

BINGHAM

Jean L. Kiddoo
Brett P. Ferencak
jean.kiddoo@bingham.com
brett.ferencak@bingham.com

13-00136

October 22, 2013

Via Overnight Courier and Electronic Mail

Chairman James M. Allison
c/o Sharla Dillon, Dockets and Records Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505
Sharla.Dillon@tn.gov

**Re: Notification of Business Telecom, Inc., CTC Communications Corp.,
DeltaCom, LLC and EarthLink Business, LLC Regarding Certain *Pro*
Forma Intra-Company Changes**

Dear Chairman Allison:

Business Telecom, Inc. d/b/a EarthLink Business III (“BTI”), CTC Communications Corp. d/b/a EarthLink Business I (“CTC”), DeltaCom, LLC d/b/a EarthLink Business (“DeltaCom”) and EarthLink Business, LLC (“EarthLink Business”) (collectively, the “Parties”) hereby notify the Tennessee Regulatory Authority (“Authority”) of certain *pro forma* intra-company changes described in more detail below.¹ The Parties are all indirect subsidiaries of EarthLink, Inc. (“EarthLink” and together with its subsidiaries,² the “Company”), and the *pro forma* intra-company changes described herein are being undertaken to further eliminate unnecessary intermediate companies in, and realign entities within, the EarthLink corporate structure and to establish a new publicly traded holding company as the ultimate parent in the ownership chain.³

¹ It is the Parties’ understanding that Authority approval is not required to complete the transactions described herein because they have elected market regulation. *See* Business Telecom, Inc. Notification of Intent to Operate Pursuant to Market Regulation, Dkt No. 11-00056, dated April 18, 2011; CTC Communications Corp. Notification of Intent to Operate Pursuant to Market Regulation, Docket No. 11-00057, dated April 18, 2011; DeltaCom, Inc. Notification of Intent to Operate Pursuant to Market Regulation, Docket No. 11-00055, dated April 18, 2011; and New Edge Network, Inc. Notification of Intent to Operate Pursuant to Market Regulation, Docket No. 11-00058, dated April 18, 2011.

² Charts depicting the corporate organizational structure of EarthLink and its subsidiaries before and after these *pro forma* intra-company changes are appended hereto as Exhibits A and B.

³ The *pro forma* intra-company changes that are the subject of this Notification are part of a series of *pro forma* intra-company changes to simplify EarthLink’s corporate structure and realign EarthLink’s operating units. The initial *pro forma* intra-company changes were completed in 2012 and 2013. *See* Letter from Jean L. Kiddoo and Brett P.

Beijing
Boston
Frankfurt
Hartford
Hong Kong
London
Los Angeles
New York
Orange County
San Francisco
Santa Monica
Silicon Valley
Tokyo
Washington

Bingham McCutchen LLP
2020 K Street NW
Washington, DC
20006-1806

T +1.202.373.6000
F +1.202.373.6001
bingham.com

A/75756888.1

In support, the Parties provide the following information:

Description of the Parties

EarthLink is a publicly traded Delaware corporation (NASDAQ: ELNK) with a principal business office at 1375 Peachtree Street, Atlanta, Georgia 30309. The Company is a provider of Internet Protocol (IP) and telecommunications infrastructure and services and IT services to other telecommunications carriers, businesses, enterprise organizations and individual customers across the United States. In Tennessee, EarthLink has four subsidiaries (collectively, the “TN Authorized Entities”) that are authorized to provide telecommunications services:

BTI, a North Carolina corporation;⁴

CTC, a Massachusetts corporation;⁵

DeltaCom, an Alabama limited liability company;⁶ and

EarthLink Business, a Delaware limited liability company.⁷

An organization chart depicting the corporate organizational structure of the TN Authorized Entities and their direct and indirect parent companies (but not affiliates) before and after the *pro forma* intra-company changes is appended hereto as Exhibit C.

Ferenchak, Counsel for CTC Communications Corp., et al., to Chairman James M. Allison, Tennessee Regulatory Authority (November 28, 2012). Most of the *pro forma* intra-company changes that are the subject of this Notification are expected to be completed by the end of the fourth quarter of 2013. Certain additional *pro forma* intra-company changes are being contemplated to further streamline and consolidate the EarthLink entities to the extent that complex technical interconnection and other operational changes can be resolved. In addition, subject to making the requisite corporate registration submissions, BTI may also convert from a North Carolina corporation to a North Carolina limited liability company. To the extent required, the Parties, and/or affiliates of the Parties, will submit subsequent filing regarding those future *pro forma* intra-company changes.

