

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

December 30, 2009

IN RE:

**JOINT APPLICATION OF ARDMORE TELEPHONE
COMPANY, INC. AND SYNERGY TECHNOLOGY
PARTNERS, INC. REGARDING TRANSFER OF
CONTROL OF ARDMORE TELEPHONE, INC.**

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**DOCKET NO.
09-00103**

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before Chairman Sara Kyle, Director Eddie Roberson and Director Mary W. Freeman of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on October 26, 2009 for consideration of the *Joint Application of Ardmore Telephone, Inc. and Synergy Technology Partners, Inc. Regarding Transfer of Control* filed on July 14, 2009 and amended on September 15, 2009 ("*Amended Joint Application*") by Ardmore Telephone Company, Inc. ("Ardmore"), Ardmore Communications, LLC ("Ardmore Communications") and Synergy Technology Partners, Inc. ("Synergy") (jointly, the "Applicants").

Ardmore is a Tennessee corporation that offers a suite of communications services to residential consumers and businesses, including local, long distance and internet services. Ardmore has incumbent local exchange carrier ("ILEC") operations in Giles and Lincoln Counties in Tennessee and Limestone and Madison Counties in Alabama. In Tennessee, Ardmore offers service to approximately 2,577 local access lines to subscribers. Ardmore Communications is the long distance affiliate of Ardmore and is authorized to provide resold telecommunications services pursuant to an Order in Docket No. 00-00254.

Ben Lomand Rural Telephone Cooperative, Inc. ("Ben Lomand") is a telephone cooperative offering services pursuant to Tenn. Code Ann. § 65-29-128 and offers local exchange service, long distance service, and internet services. In Tennessee, Ben Lomand has over 42,000 access lines covering 3,200 square miles of territory, with over 17,000 internet customers and 11,000 video customers. West Kentucky Rural Telephone Cooperative Corporation, Inc. ("West Kentucky") is a cooperative that offers services in Tennessee pursuant to Tenn. Code Ann. § 65-29-128 and is a provider of communications, high-speed Internet and entertainment services in small-to-mid-size cities through its broadband and fiber transport networks. Western Kentucky's operations serve approximately 18,000 subscribers in eighteen exchanges located in eight counties in northwest Tennessee and west Kentucky. Synergy is a Tennessee corporation and is a newly formed subsidiary of Ben Lomand and West Kentucky created to effectuate this Transaction.

The Amended Joint Application

The Applicants entered into a Stock Purchase Agreement ("Purchase Agreement") as of June 19, 2009, whereby under the terms of the Purchase Agreement, Synergy will acquire Ardmore in a cash for stock transaction, and Ardmore will become a direct wholly-owned subsidiary of Synergy. Both Ben Lomand and West Kentucky will continue to provide telecommunications services post-Transaction and will not be otherwise affected. Prior to the Transaction, Ardmore's long-distance service affiliate Ardmore Communications will merge with and into Ardmore, with Ardmore being the surviving company, so that the transfer of control from Ardmore to Synergy will include the long-distance affiliate.

Ardmore will continue to exist in its current form after the Transaction is completed as a wholly-owned subsidiary of Synergy. Immediately following the completion of the transaction, West Kentucky and Ben Lomand, as shareholders of Synergy, will own 100% of the post-

Transaction Ardmore. Following consummation of the Transaction, end-user customers will continue to receive service from the same local operating company at the same rates, terms and conditions as immediately prior to the Transaction. Further, the *Amended Joint Application* asserts that the Transaction will be transparent to customers, and any subsequent service or price change will be made in accordance with all applicable rules and laws.

Findings and Conclusions

Tenn. Code Ann. § 65-4-113(a) (2004) requires a public utility to obtain TRA approval to transfer its authority to provide utility services and 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, which in pertinent part, states 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.

As to the Company's obligation to notify customers of the proposed transfer, TRA Rule 1220-4-2-.56(2)(d) provides:

1. The acquiring telecommunications service provider shall provide the Authority a copy of the self-certification letter it shall file with the Federal Communications Commission ("FCC"), as required in CC Docket No. 00257, certifying that the customer transfer is in compliance with all FCC regulations governing such transactions.
2. A notification letter, pre-approved by the Authority, shall be mailed by U.S. First Class Postage by the telecommunications service provider being acquired to its customers describing the customer transfer and explaining that the customers' local or long distance service will be transferred to the acquiring telecommunications service provider by a certain date unless the

customer selects another telecommunications service provider. This customer notification shall be mailed to the customers no less than thirty (30) days prior to the actual customer transfer. The notification letter required by the FCC may be used for the notification purposes of this part. The Authority may waive the thirty (30) day notice requirement of this part for good cause shown.

3. The acquiring telecommunications service provider agrees to pay any fees charged to the customer associated with changing service to the acquiring telecommunications service provider. The notification letter required in 1220-4-2-.56(2)(d)(2) shall inform the customer of this provision.
4. The acquiring telecommunications service provider agrees to provide to the affected customers a thirty (30) day written notice of any rate increase that may affect their service up to ninety (90) days from the date of the transfer of customers. The notification letter mentioned in 1220-4-2-.56(2)(d)(2) shall inform the customer of this provision.

The panel found that the proposed Transaction will serve the public interest as the transfer combines telecommunications services in rural areas and will ensure its customers are provided communications services in an efficient and reliable manner. Thereafter, the panel voted unanimously to approve (1) the *Amended Joint Application*, (2) the merger of Ardmore Communications and Ardmore, and (3) the transfer of authority of Ardmore to Synergy pursuant to Tenn. Code Ann. § 65-4-113(b) (2004). The panel further voted to waive the customer notification requirement pursuant to TRA Rule 1220-4-2-.56(2)(d) after finding that good cause for the waiver existed in that the Applicants had already provided notice to customers by sending a letter pursuant to Federal Communications Commission ("FCC")¹ rules that substantially complied with the TRA rule.

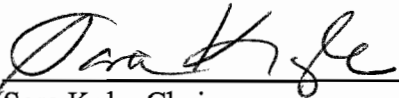
IT IS THEREFORE ORDERED THAT:

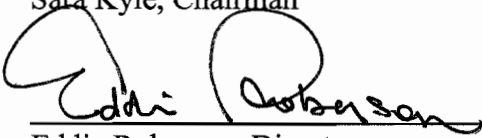
1. The merger of Ardmore Telephone Company, Inc. and Ardmore Communications LLC and the transfer of authority of Ardmore Telephone Company, Inc. to Synergy Technology Partners, Inc. as described in the *Amended Joint Application of Ardmore Telephone, Inc.*,

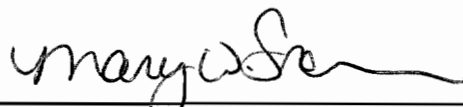
¹ The FCC approved the Transaction that is the subject of this docket on September 14, 2009 in DA 09-2046.

Ardmore Communications, LLC and Synergy Technology Partners, Inc. Regarding Transfer of Control and discussed herein are approved.

2. Pursuant to TRA Rule 1220-4-2.56(2)(d)(2), good cause exists to waive the requirement for the customer notification letter, and such notification is hereby waived.


Sara Kyle, Chairman


Eddie Roberson, Director


Mary W. Freeman, Director