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October 7, 2013

## Via Overnight Delivery

Julie P. Orchard, Commission Secretary  
Utah Public Service Commission  
Heber M. Wells Building, 4th Floor  
160 East 300 South  
Salt Lake City, Utah 84111

**Re: Notification of CTC Communications Corp., DeltaCom, LLC and EarthLink Business, LLC Regarding Certain *Pro Forma* Intra-Company Changes**

Dear Ms. Orchard:

CTC Communications Corp. d/b/a EarthLink Business II (“CTC”), DeltaCom, LLC d/b/a EarthLink Business I (“DeltaCom”) and EarthLink Business, LLC (“EarthLink Business”) (collectively, the “Parties”) hereby notify the Commission of certain *pro forma* intra-company changes described in more detail below. The Parties are all indirect subsidiaries of EarthLink, Inc. (“EarthLink” and together with its subsidiaries,<sup>1</sup> the “Company”), and the *pro forma* intra-company changes described herein are being undertaken to further eliminate unnecessary intermediate companies in, and realign entities within, the EarthLink corporate structure and to establish a new publicly traded holding company as the ultimate parent in the ownership chain.<sup>2</sup>

In support, the Parties provide the following information:

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<sup>1</sup> Charts depicting the corporate organizational structure of EarthLink and its subsidiaries before and after these *pro forma* intra-company changes are appended hereto as Exhibits A and B.

<sup>2</sup> The *pro forma* intra-company changes that are the subject of this Notification are part of a series of *pro forma* intra-company changes to simplify EarthLink’s corporate structure and realign EarthLink’s operating units. The initial *pro forma* intra-company changes were completed in 2012 and 2013. See Docket No. 12-2287-01. Most of the *pro forma* intra-company changes that are the subject of this Notification are expected to be completed by the end of the fourth quarter of 2013. Certain additional *pro forma* intra-company changes are being contemplated to further streamline and consolidate the EarthLink entities to the extent that complex technical interconnection and other operational changes can be resolved. To the extent required, the Parties, and/or affiliates of the Parties, will submit subsequent filing regarding those future *pro forma* intra-corporate changes.

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### **Description of the Parties**

EarthLink is a publicly traded Delaware corporation (NASDAQ: ELNK) with a principal business office at 1375 Peachtree Street, Atlanta, Georgia 30309. The Company is a provider of Internet Protocol (IP) and telecommunications infrastructure and services and IT services to other telecommunications carriers, businesses, enterprise organizations and individual customers across the United States. In Utah, EarthLink has three subsidiaries (collectively, the “UT Authorized Entities”) that are authorized to provide telecommunications services:

CTC, a Massachusetts corporation;<sup>3</sup>

DeltaCom, an Alabama limited liability company;<sup>4</sup> and

EarthLink Business, a Delaware limited liability company.<sup>5</sup>

An organization chart depicting the corporate organizational structure of the UT Authorized Entities and their direct and indirect parent companies (but not affiliates) before and after the *pro forma* intra-company changes is appended hereto as Exhibit C.

Additional information regarding EarthLink, including its most recent SEC Forms 10-K and 10-Q, as filed with the Securities and Exchange Commission, is available at <http://www.earthlink.net/about/investor/>.

### **Contacts**

Questions or any correspondence, orders, or other materials pertaining to this filing should be directed to the following:

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<sup>3</sup> CTC is authorized to provide long distance telecommunications services pursuant to a registration letter filed with the Commission on March 25, 1995.

<sup>4</sup> DeltaCom is authorized to provide long distance telecommunications services pursuant to a registration letter filed with the Commission on February 14, 1994.

<sup>5</sup> EarthLink Business is authorized to provide local exchange and interexchange telecommunications services pursuant to authorizations granted in Docket No. 99-2287-01 as amended in Docket No. 12-2287-01 to reflect its current name.

Julie P. Orchard, Commission Secretary  
October 7, 2013  
Page 3

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**Description of the *Pro Forma* Intra-Company Changes**

EarthLink has determined that its business would be more efficient from a management, operations, regulatory, accounting, financial and customer perspective by further realigning and reducing its subsidiaries and establishing a holding company with no operations as the publicly traded parent company for the Company. The *pro forma* intra-company changes described below that are the subject of this Notification are part of these streamlining efforts.