⁴ BTI is authorized to provide local exchange and interexchange telecommunications services pursuant to authority granted in Docket Nos. 95-02947 and 98-00126. As stated in note 3 above, BTI may convert from a corporation to a limited liability company. Upon completion of such, BTI will make the necessary regulatory filings to effectuate that change.

⁵ CTC is authorized to provide resold interexchange telecommunications services pursuant to authority granted in Docket No. 95-02520.

⁶ DeltaCom is authorized to provide local exchange and interexchange services pursuant to authority granted in Docket No. 95-02826 and 96-01431.

⁷ EarthLink Business is authorized to provide resold and facilities-based local exchange and interexchange services pursuant to certification granted in Docket No. 99-00714.

Additional information regarding EarthLink, including its most recent SEC Forms 10-K and 10-Q, as filed with the Securities and Exchange Commission, is available at <http://www.earthlink.net/about/investor/>.

Contacts

Questions or any correspondence, orders, or other materials pertaining to this filing should be directed to the following:

For the Parties:

Jean L. Kiddoo
Brett P. Ferencsak
Bingham McCutchen LLP
2020 K Street, N.W.
Washington, DC 20006-1806
202-373-6000 (tel)
202-373-6001 (fax)
jean.kiddoo@bingham.com
brett.ferencsak@bingham.com

With copies to:

Paula Foley
Senior Counsel
EarthLink Business
5 Wall Street
Burlington, MA 01803
781-362-5713 (tel)
781-362-1313 (fax)
pfoley@corp.earthlink.com

Description of the *Pro Forma* Intra-Company Changes

EarthLink has determined that its business would be more efficient from a management, operations, regulatory, accounting, financial and customer perspective by further realigning and reducing its subsidiaries and establishing a holding company with no operations as the publicly traded parent company for the Company. The *pro forma* intra-company changes described below that are the subject of this Notification are part of these streamlining efforts.

The Parties hereby notify the Commission of the various intra-company changes that will result in (1) BTI and DeltaCom becoming direct subsidiaries of EarthLink Business;⁸ (2) establishing EarthLink Holdings, Inc. ("EarthLink Holdings") as the new publicly traded holding company between EarthLink and its current shareholders and converting EarthLink to a Delaware limited liability company;⁹ and (3) subsequent to completing

⁸ These intra-company changes will result from (1) BTI Telecom Corporation merging with and into EarthLink Business, whereupon the separate existence of BTI Telecom Corporation will cease and EarthLink Business will be the surviving entity and direct parent company of BTI and (2) ITC^DeltaCom, Inc. merging with and into EarthLink Business, whereupon the separate existence of ITC^DeltaCom, Inc. will cease and EarthLink Business will be the surviving entity and direct parent company of DeltaCom.

⁹ This intra-company change will likely occur in three steps: (1) EarthLink will form a wholly owned subsidiary, EarthLink Holdings, which will be a Delaware corporation; (2) EarthLink Holdings will form a wholly owned subsidiary, "MergerCo", which will be a Delaware limited liability company; and (3) MergerCo will merge with and into EarthLink, with EarthLink as the surviving corporation and a wholly owned subsidiary of EarthLink

steps (1) and (2) above, EarthLink possibly contributing its membership interests in EarthLink Business Holdings, LLC to EarthLink Holdings which would remove the EarthLink entity as an intermediate holding company in the chain of ownership between the TN Authorized Entities and their ultimate parent EarthLink Holdings.¹⁰ Corporate organization charts depicting the organizational structure of EarthLink and its subsidiaries before and after these *pro forma* intra-company changes are appended hereto as Exhibits A and B hereto. For the Commission's reference, Exhibit C depicts the corporate organization of the TN Authorized Entities and their direct and indirect parent companies before and after the *pro forma* transactions described above. The intra-company changes described herein will not result in any change in the TN Authorized Entities' management or day-to-day operations or adversely affect the TN Authorized Entities' current or proposed operations.

Public Interest Considerations

The Parties submit that the *pro forma* intra-company changes described herein are in the public interest. The *pro forma* changes will further simplify and realign EarthLink's existing corporate structure thereby reducing its reporting and accounting burdens and providing other efficiencies, enabling EarthLink and its subsidiaries to become stronger competitors to the ultimate benefit of consumers. The *pro forma* changes may also provide the Company with greater flexibility for future equity, debt and other transactions. The *pro forma* changes will be transparent to customers and will not result in any change in their services, and the rates, terms and conditions of their services will not change as a result of the purely intra-company changes.

