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October 18, 2021

**Via Electronic Filing**

**21-00122**

Tory Lawless, Docket Manager  
Tennessee Public Utilities Commission  
502 Deaderick Street, 4th Floor  
Nashville, Tennessee 37243

Re: Notice of Consummation of the Transfer of Control of Certain Indirect  
Subsidiaries of MTN Infrastructure TopCo LP, Transferor, to  
Cox Communications, Inc., Transferee – Docket No. 09-00117

Dear Mr. Thomas:

MTN Infrastructure TopCo LP (“MTN Infrastructure” or “Transferor”) and Cox Communications, Inc. (“Cox,” and together with MTN Infrastructure, the “Parties”) hereby notify the Tennessee Public Utilities Commission (“Commission”) of the transfer of control of certain indirect, wholly-owned subsidiaries of MTN Infrastructure (the “Segra Commercial Licensees”), which in Tennessee include LMK Communications, LLC (the “Licensee”), from MTN Infrastructure to Cox, which was completed on October 4, 2021.

As discussed in more detail below, through this transaction MTN Infrastructure is separating the residential and commercial service segments of its business that currently operate under the brand name “Segra.” Cox only acquired control of the Segra Commercial Licensees, including the Licensee identified above.<sup>1</sup> A description of the current corporate structure and ownership of the Licensee is provided in Exhibit A.

It is the Parties’ understanding that formal approval of the transaction by the Commission is not required. The proposed transaction occurred at the parent level only. No assignment of licenses, assets, or customers occurred as a consequence of the proposed transaction. Immediately following the consummation of the transaction, the Licensee will continue to provide service to existing customers pursuant to the same rates, terms, and conditions.

**I. DESCRIPTION OF THE PARTIES**

**A. Transferor – MTN Infrastructure TopCo LP**

MTN Infrastructure is a Delaware limited partnership headquartered at One Lumos Plaza, Waynesboro, Virginia 22980. The company was created to aggregate the ownership of various investment funds ultimately managed by an affiliate of EQT AB (“EQT”) in connection with the investment of the EQT Infrastructure III Fund (including co-investors) in Segra through its

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<sup>1</sup> Other than the Licensee, none of the Segra Commercial Licensees hold certificates issued by the Commission.

acquisitions of Lumos Networks Corp. in 2017, Spirit Communications in 2018, and North State Telecommunications Corporation in 2020.

EQT, founded in Sweden in 1994, is a leading alternative investments firm with approximately EUR 67 billion in assets under management across 26 active funds. EQT and its affiliates acting as the manager or advisers to such funds are committed to the growth and development of the portfolio companies under the funds' ownership, and seek to develop and grow the core strengths of such portfolio companies. EQT funds have portfolio companies in the United States, Europe, and Asia, with total annual sales of approximately EUR 29 billion and approximately 175,000 employees.<sup>2</sup>

**B. Transferee – Cox Communications, Inc.**

Cox is a division of Cox Enterprises, Inc., a family-owned business founded over 120 years ago. It is a Delaware corporation headquartered at 6205-A Peachtree Dunwoody Road, Atlanta, Georgia 30328. Cox and its affiliates provide domestic and international telecommunications services, broadband service, and video service to more than six million customers in the residential, small and medium business, and enterprise markets. Cox operates cable systems in eighteen states: Arizona, Arkansas, California, Connecticut, Florida, Georgia, Idaho, Iowa, Kansas, Louisiana, Massachusetts, Nebraska, Nevada, North Carolina, Ohio, Oklahoma, Rhode Island, and Virginia.<sup>3</sup> Cox is a nondominant carrier in both the domestic and international service markets across its footprint, and is not affiliated with any dominant carrier.

