



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:** May 16, 2017

**Re:** In the Matter of the Joint Application of Broadview Networks Holdings, Inc., and Broadview Networks, Inc. and Windstream Holdings, Inc. for Approval to Transfer Indirect Control of Broadview Networks, Inc., Docket Number 17-2514-01.

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**RECOMMENDATION (Allow):**

The Division of Public Utilities (“Division”) has reviewed the joint application between Broadview Networks, Inc. and Windstream Holdings, Inc. and believes that the public interest will be promoted by recommending that the Public Service Commission (“Commission”) allow the 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 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.

**EXPLANATION:**

On or about April 27, 2017, Broadview Networks, Inc. (“Broadview Networks”) and Windstream Holdings, Inc. (“Windstream Holdings”) notified the Commission of a transaction, which will result in a transfer of control of Broadview Networks to Windstream Holdings.

Broadview Networks, Inc. is a Delaware corporation headquartered at 800 Westchester Avenue, Suite N501, Rye Brook, New York 10573. Broadview Networks is authorized to provide public telecommunications services in the State of Utah by the Commission on November 25, 2009, Docket No. 09-2514-01.

Windstream Holdings, Inc. is a Delaware corporation headquartered at 4001 Rodney Par-ham Road, Little Rock, Arkansas 72212. Windstream Holdings functions as a holding company and does not provide telecommunications services or hold any telecommunications licenses in its own right. In Utah, Windstream's regulated subsidiaries hold the following authorizations:

1. McLeodUSA Telecommunications Services, LLC is authorized to provide local exchange and interexchange telecommunications services pursuant to authority issued in Docket No. 98-2249-01 on May 19, 1998.
2. PAETEC Communications, LLC is authorized to provide local exchange and interexchange telecommunications services pursuant to authority issued in Docket No. 04-2441-01 on March 30, 2005.
3. Windstream NuVox, LLC is authorized to provide local exchange telecommunications services pursuant to authority issued in Docket No. 11-2538-01 on March 29, 2011.
4. EarthLink Business, LLC, a Delaware limited liability company, is authorized to provide local exchange and interexchange services pursuant to authority granted by the Commission in 99-2287-01.

Windstream Holdings owns and operates the following long distance telecommunications companies within the State of Utah:

1. Windstream Communications, LLC.
2. Windstream NTI, LLC.
3. DeltaCom, LLC.
4. Business Telecom, LLC.
5. CTC Communications Corp.

On April 13, 2017, Broadview Networks parent company, Broadview Holdings, Inc., and Windstream Holdings entered into an agreement where Windstream Holdings will become the new parent company of Broadview Holdings and all of its subsidiaries. This change in ultimate control does not involve a transfer of operating authority, assets or customers, and the transaction is expected to be virtually seamless to end user customers.

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. Charles C. Hunter, Broadview Networks Holdings, Inc.  
Cesar Caballero, Windstream Communications  
William J. Evans, Counsel for Applicants, Parsons Behle & Latimer  
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