
Application of Gunnison Telephone Company for an Order Approving the Acquisition of the Voting Stock of Gunnison Telephone Company by Lynch Telephone Corporation X	<u>DOCKET NO. 25-043-02</u> <u>ORDER APPROVING SETTLEMENT STIPULATION</u>
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ISSUED: March 11, 2026

SYNOPSIS

The Public Service Commission (PSC) approves the settlement stipulation and approves Lynch Telephone Corporation X's ("Lynch") acquisition of the voting stock of Gunnison Telephone Company ("Gunnison").

BACKGROUND

On December 11, 2025, Gunnison and Lynch ("Applicants") filed a joint application ("Application") seeking approval of Lynch's purchase of Gunnison's voting stock. Applicants entered into a Stock Purchase Agreement whereby Lynch would acquire 100% of the issued and outstanding shares of Gunnison ("Transaction").¹

PROCEDURAL HISTORY

1. A virtual scheduling conference was held December 19, 2025, and a Scheduling Order and Notice of Hearing was issued January 5, 2026.
2. The Applicants filed the written direct testimony of Howard James Sanders, Brad Welch, and Stephen J. Moore on December 18, 2025.

¹ See Settlement Stipulation at 2, ¶ 1.

3. The Division of Public Utilities (DPU) filed the written direct testimony of Kelley O'Connor on February 2, 2026.

4. The Applicants and DPU ("Parties") filed a Settlement Stipulation ("Settlement") on January 26, 2026.

5. The PSC held an evidentiary hearing to consider the Settlement on February 27, 2026, during which witnesses for the Parties provided sworn testimony and other evidence supporting the Settlement.

6. There were no intervenors in this docket.

THE SETTLEMENT STIPULATION

In the Settlement, the Parties stipulate and agree that, among other things, the Transaction: (1) will not affect the PSC's ability to regulate Gunnison and that Gunnison will continue to abide by and meet its regulatory obligations to Utah customers; (2) will not negatively impact Gunnison's operational documentation or service offerings; (3) will not negatively impact rates charged or quality of service; and (4) is in the public interest.²

The Parties further stipulate that costs relating to the Transaction will not be included in Gunnison's "revenue requirement and Universal Public Telecommunications Service Support Fund ("UUSF") calculation[.]" and all "[a]cquisition adjustments, transaction premiums, and goodwill amortization, if any,

² See *id.* at 3-4, ¶¶ 1-8.

arising from the Transaction will not be included in Gunnison's revenue requirement/UUSF calculation post-Transaction."³

HEARING

At hearing, the Parties testified that, among other things, the terms of the Settlement are just and reasonable in result, and approval of the Settlement is in the public interest. Witnesses for Applicants affirmed their written testimony and noted that the Federal Communications Commission's (FCC) approval for the change of control resulting from the Transaction is currently pending but expected within a few weeks. They further clarified that the FCC's approval is independent of the Settlement in this docket.⁴ There was no opposition to the Settlement.

Based on the PSC's review of the Application and the Settlement, and considering there is no opposition, the PSC enters the following Findings of Fact, Conclusions of Law, and Order.

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

Settlements of matters before the PSC are statutorily encouraged. To approve a settlement, the PSC must consider the interests of the public and other affected persons, and find the settlement is just and reasonable in result.⁵ Based on our consideration of the Application, the submitted written testimony, the Settlement, and

³ *Id.* at 4, ¶ 7.

⁴ See e.g., [Reporter's Transcript](#) of February 27, 2026 Hearing at 7:15-8:7 (Lynch witness).

⁵ See Utah Code Ann. § 54-7-1.

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the sworn testimony at hearing, and because there is no opposition, the PSC finds that the record evidence supports our conclusion that the Settlement and its terms are just and reasonable and in the public interest.

Accordingly, the PSC approves the Settlement and grants the Application, as conditioned and supplemented by the Settlement.

DATED at Salt Lake City, Utah, March 11, 2026.

/s/ John E. Delaney
Presiding Officer

Approved and Confirmed March 11, 2026, as the Order of the Public Service Commission.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph.D., Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#344265

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 30 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 March 11, 2026, a true and correct copy of the foregoing was served upon the following as indicated below:

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