Holdings. In addition, EarthLink, which does not itself have any regulated telecommunications operations, will convert from a Delaware corporation to a Delaware limited liability company. At the time of the *pro forma* transaction, the existing publicly traded shares of EarthLink will be converted into shares of EarthLink Holdings stock on a one-for-one basis. The existing shareholders of EarthLink will thereby become the shareholders of EarthLink Holdings in the same amounts and percentages as they held in EarthLink prior to the intra-company mergers.

¹⁰ This *pro forma* intermediate holding company change may occur in 2014 following completion of certain corporate documentation and other prerequisites.

Chairman James M. Allison
October 22, 2013
Page 5

* * * *

An original and four (4) copies of this letter are enclosed for filing. Please date-stamp the enclosed extra copy and return it in the envelope provided. Please do not hesitate to contact us if you have any questions.

Respectfully submitted,



Jean L. Kiddoo
Brett P. Ferenczak

Counsel for the Parties

LIST OF EXHIBITS

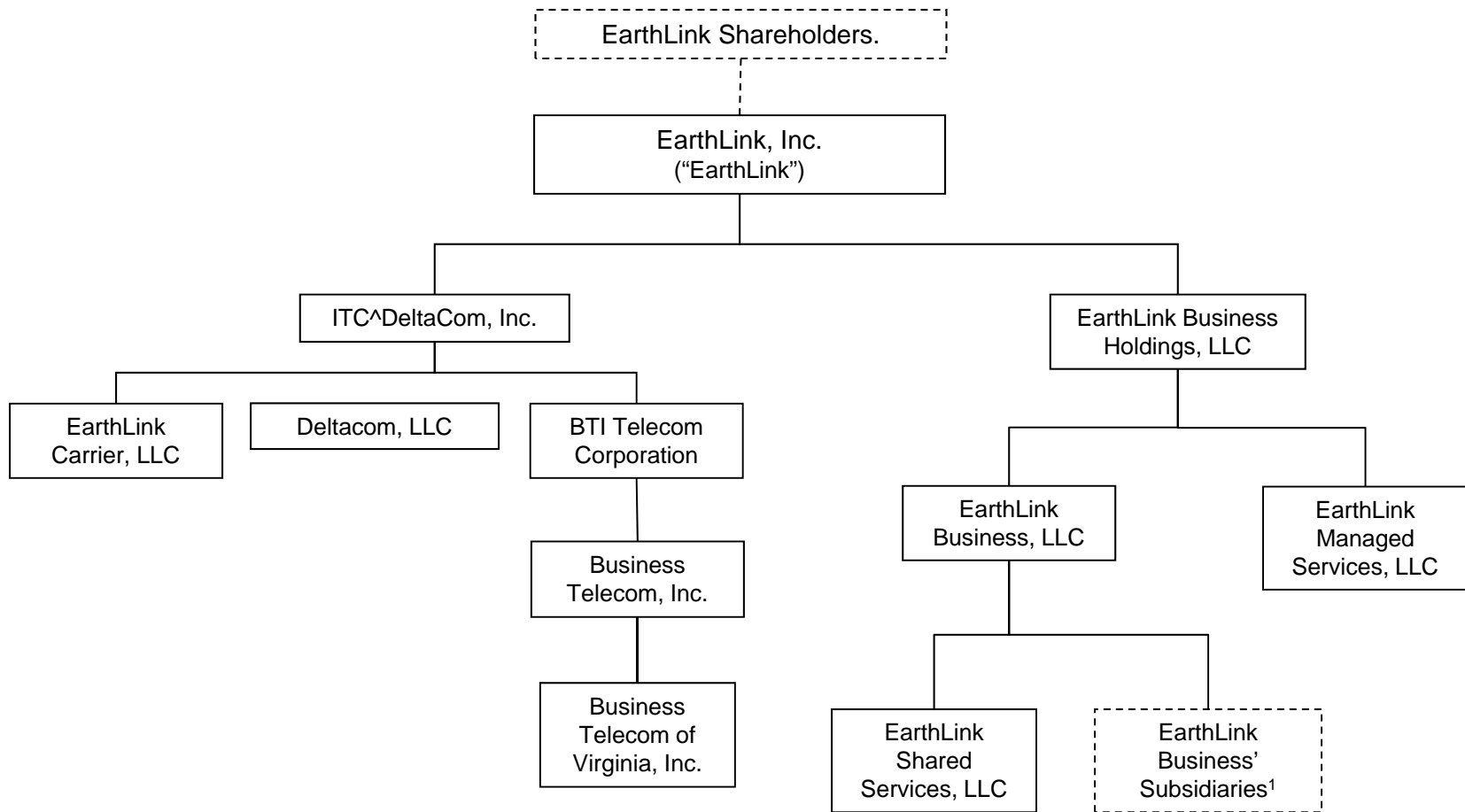
Exhibit A	Current Corporate Organization of EarthLink
Exhibit B	Proposed Corporate Organization of EarthLink
Exhibit C	Corporate Organization of the TN Authorized Entities Before and After the <i>Pro Forma</i> Intra-Company Changes