Over the last 10 years, Cox has invested more than \$15 billion in its communities through infrastructure upgrades to deliver video, phone, and high-speed internet service to homes and businesses in the company's service area.<sup>4</sup> Cox has made significant investments in the construction of fiber facilities, with more than 38,000 route miles of fiber in place today. Cox's network infrastructure investments have included EasyTel, EdgeConneX, InSite Wireless, StackPath, Unite Private Networks ("UPN"), and ViaWest. Cox plans to invest another \$10 billion in the next five years.<sup>5</sup>

Cox's commercial division, Cox Business, provides voice, data, and video services for more than 355,000 small and regional businesses nationwide, including health care providers; K-12 and higher education institutions; financial institutions; and federal, state, and local government organizations. Cox Business also serves most of the top-tier wireless and wireline telecommunications carriers in the U.S. through its wholesale division.<sup>6</sup>

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<sup>2</sup> For more information about EQT, visit <http://www.eqtgroup.com>.

<sup>3</sup> Cox provides video service, but not telecommunications service, in Massachusetts and North Carolina. In addition, Cox provides certain transport services on a very limited basis in Colorado, Maryland, and Missouri.

<sup>4</sup> Cox Communications Fact Sheet, <https://newsroom.cox.com/company-overview>.

<sup>5</sup> *Id.*

<sup>6</sup> Cox Business, <https://www.cox.com/business/home.html>.

### **C. Licensee**

The Licensee, a North Carolina limited liability company, is authorized to operate as a competitive local exchange carrier (“CLEC”) and interexchange carrier (“IXC”) in Tennessee. (See Docket No. 09-00117.)

The Licensee, along with the Segra Commercial Licensees that operate in other states, operates under the brand name “Segra.” Segra owns and operates an advanced fiber infrastructure network of more than 26,000 miles that connects more than 9,000 on-net locations and six data centers throughout nine Mid-Atlantic and Southeastern states. Segra also provides Ethernet, multiprotocol label switching, dark fiber, advanced data center services, internet protocol and managed services, voice and cloud solutions. Customers include carriers, enterprises, governments, and healthcare organizations.<sup>7</sup>

## **II. DESCRIPTION OF THE TRANSACTION**

Pursuant to an Agreement and Plan of Merger dated April 26, 2021 (“Merger Agreement”), and as set forth in more detail below, Cox indirectly acquired ownership and control of the Segra Commercial Licensees, which include the Licensee, from MTN Infrastructure through its purchase of 100% of the outstanding stock of MTN Infrastructure TopCo Blocker, Inc. (“MTN Parent”), a direct, wholly-owned subsidiary of MTN Infrastructure and the indirect parent of the Segra Commercial Licensees. As of October 4, 2021, MTN Parent became a direct, wholly-owned subsidiary of Cox, and Cox indirectly owns and controls the Segra Commercial Licensees. Segra’s residential business segments will continue to be ultimately owned and controlled by various investment funds ultimately managed by an affiliate of EQT.<sup>8</sup>

The Merger Agreement contemplated that, through a series of steps, MTN Infrastructure will separate Segra’s commercial business segments from its residential business segments (the “Pre-Merger Separation”), after which, Cox will acquire the Segra Commercial Licensees pursuant to the merger transaction described below (the “Merger”). Details regarding the Merger and the Pre-Merger Separation are as follows:

The Merger. In connection with the Merger Agreement, Cox has formed a new wholly-owned subsidiary, Gridiron Merger Sub, Inc., a Delaware corporation (“Merger Sub”). At the effective time of the Merger, Merger Sub will merge with and into MTN Parent. Merger Sub will cease to exist, and MTN Parent will be the surviving corporation. Accordingly, upon

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<sup>7</sup> In addition to commercial services, Segra delivers high-speed, fiber-based integrated telecommunications services to residential and small business customers in rural Virginia and North Carolina. The residential segment of Segra, operating under the Lumos Networks and North State brands, operates in Virginia (Lumos) and North Carolina (North State), where it provides broadband, voice, and video, mostly via its fiber network, to nearly 200,000 residential and small-to-medium-sized business (“SMB”) locations. For more information about Segra’s technology and commitment to customer care, visit <http://www.segra.com>.

