



TENNESSEE REGULATORY AUTHORITY

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Richard Gibbs, Esquire
Suite 800
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RE: TRA Docket Number 14-00001: Joint Petition of ALEC, LLC and MBS Holdings, Inc.
for Transfer of Control to MBS Holdings, Inc.

Dear Mr. Gibbs:

Based upon your January 7, 2014 *Joint Petition*, the parent company of ALEC, LCC ("ALEC") is involved in a transaction with MBS Holdings, Inc. ("MBS") that will result in control of ALEC being indirectly transferred to MBS. Approval of a transaction like that described in the *Joint Petition* is governed by Tennessee Code Annotated 65-4-113(a), which reads:

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.

In Docket Number 10-00149, ALEC filed notification that it intends to operate pursuant to market regulation as described in Tennessee Code Annotated 65-5-109. For companies that have elected market regulation, the TRA does not have jurisdiction to consider transactions governed by Tennessee Code Annotated 65-4-113.

Based upon ALEC's election of market regulation, TRA approval of the transfer of control described in the *Joint Petition* is not required. As such, Docket Number 14-0001 will be administratively closed. If you have any questions related to this matter, feel free to call me at 615-770-6894.

Sincerely,

Jerry Kettles
Chief, Compliance Division