EXHIBIT A

Current Corporate Organization of EarthLink

EXHIBIT A

Current Corporate Organization of EarthLink

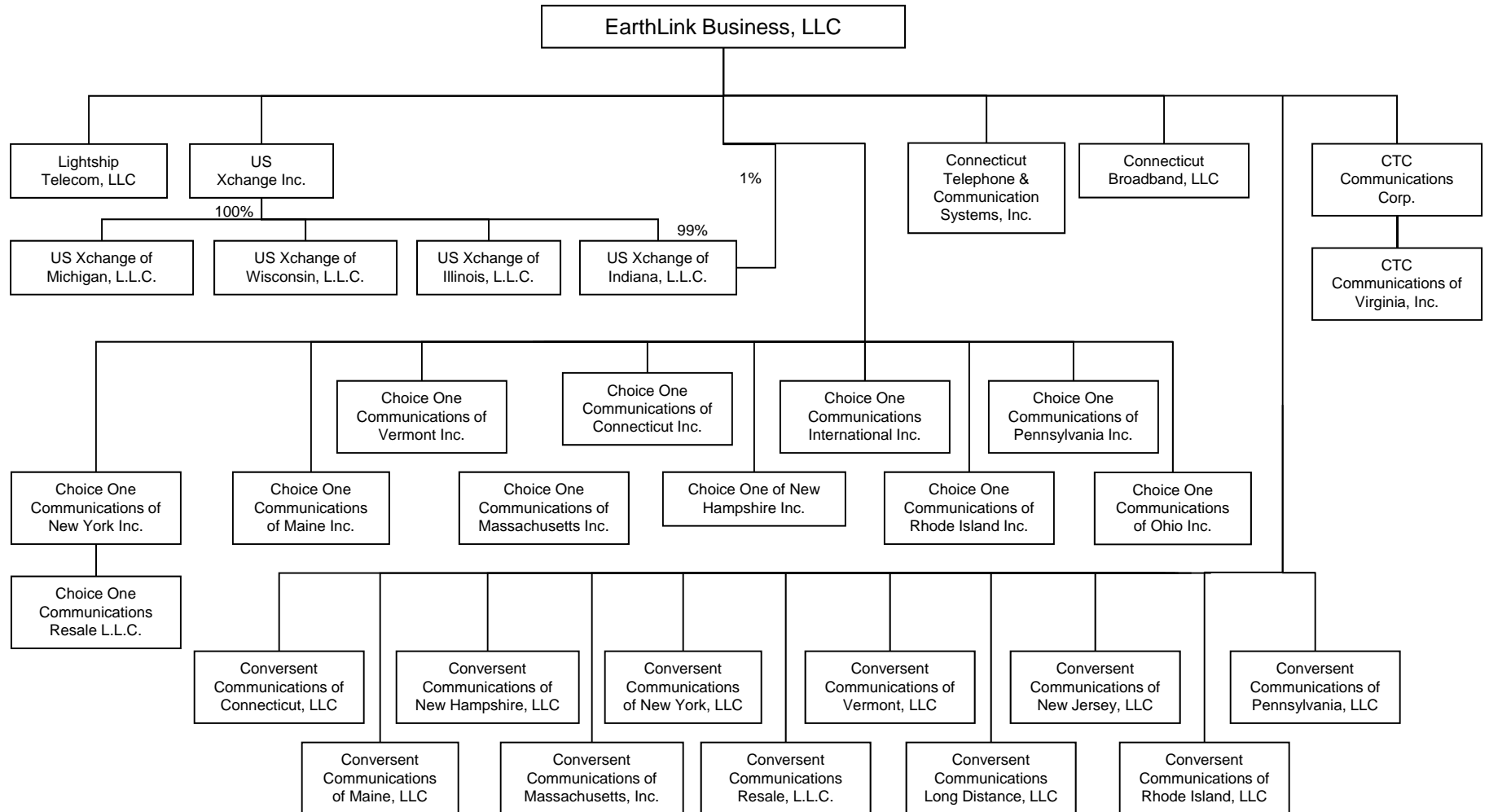


¹ See the chart labeled "Current Corporate Organization of EarthLink Business' Subsidiaries".

