



State of Utah
Department of Commerce
Division of Public Utilities

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MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Bill Duncan, Telecommunications / Water Manager
Ron Slusher, Utility Technical Consultant

Date: December 31, 2014

Re: In the Matter of the Joint Application for Approval of Transfer of Ultimate Control of LSSi Data Corporation to NewNet Communication Technologies, LLC., Docket No. 14-2458-01.

RECOMMENDATION (Approve):

The Division of Public Utilities (“Division”) has reviewed the joint application between LSSi Data Corporation and NewNet Communication Technologies, LLC. and believes that the public interest will be promoted by recommending that the Public Service Commission (“Commission”) allow the this indirect transfer of control.

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 December 04, 2014, LSSi Data Corporation (“LSSi”) and NewNet Communication Technologies, LLC. (“NewNet”) notified the Commission of a transaction, which will result in a indirect transfer of control of LSSi Data Corporation to NewNet Communication Technologies, LLC.

LSSi is a Delaware corporation headquartered at 1600 Stewart Avenue, Suite 305, Westbury, NY 11590. LSSi is authorized to provide public telecommunications services in the State of Utah by

the Commission on July 12, 2005, Docket No. 05-2458-01. LSSi parent company is Volt Delta Resources, LLC. which is a wholly-owned subsidiary of Volt Delta Resource Holdings, Inc.

NewNet is a Delaware Limited Liability Company headquartered at 1455 West Shure Drive, Arlington Heights, IL 6004. They are a provider of hardware, software, and services to telecommunications carriers.

Volt Delta Resource Holdings, Inc. and NewNet have entered into an agreement where NewNet will purchase all outstanding interest of Volt Delta Resources, LLC. As a result of this transaction, NewNet will gain indirect control of LSSi.

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 help create a stronger competitor by bringing together each organization's respective strengths.

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. Richard Oldach, President, LSSi Data Corporation
Sharon Stern, Director, LSSi Data Corporation
Ali Reza Soltani, Chairman, NewNet Communication Technologies, LLC
James F. Hall, EVP & General Counsel, NewNet Communication Technologies, LLC
Alan Poole, Counsel for Volt Delta Resources, LLC and LSSi Data Corporation
Mitchel H. Perkiel, Counsel for Volt Delta Resources, LLC and LSSi Data Corporation
Justin Jetter, Assistant Attorney General, State of Utah
Cheryl Murray, Utility Analyst, Office of Consumer Services, State of Utah