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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Division Director

ACTION REQUEST RESPONSE

To: Public Service Commission

From: Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Brenda Salter, Utility Technical Consultant Supervisor

Ron Slusher, Utility Technical Consultant

Date: March 22, 2022

Re: **Docket No. 22-2539-01** In the Matter of the Joint Application of GC Pivotal, LLC d/b/a Global Capacity's Notice of Indirect Transfer of Control to GTT Communications, Inc.

Recommendation (Acknowledge)

The Division of Public Utilities ("Division") has reviewed the notification of the transfer of control of GC Pivotal, LLC d/b/a Global Capacity ("GC Pivotal") and GTT Communications, Inc. ("GTT Communications") (together the "Applicants"). The public interest will be promoted by the Public Service Commission ("Commission") acknowledging this Indirect Transfer of Control. As a result of the transfer, the company 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 requests that this docket be adjudicated informally in accordance with R746-110-1.

Discussion

On or about March 03, 2022, GC Pivotal and GTT Communications notified the Commission of a transaction, which will result in an indirect transfer of control of GC Pivotal.

GC Pivotal is a Delaware limited liability company, headquartered at 7900 Tysons One Place, Suite 1450, McLean, Virginia 22102. It received authorization to provide public telecommunications services in the State of Utah by the Commission on April 20, 2021, Docket No. 11-2539-01.

GTT Communications is a Delaware corporation with no majority stockholder. GTT Communications, through its subsidiaries, including GC Pivotal, is a global provider of cloud networking services. GTT Communications is the parent company of GC Pivotal.

On September 01, 2021, GTT Communications entered into a restructuring agreement with stakeholders to implement a comprehensive restructuring of GTT Communications' unsecured debt. On or about October 31, 2021, GTT Communications filed for relief under Chapter 11 bankruptcy and on December 16, 2021, the Bankruptcy Court entered an order confirming the plan. The plan will result in a change in ownership of reorganized GTT Communications and subsequently the indirect transfer of control of its subsidiaries, including GC Pivotal.

The Applicants submit that the transaction described herein will serve the public interest and that the implementation of the plan is expected to improve the debtors' financial and operational status to the benefit of their customers and other stakeholders by allowing the debtors to restructure their consolidated balance sheet and reduce their outstanding debt while continuing to operate and provide service to their customers, including customers in Utah.

The Applicants further submit that the transaction will be conducted in a manner that will be largely transparent to 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.

Conclusion

The Division has reviewed the notice filed by the Applicants for the indirect transfer of control and concludes that the Applicants are in compliance with Commission Rule R746-349-7 and have provided reasonable documentation.

The Division recommends the Commission acknowledge this notice.

cc. Tom W. Davidson, Counsel for GTT Communications, Inc. and GC Pivotal, LLC
Douglass Maynard, General Counsel and Secretary, GTT Communications, Inc.
Justin Jetter, Assistant Attorney General, State of Utah
Office of Consumer Services, State of Utah