BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

February 6, 2007		
IN RE:)	
APPLICATION OF OPERATOR SERVICE COMPANY, LLC FOR TRANSFER OF CONTROL))	DOCKET NO. 06-00236

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before Director Eddie Roberson, Director Pat Miller and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on November 6, 2006 for consideration of the *Application For Transfer Of Control ("Application")* of Operator Service Company, LLC to INFONXX, Inc. ("INFONXX" or "Buyer") filed on September 15, 2006 by Operator Service Company, LLC ("OSC" or "Applicant").

The Application

OSC was originally granted a Certificate of Public Convenience and Necessity as Operator Service Company, Inc. on September 12, 1995 in TRA Docket No. 98-03128. On October 18, 2005 in Docket No. 05-00059, the Authority granted OSC's request to change its name to Operator Service Company, LLC.

INFONXX is a privately held company incorporated in Delaware and headquartered in Bethlehem, Pennsylvania. The *Application* states that INFONXX is the leading wholesale provider of directory assistance services (including enhanced services) to the wireless industry and also provides wholesale directory assistance services to corporate customers and competitive local exchange carriers ("CLECs"). It operates call centers in Arizona, California, North

Carolina and Texas as well as the United Kingdom and has recently entered the market in France and Italy. INFONXX is not certificated in Tennessee and has not registered to do business in Tennessee as a foreign entity.

According to the *Application*, a purchase agreement ("Agreement") was entered into on August 30, 2006 by which INFONXX agreed to purchase all ownership interests in OSC from BC Holding III Corporation and Onslow Holdings, LLC (together, "Sellers") in return for a cash payment to Sellers and full repayment of OSC's bank debt.

OSC's October 5, 2006 response to Staff Data Request No. 1 indicates that this transaction had been consummated on September 13, 2006. OSC's response to Staff Data Request No. 2 clarifies that OSC requests Authority approval of this transaction pursuant to Tenn. Code Ann. § 65-4-113, *nunc pro tunc* and states that it was necessary to close the transaction prior to Authority approval due to the competitive environment in which OSC and INFONXX operate.

Prior to the transaction, BC Holding III Corporation owned a 51% ownership interest in OSC, whereas Onslow Holdings, LLC owned a 49% ownership interest. The *Application* states that following the transaction, INFONXX will own 100% of OSC's equity, and will assign OSC to its wholly-owned subsidiary, INFONXX Operating Company. OSC will remain a separate operating company and continue to market, brand and bill its services in Tennessee under the name of Operator Service Company, LLC. According to the *Application*, OSC has a current tariff on file with the Authority; the proposed acquisition will have no effect on the Applicant's name, address, contact information, services, rates or terms and conditions of service; and there are no definitive plans to change the management structure of OSC. The transfer of authority of OSC will therefore not result in a change of carrier or any transfer of authorizations, and will not

¹ The Application refers to the Authority as the "Tennessee PUC" at Page 2.

harm the public interest. Further, no customer notice will be issued because OSC has no presubscribed customers.

The Federal Communications Commission ("FCC") granted approval of the Domestic Section 214 Application for the transfer of authority of OSC to INFONXX effective October 27, 2006.

November 6, 2006 Authority Conference

Tenn. Code Ann. § 65-4-113 (2004) requires a public utility to obtain TRA approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113(a) (2004) provides:

No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) (2004) provides the standards by which the TRA shall consider an application for transfer of authority, in pertinent part, as follows:

Upon application for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. The authority shall approve the transfer after consideration of all relevant factors and upon finding that such transfer furthers the public interest.

At the regularly scheduled Authority Conference held on November 6, 2006, the voting panel assigned to this docket voted unanimously to approve the transfer of authority requested in the *Application* and made the following findings:

- 1. Tenn. Code Ann. § 65-4-113 (2004) applies to this transaction;
- 2. The proposed transfer of authority will not result in a change of carrier or any transfer of authorizations and no customer notice is required because OSC has no customers; and
 - 3. The proposed transfer of authority is in the public interest.

IT IS THEREFORE ORDERED THAT:

- 1. The transfer of authority of Operator Service Company, LLC to INFONXX, Inc. as described in the *Application For Transfer Of Control* and discussed herein is approved *nunc pro tunc*.
- 2. The parties shall file with the Authority any documentation from the Federal Communications Commission regarding subsequent action on the change of ownership.

Eddie Roberson, Director

Pat Miller, Director

Ron Jones, Direc