

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Joint Application of Lingo Communications, LLC, Ionex Communications North, LLC, TNCI Impact LLC, and Matrix Telecom, LLC for Approval of the Proposed Transfer of Indirect Control of Matrix Telecom, LLC to Lingo Communications, LLC

DOCKET NOS. 18-2452-01
and 18-2563-02
ORDER APPROVING TRANSFER
OF CONTROL

ISSUED: August 27, 2018

On July 25, 2018, Lingo Communications, LLC (“Lingo Communications”), Ionex Communications North, LLC (“Ionex”), TNCI Impact LLC (“TNCI”), and Matrix Telecom, LLC (“Matrix”) (collectively, “Applicants”), filed with the Public Service Commission (“PSC”) an application for approval to transfer indirect control of Matrix to Lingo Communications (“Application”).

The Applicants represent the transaction for which they seek approval will result in Lingo Management, LLC (“Lingo Management”), which is a wholly owned subsidiary of Lingo Communications, acquiring all issued and outstanding membership interests of Impact Acquisition, LLC (“Impact Acquisition”) and its subsidiaries. As a result, indirect ownership of Matrix will be transferred to Lingo Communications. Additionally, after the closing of the transaction, Lingo Communications will eliminate Impact Telecom, LLC (“Impact Telecom”) from the chain of ownership of Matrix (the “Post-Transaction *Pro Forma* Change”), resulting in Matrix becoming a wholly owned, direct subsidiary of Impact Acquisition. The Applicants represent that this Post-Transaction *Pro Forma* Change will have no effect on Matrix, its customers, or its operations. The Applicants further maintain the transaction will not result in any immediate change of carrier for any Utah customers or any assignment of authorizations, and in

no event will it result in the discontinuance, reduction, loss, or impairment of service to customers.

On August 21, 2018, the Division of Public Utilities (“DPU”) filed a memorandum recommending the PSC approve the proposed transaction. In making this recommendation, the DPU represented:

The public interest will be promoted by recommending that the [PSC] 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.

No other comments have been filed in this docket.

Pursuant to Utah Admin. Code R746-349-7(A)(3):

If no objection to the proposed transaction is submitted in any filed comments or reply comments, the [PSC] will presume that approval of the transaction is in the public interest and use the information contained in the application and accompanying documents as evidence to support a [PSC] order.

There is no objection to the proposed transfer of control. Therefore, under Utah Admin. Code R746-349-7(A)(3) and based on the record, the PSC presumes the transfer of control to be in the public interest.

ORDER

Given the foregoing, the PSC approves the Application.¹

¹ The PSC notes no party addresses whether Utah Code Ann. § 54-4-28 or other applicable law requires the Applicants to obtain the PSC’s approval of the transaction at issue. The parties appear to have presumed such approval is necessary and unanimously ask the PSC to grant approval. Therefore, the PSC grants approval but does not reach the question whether Applicants were required to seek approval prior to consummating the transaction.

DATED at Salt Lake City, Utah, August 27, 2018.

/s/ Michael J. Hammer
Presiding Officer

Approved and confirmed August 27, 2018 as the Order of the Public Service Commission
of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#304122

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on August 27, 2018, a true and correct copy of the foregoing was served upon the following as indicated below:

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