Unless otherwise indicated all ownership percentages are 100%.

EXHIBIT A

Current Corporate Organization of EarthLink Business' Subsidiaries



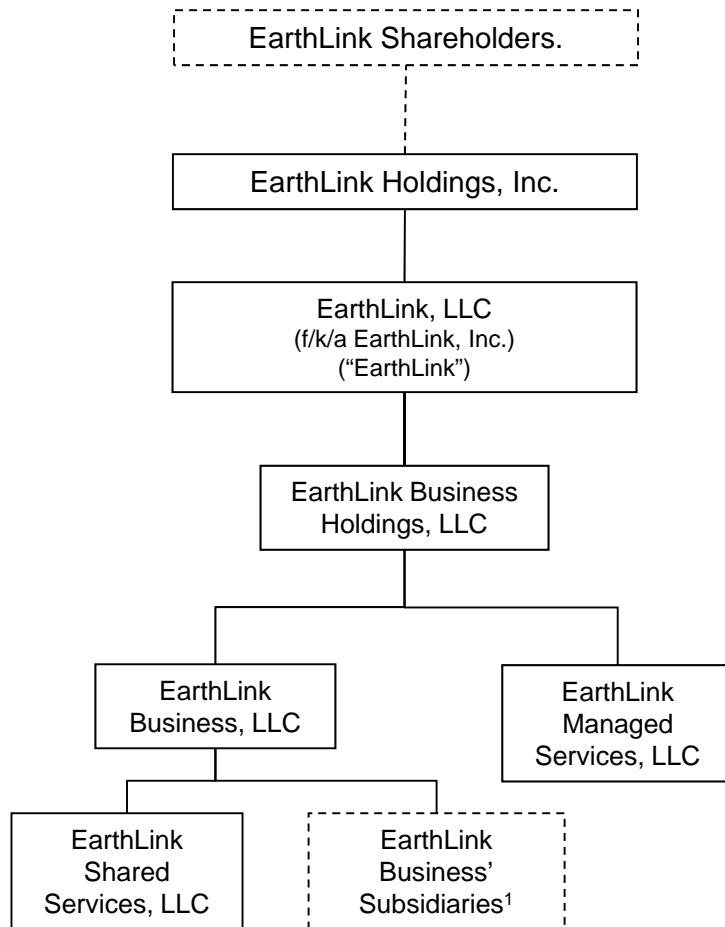
Unless otherwise indicated all ownership percentages are 100%.

