



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: July 18, 2017

Re: In the Matter of the Joint Application of GTT America, LLC, Pivotal Global Capacity, LLC and GC Pivotal, LLC dba Global Capacity for Approval to Transfer Control of GC Pivotal LLC to GTT Americas, LLC, Docket No. 17-2539-01.

RECOMMENDATION (Allow):

The Division of Public Utilities (“Division”) has reviewed the joint application between GC Pivotal, LLC. d/b/a Global Capacity and GTT America, LLC and believes that the public interest will be promoted by recommending that the Public Service Commission (“Commission”) allow 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 requests that this docket be adjudicated informally in accordance with R746-110-1.

EXPLANATION:

On or about June 26, 2017, GC Pivotal, LLC. d/b/a Global Capacity (“GC Pivotal”) and GTT America, LLC. (“GTT America”) notified the Commission of a transaction, which will result in a transfer of control of GC Pivotal to Short Name GTT America.

GC Pivotal, LLC. d/b/a Global Capacity is a Delaware limited liability company, headquartered at 265 Winter Street, Waltham, Massachusetts 02451. They are a wholly-owned subsidiary of

Transfer, an Arizona limited liability company. GC Pivotal is authorized to provide public telecommunications services in the State of Utah by the Commission on April 20, 2011, Docket No. 11-2539-01.

GTT America, LLC. is a Delaware limited liability company, headquartered at 7900 Tysons One Place, Suite 1450, McLean, Virginia 22102. GTT America is a wholly-owned subsidiary of GTT Communications, Inc.

On June 23, 2017, The Applicants entered into a purchase agreement whereby, GTT Communications, Inc. will acquire all of the outstanding equity interest in Global Capacity. As a result, Global Capacity will become a direct wholly-owned subsidiary of GTT Communications, Inc.

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. William J Evans, Counsel for the Applicants
Tony Hansel, VP Deputy General Counsel, GTT Communications, Inc.
Jeremy Kissel, Deputy General Counsel, Global Capacity
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