



TENNESSEE PUBLIC UTILITY COMMISSION

502 Deaderick Street
Nashville, Tennessee 37243

April 23, 2020

To: Ectory Lawless, Docket Room Manager

From: Jerry Kettles, Director, Economic Analysis

RE: Docket No: 19-00095 - Joint Notice Of Fusion Connect, Inc., Network Billing Systems LLC, N/K/A Fusion, LLC, Birch Communications, LLC N/K/A Fusion Cloud Services, LLC And Telecom Holdings, LLC Regarding A Transaction That Will Result In A Material Change To The Ownership And Control Of Network Billing Systems, LLC And Birch Communications, LLC

The agency received a letter on October 16, 2019 that was assigned to TPUC Docket Number 19-00095. The letter describes a transaction whereby control of the certificated companies, Network Billing Systems, LLC, N/K/A Fusion, LLC ("NBS") and Birch Communications, LLC N/K/A Fusion Cloud Services ("Birch") (NBS and Birch together, "Fusion Licensees"). Birch and NBS are subsidiaries of Fusion Connect, Inc ("Fusion Connect").

On June 3, 2019, Fusion and the Fusion Licensees filed for chapter 11 bankruptcy relief in the United States Bankruptcy Court for the Southern District of New York. As a result of an exchange of Fusion Connect debt for stock in Fusion Connect, Telecom Holdings, LLC ("Telecom Holdings") will acquire control of over fifty percent of the common stock of Fusion Connect. By acquiring control of Fusion Connect, Telecom Holdings acquires control of the Fusion Licensees.

NBS elected market regulation via a letter dated June 26, 2012 that was assigned to TPUC docket number 12-00066. Birch elected market regulation via a letter dated January 26, 2018 that was assigned to TPUC docket number 18-00014. T.C.A. § 65-5-109(n) provides a description of the regulatory requirements that apply to companies that elect Market Regulation. The transaction, as described, is governed by T.C.A. 65-4-113 which is not a regulatory requirement that applies to companies that have elected Market Regulation. As such, the transaction described in the correspondence dated October 16, 2019 does not require approval. As no action is required by the agency, please close the above referenced docket.