The Parties hereby notify the Commission of the various intra-company changes that will result in (1) DeltaCom becoming a direct subsidiary of EarthLink Business;<sup>6</sup> (2) establishing EarthLink Holdings, Inc. (“EarthLink Holdings”) as the new publicly traded holding company between EarthLink and its current shareholders and converting EarthLink to a Delaware limited liability company;<sup>7</sup> and (3) subsequent to completing steps (1) and (2) above, EarthLink possibly contributing its membership interests in EarthLink Business Holdings, LLC to EarthLink Holdings which would remove the EarthLink entity as an intermediate holding company in the chain of ownership between

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<sup>6</sup> This intra-company change will result from ITC^DeltaCom, Inc. merging with and into EarthLink Business, whereupon the separate existence of ITC^DeltaCom, Inc. will cease and EarthLink Business will be the surviving entity and direct parent company of DeltaCom.

<sup>7</sup> This intra-company change will likely occur in three steps: (1) EarthLink will form a wholly owned subsidiary, EarthLink Holdings, which will be a Delaware corporation; (2) EarthLink Holdings will form a wholly owned subsidiary, “MergerCo”, which will be a Delaware limited liability company; and (3) MergerCo will merge with and into EarthLink, with EarthLink as the surviving corporation and a wholly owned subsidiary of EarthLink Holdings. In addition, EarthLink, which does not itself have any regulated telecommunications operations, will convert from a Delaware corporation to a Delaware limited liability company. At the time of the *pro forma* transaction, the existing publicly traded shares of EarthLink will be converted into shares of EarthLink Holdings stock on a one-for-one basis. The existing shareholders of EarthLink will thereby become the shareholders of EarthLink Holdings in the same amounts and percentages as they held in EarthLink prior to the intra-company mergers.

Julie P. Orchard, Commission Secretary  
October 7, 2013  
Page 4

the UT Authorized Entities and their ultimate parent EarthLink Holdings.<sup>8</sup> Corporate organization charts depicting the organizational structure of EarthLink and its subsidiaries before and after these *pro forma* intra-company changes are appended hereto as Exhibits A and B hereto. For the Commission's reference, Exhibit C depicts the corporate organization of the UT Authorized Entities and their direct and indirect parent companies before and after the *pro forma* transactions described above. The intra-company changes described herein will not result in any change in the UT Authorized Entities' management or day-to-day operations or adversely affect the UT Authorized Entities' current or proposed operations.

### **Public Interest Considerations**

The Parties submit that the *pro forma* intra-company changes described herein are in the public interest. The *pro forma* changes will further simplify and realign EarthLink's existing corporate structure thereby reducing its reporting and accounting burdens and providing other efficiencies, enabling EarthLink and its subsidiaries to become stronger competitors to the ultimate benefit of consumers. The *pro forma* changes may also provide the Company with greater flexibility for future equity, debt and other transactions. The *pro forma* changes will be transparent to customers and will not result in any change in their services, and the rates, terms and conditions of their services will not change as a result of the purely intra-company changes.

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An original and eight (8) copies of this letter are enclosed for filing. Also enclosed is a CD-ROM containing an electronic version of this letter in MSWord and PDF formats. Please date-stamp the enclosed extra copy and return it in the envelope provided. Please do not hesitate to contact us if you have any questions.

Respectfully submitted,

Jean L. Kiddoo  
Brett P. Ferenchak

Counsel for the Parties

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<sup>8</sup> This *pro forma* intermediate holding company change may occur in 2014 following completion of certain corporate documentation and other prerequisites.

**LIST OF EXHIBITS**

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|-----------|--|
| Exhibit A | Current Corporate Organization of EarthLink  |
| Exhibit B | Proposed Corporate Organization of EarthLink   |
| Exhibit C | Corporate Organization of the UT Authorized Entities Before and After the <i>Pro Forma</i> Intra-Company Changes |