

GARY HERBERT. Governor SPENCER J. COX Lieutenant Governor

State of Utah Department of Commerce Division of Public Utilities

FRANCINE GIANI Executive Director THOMAS BRADY Deputy Director CHRIS PARKER Director, Division of Public Utilities

MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities Chris Parker, Director Bill Duncan, Telecommunications / Water Manager Casey J. Coleman, Utility Technical Consultant

Date: June 22, 2015

Re: In the Matter of the Joint Application of Onvoy, LLC and The Broadvox Holdings Company for Approval of a Transfer of Control of an Authorized Telecommunications Provider, Docket No.15-2546-01.

RECOMMENDATION (Approve):

The Division of Public Utilities ("Division") has reviewed the joint application between Onvoy, LLC and Broadvox-CLEC, LLC and believes that the public interest will be promoted by recommending that the Public Service Commission ("Commission") allow the this Transfer of Control. As a result of the acquisition, the Companies should be in a better position to provide expanded and advanced telecommunications services in the State of Utah.

The Division expects that based on history that a filing of this type and with the information submitted by the company there will be no objections or opposition to this recommendation. Therefore, the Division request that this docket be adjudicated informally in accordance with R746-110-1.

EXPLANATION:

On or about June 12, 2015, Onvoy, LLC ("Onvoy"), Broadvox, Inc. ("BV-Inc"), The Broadvox Holding Company, LLC ("BV-Holding") and Broadvox-CLEC, LLC ("BV-CLEC") notified the Commission of a transaction, which will result in a transfer of control of BV-CLEC to Onvoy.

Information about Onvoy

Onvoy is a limited liability company organized under the laws of the State of Minnesota whose principal address is 10300 6th Avenue North, Plymouth, Minnesota 55441. Onvoy is a wholly owned, direct subsidiary of Communications Infrastructure Investments, LLC, a Delaware



limited liability company ("CII"). Onvoy was authorized to provide public telecommunications services in the State of Utah by the Commission on January 4, 2012, Docket No. 11-2546-01.

Information about Broadvox-CLEC, LLC

BV-CLEC is a Delaware limited liability company and currently a direct subsidiary of BV-Holding, a Delaware limited liability company. BV-CLEC and BV-Holding have a principal place of business at 75 Erieview Plaza, Suite 400, Cleveland, Ohio 44114. BV-CLEC provides access to the public switched telephone network, telephone numbers and other functionalities to its VoIP-provider affiliate, Broadvox, LLC ("BV-LLC"). Broadvox-CLEC, LLC, holds licenses and certificates authorizing it to provide telecommunications services in the state of Utah that were issued in docket number 09-2519-01, on February 09, 2010. In Mississippi, BV-CLEC is authorized to provide resold and facilities-based/UNE local exchange interexchange telecommunications services pursuant to the Commission Order issued in Docket No. 09-UA-102. BV-CLEC is also authorized by the FCC to provide domestic and international telecommunications services.

Pursuant to a Membership Interest Purchase Agreement between/among BV-Holding and Onvoy, dated as of June 11, 2015, Onvoy will acquire all of the issued and outstanding membership interests in BV-CLEC. As a result, direct ownership and control of BV-CLEC will be transferred from BV-Holding to Onvoy; ultimate ownership and control of BV-CLEC will be transferred to CII.

The Applicants submit that the transaction described herein will serve the public interest. The Applicants expect that the merger will enable the combined entities to better meet the needs of enterprises, wholesale buyers, and other customers. The transaction will bring together two successful carrier organizations that have proven themselves in a highly competitive marketplace. The transaction will help create a stronger competitor by bringing together each organization's respective strengths. Operating as an integrated company will allow each of the operating companies to be more competitive and to deliver greater value and variety of services to their customers than they do individually.

The Applicants further submit that the transaction will be conducted in a manner that will be largely transparent their customers. The transaction will not result in a change of carrier for customers or any assignment of authorizations, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers.

Cc. Russell M. Blau, Onvoy. LLC
Scott Sawyer, General Counsel, Onvoy LLC
James C. Falvey, Broadvox
Alex Gertsburg, Esq. EVP – General Counsel, Broadvox
Justin Jetter, Assistant Attorney General, State of Utah
Cheryl Murray, Utility Analyst, Office of Consumer Services, State of Utah
William J. Evans, Parsons Behle & Latimer