<sup>8</sup> This submission provides notice to the Commission of the transfer of control of the Licensee. The information presented here regarding Segra’s residential segment is intended solely to provide context for the substantive transfer of control of the Segra Commercial Licensees.

consummation of the Merger, Cox will hold directly 100% of the issued and outstanding stock of MTN Parent. The Licensee and the other Segra Commercial Licensees are now, in turn, indirect, wholly-owned subsidiaries of Cox.

The Merger is subject to consummation of the Pre-Merger Separation, other customary closing conditions, and applicable regulatory approval from the Federal Communications Commission (“FCC”) among others. On May 17, 2021, the Parties filed a Joint Application with the FCC seeking consent to the transfer of control of indirect control of the Segra Commercial Licensees. The FCC considered these applications on a streamlined basis, and they were granted automatically pursuant to FCC rules effective July 6, 2021. *See* Public Notice, WC Docket No. 21-224 (rel. July 6, 2021); Public Notice, Report No. TEL-02109 (rel. July 8, 2021).

The Pre-Merger Separation. Shortly before the closing of the Merger, Transferor will engage in a series of *pro forma* transactions in order to facilitate the separation of Segra into distinct commercial and residential groups. Control of the Segra Commercial Licensees will then be transferred to Cox through the Merger between MTN Parent and Merger Sub, as described above. Segra’s residential group will continue serving residential and small business customers in Virginia and North Carolina without interruption and without change to the rates, terms or conditions of such service, including the name of the carrier serving customers.<sup>9</sup>

The Pre-Merger Separation will take a number of steps which will involve *pro forma* transfers of control of the Segra entities that provide residential service to a newly formed subsidiary of MTN Infrastructure – Gridiron Fiber Holdings.

Please see the attached Exhibit A depicting the current structure of the entire Segra business, including both the commercial and residential groups, and also identifying the post-closing ownership of the Licensee after consummation of the Merger with Cox.

### **III. PUBLIC INTEREST CONSIDERATIONS**

The Merger will generate substantial public interest benefits with no countervailing harms. The Merger will strengthen the Licensee by affiliating the company with Cox. Cox is a well-established company with stable management and significant capital resources. It has a record of investment in the deployment of advanced telecommunications facilities and a commitment to continuing to invest for the long-term. Cox’s history as a pioneer in advanced and innovative services is undeniable. It was the first company to provide voice, video, and high-speed data services simultaneously over a cable platform. And as noted above, Cox has invested billions (with more to come) in its communities and infrastructure – including through the acquisitions and successful integrations of several other providers dedicated to serving commercial customers, such as EasyTel and UPN.

Thus, the Merger will significantly strengthen Cox’s and the Licensee’s ability to compete with the ubiquitous services offered by numerous well-capitalized, facilities-based competitors (including ILECs, CLECs, and other cable operators, as well as infrastructure-focused providers) in Tennessee. In particular, the combined company will be better able to

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<sup>9</sup> For more information about the Segra residential business, please visit <https://www.lumosnetworks.com>.

compete for and serve multi-location and other business customers across the combined company's expanded footprint. The Merger also will provide the opportunity for significant savings and improvements in service quality through the reduction in reliance on third parties. These outcomes are routinely cited by regulators as important public interest benefits resulting from transactions like this one.<sup>10</sup>

There is little risk of competitive harm from the Merger. On a nationwide basis, Cox and the Licensee are nondominant carriers that operate largely complementary networks and compete with a significant number of nondominant carriers in their markets as well as incumbent LECs, which remain the dominant providers of business services in all of their markets. Further, the Merger will be seamless to the Licensee's current customers, who will continue to be served by those companies. And as noted above, the Merger will have no impact on any residential services or customers.

#### **IV. DESIGNATED CONTACTS**

All correspondence and communications with respect to this Notice should be addressed or directed as follows:

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*With a copy to:*

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<sup>10</sup> See, e.g., *Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 32 FCC Rcd 9581 ¶¶ 52, 57 (2017).