EXHIBIT B

Proposed Corporate Organization of EarthLink

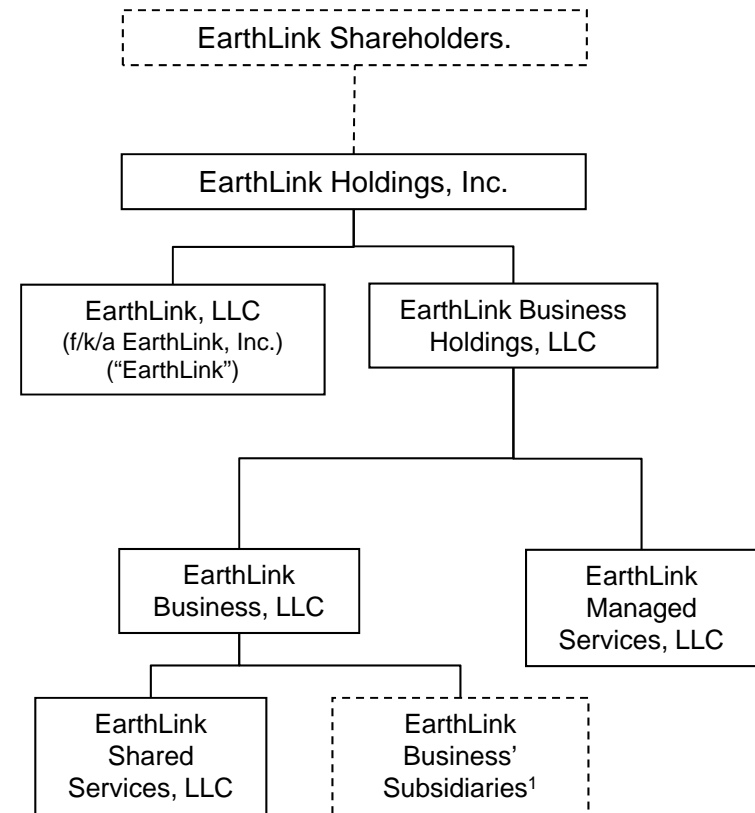
EXHIBIT B

Proposed Corporate Organization of EarthLink



Unless otherwise indicated all ownership percentages are 100%.

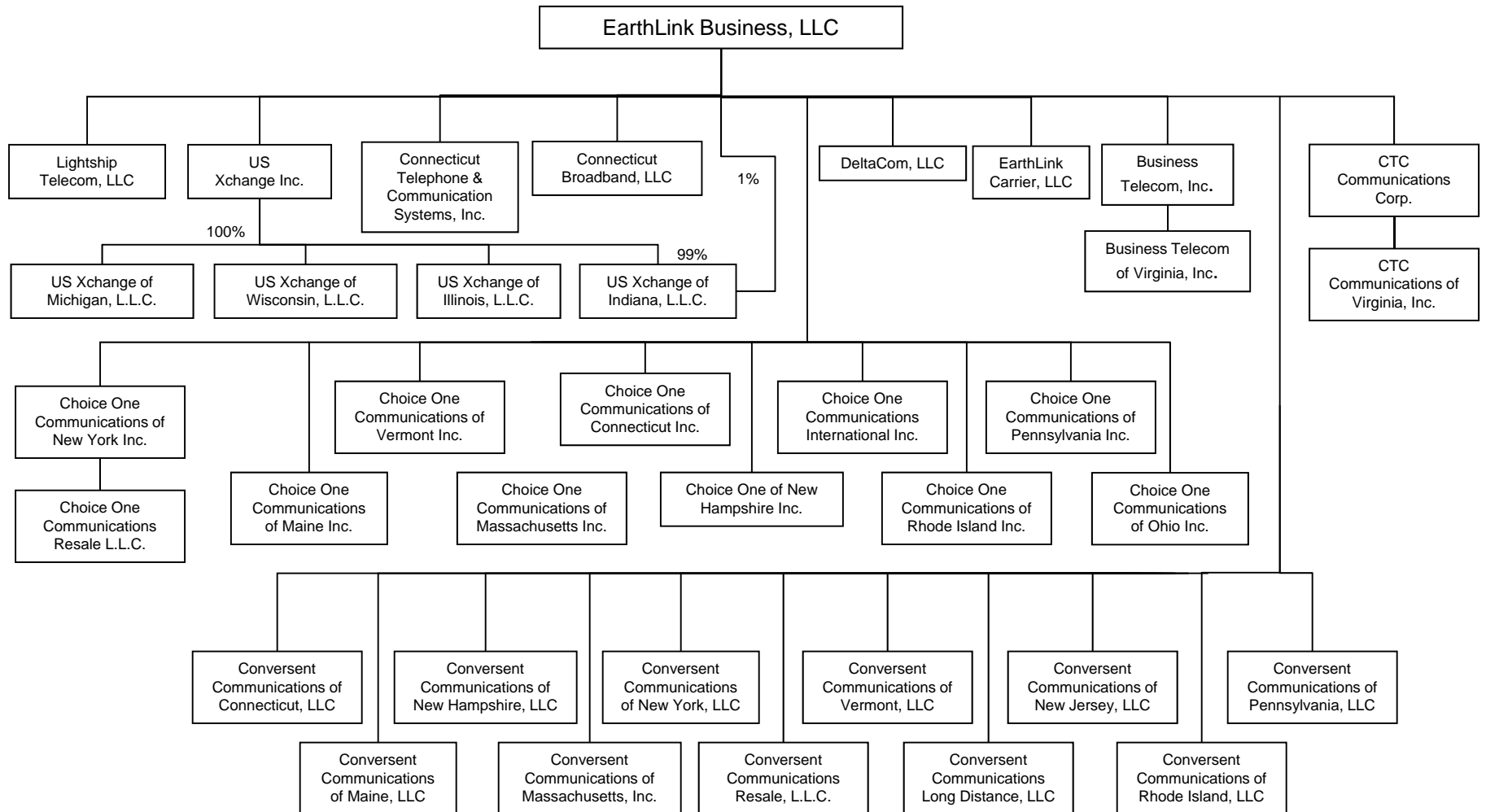
- OR -



¹ See the chart labeled "Current Corporate Organization of EarthLink Business' Subsidiaries".

