILIP J. POWLICK
Director, Division of Public Utilities

GARY HERBERT.

Governor

GREG BELL

Lieutenant Governor

MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities Philip Powlick, Director

Bill Duncan, Telecommunications / Water Manager

Ron Slusher, Utility Technical Consultant

Date: May 18, 2010

Re: In the Matter of the Joint Application of the BLC Management LLC d/b/a Angles Communication

Solutions Transfer of Control to BLC Acquisition Group, LLC. Docket No. 10-2501-01.

RECOMMENDATION (Approve):

The Division has reviewed the joint application submitted by BLC Management LLC d/b/a Angles Communication Solutions and BLC Acquisition Group, LLC and believes that the public interest will be promoted by allowing this transfer of control.

EXPLANATION:

On April 22, 2010, BLC Management LLC d/b/a Angles Communication Solutions and BLC Acquisition Group, LLC filed a joint application for the transfer of control from BLC Management LLC d/b/a Angles Communication Solutions to BLC Acquisition Group, LLC. The Division reviewed the application and found the following:

BLC Management, LLC is a Tennessee limited liability company with principal offices located at 11121 Highway 70, Suite 202, Arlington, Tennessee 38002. BLC Management, LLC is authorized to provide telecommunications services in Alabama, Arkansas, Colorado, Florida, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Michigan, Mississippi, Montana, Nebraska, New Jersey, New Mexico, North Carolina, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Washington and West Virginia. BLC Management, LLC primarily provides residential bundled local and long distance services.

BLC Management, LLC is authorized to provide public telecommunications services within the state of Utah, excluding those local exchanges of less than 5,000 access lines of incumbent telephone corporation with fewer than 30,000 access lines in the state, pursuant to a Certificate issued by the Commission in



Docket No. 08-2501-01 on June 24, 2009. BLC Management, LLC also has authority to provide domestic interstate and international services pursuant to FCC rules and regulations.

BLC Acquisition Group, LLC is a Delaware limited liability company which was created for purposes of this transaction. Their principal offices are located at 707 W. Eau Gallie Blvd., Melbourne, Florida 32935. BLC Acquisition Group, LLC is 100% owned by Associated Telecommunications Management Solutions, LLC, a Delaware limited liability with principal offices located at 707 W. Eau Gallie Blvd., Melbourne, Florida 32935. Associated Telecommunications Management Solutions, LLC, is a holding company, which was formed to acquire several small competitive local exchange companies.

The applicants submit that the transaction will be in the public interest because it will enhance BLC's ability to compete in the market for telecommunications services. The transaction will have no adverse effect upon customers. It will give BLC access to resources which will enable it to introduce new products and services and to respond to the competitive environment. They also state that the transaction will not result in any changes to BLC's provision of service to its current customers. It is anticipated that BLC's management team responsible for its day-to-day operations are expected to remain essentially the same immediately following the proposed transaction.

Because this transfer of control results only in a change in ownership, the Division recommends approval of the application.

cc: Lance J. M. Steinhart, Attorney for BLC Management LLC Michael Ginsberg, Assistant Attorney General, State of Utah