If you have any questions regarding this notification, please contact the undersigned.

Respectfully submitted,

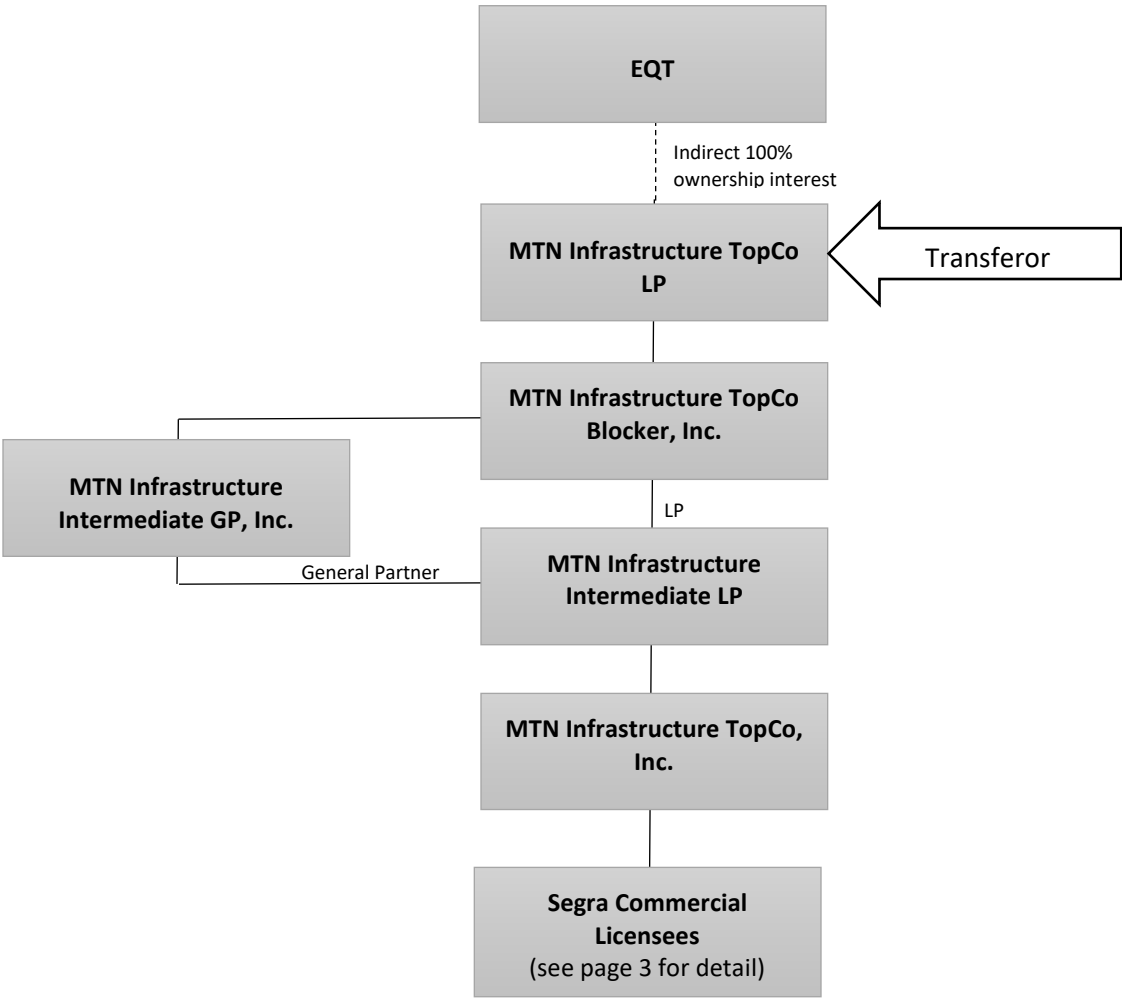
/s/ Brian W. Murray  
Brian W. Murray