EXHIBIT B

Proposed Corporate Organization of EarthLink Business' Subsidiaries



Unless otherwise indicated all ownership percentages are 100%.

EXHIBIT C

**Corporate Organization of the TN Authorized Entities Before and
After the *Pro Forma* Intra-Company Changes**

EXHIBIT C

Current Corporate Organization of the TN Authorized Entities

* The entities listed herein only include the TN Authorized Entities and their parent companies.

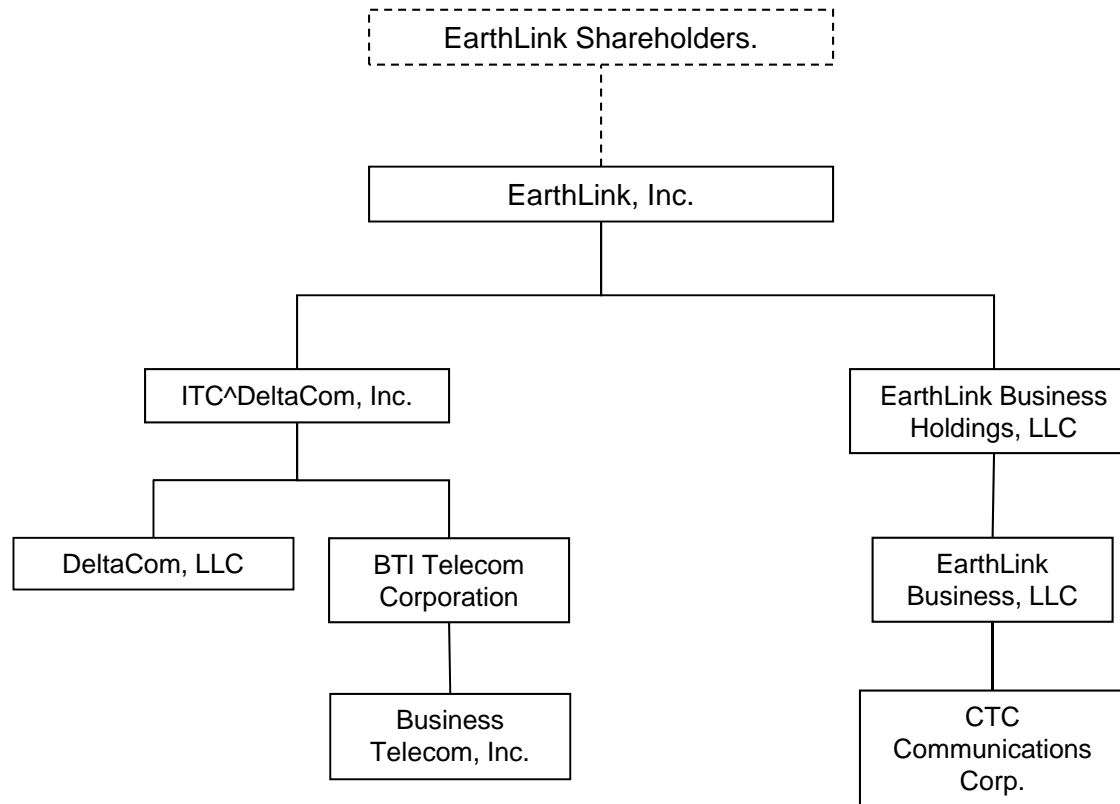
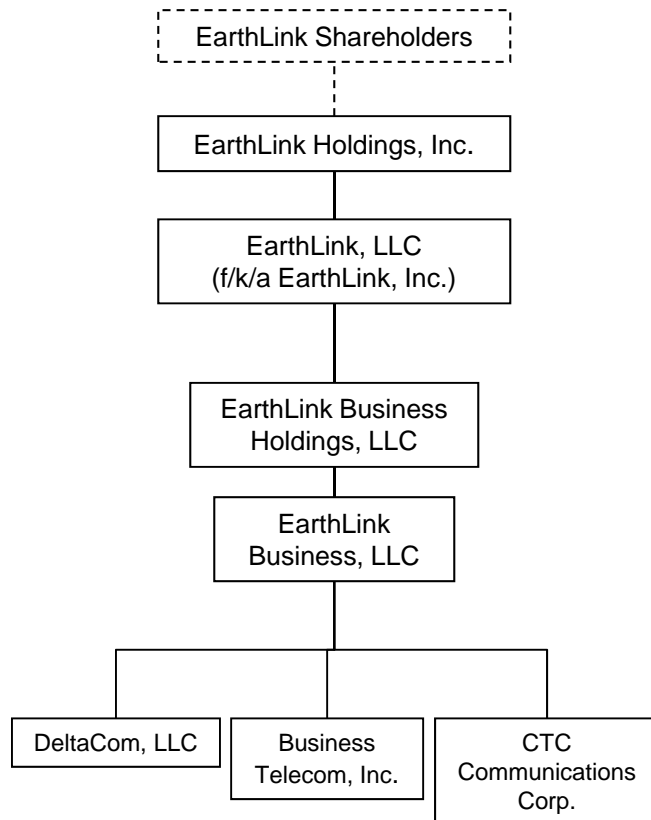


