# BEFORE THE TENNESSEE REGULATORY AUTHORITY AT NASHVILLE, TENNESSEE

March 6, 2007	Ma	rch	6.	20	107
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IN RE:	)	
PETITION OF INTRADO COMMUNICATIONS INC. FOR AUTHORITY TO TRANSFER CONTROL OF WEST CORPORATION	) ) )	DOCKET NO. 06-00247
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#### ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before Chairman Sara Kyle, 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 December 4, 2006 for consideration of the *Petition* filed by Intrado Communications, Inc. ("Intrado") on September 29, 2006, for approval *nunc pro tunc* to transfer authority pursuant to the provisions of Tenn. Code Ann. § 65-4-113 (2004).

## The Petition

Intrado<sup>1</sup> is a wholly-owned subsidiary of Intrado, Inc., which itself is a wholly-owned subsidiary of West Corporation ("West"). Intrado seeks approval from the Authority for a proposed transaction relating to a transfer of the controlling interest of its ultimate parent, West, to a private equity fund sponsored by Thomas H. Lee Partners, L.P. ("THL Partners"). THL Partners is a private equity investment firm that currently manages approximately \$20 billion of committed capital. As a result of the recapitalization of West, private equity funds sponsored by THL Partners are expected to

<sup>&</sup>lt;sup>1</sup> Intrado was authorized to provide competitive telecommunications services in the State of Tennessee on March 5, 2002, in Docket No. 01-00050. However, Intrado does not currently have any customers and does not currently provide competitive telecommunications services in Tennessee.

control West through equity ownership in West and the right to designate a majority of West's board of directors. THL Partners is not certificated in the State of Tennessee to provide telecommunications services.

The proposed transaction<sup>2</sup> will occur as a result of an Agreement and Plan of Merger (the "Merger") entered into and between West and Omaha Acquisition Corp. ("Newco"), a Delaware Corporation created solely for the purpose of the West recapitalization and of which a private equity fund sponsored by THL Partners currently owns a greater than 50% equity interest. The *Petition* states that as a result of the transaction, Newco will be merged with and into West, and West will be the surviving corporation. According to the *Petition*, Intrado will remain a wholly-owned subsidiary of Intrado, Inc., which will remain a wholly-owned subsidiary of West.

The *Petition* states that there will be no changes in the day-to-day management of West, Intrado, Inc., or Intrado, and there is no customer base impacted by this transaction. The *Petition* further states that the proposed transfer will have no effect on the Intrado name, address, contact information, services, rates or terms and conditions of service. The management teams of West, Intrado Inc., and Intrado are not anticipated to be materially affected by the transfer of authority. In addition, the *Petition* states the Merger does not contemplate that the recapitalized West will operate directly in Tennessee as a telecommunications services provider.

### **December 4, 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) states as follows:

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

<sup>&</sup>lt;sup>2</sup> In Data Response No. 2, Petitioner notified the Authority that the transaction was closed on October 24, 2006, and further requested to amend its *Petition* to seek *nunc pro tunc* approval.

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 petition 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 December 4, 2006, the voting panel assigned to this docket considered the transfer requested in the *Petition*. Thereafter, based upon the evidentiary and administrative record as a whole and relying on the legal standard set forth in Tenn. Code Ann. § 65-4-113 (2004), the panel determined that the transfer furthers the public interest and voted unanimously to grant *nunc pro tunc* approval of the *Petition*.

#### IT IS THEREFORE ORDERED THAT:

- 1. The indirect transfer of authority of Intrado Communications Inc. to West Corporation as described in the *Petition* and discussed herein is approved *nunc pro tunc*.
- 2. Because this transaction is an indirect transfer of authority, Intrado Communications
  Inc. will retain its certificate of public convenience and necessity.

Sara Kyle, Chairman

Pat Miller, Pirecto

Roa Jones, Tirector