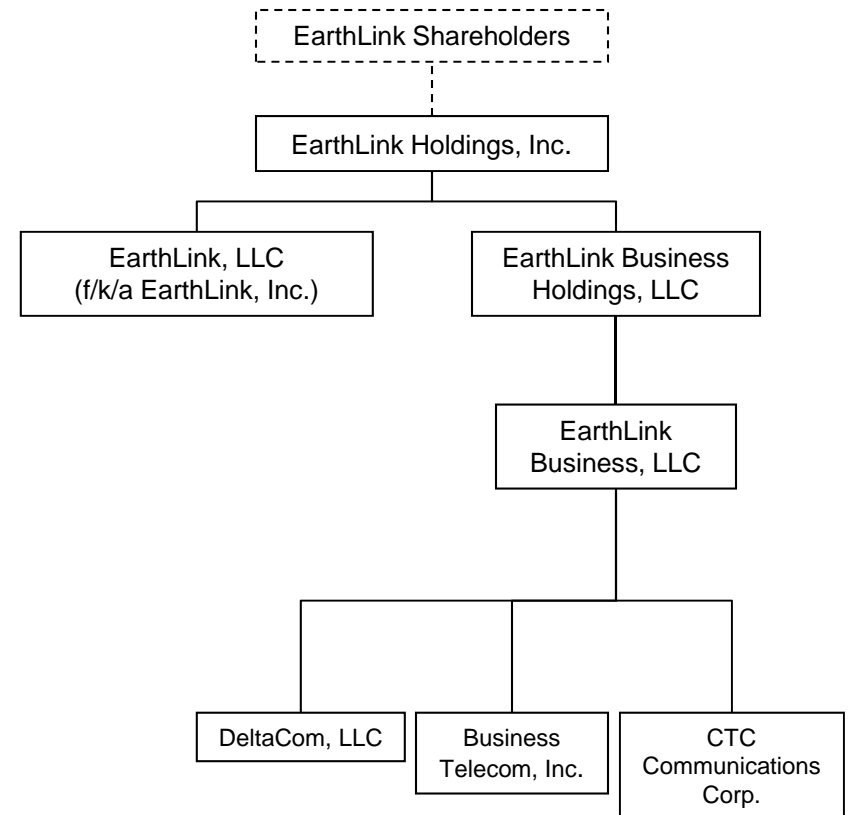
EXHIBIT C

Proposed Corporate Organization of the TN Authorized Entities

* The entities listed herein only include the TN Authorized Entities and their parent companies.



- OR -



VERIFICATION

VERIFICATION

STATE OF GEORGIA
COUNTY OF FULTON

§
§
§

I, Samuel R. DeSimone, Jr., state that I am Executive Vice President, General Counsel and Secretary of EarthLink, Inc. and its subsidiaries in the foregoing filing (collectively, the “Company”); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that matters set forth in the filing are true and correct to the best of my knowledge, information, and belief.



Samuel R. DeSimone, Jr.
Executive Vice President, General Counsel and
Secretary
EarthLink, Inc.

SWORN TO AND SUBSCRIBED before me on the 30th day of September, 2013.



Notary Public

My commission expires: 11/5/16