*Counsel for Cox Communications, Inc.*

**EXHIBIT A**

**PRE- AND POST-CLOSING ORGANIZATIONAL DIAGRAMS**

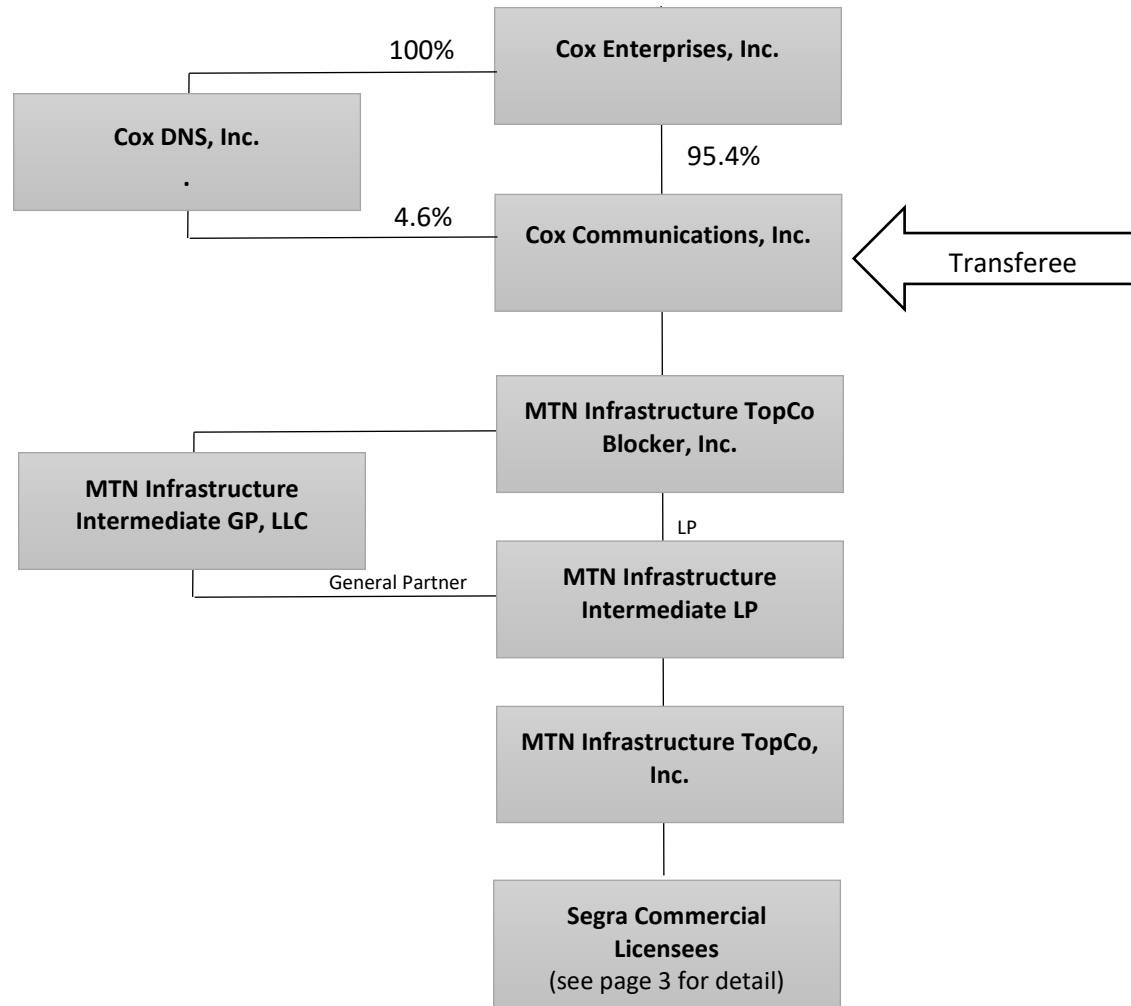
**Exhibit A: Pre-Merger Ownership Structure of Segra Commercial Licensees**



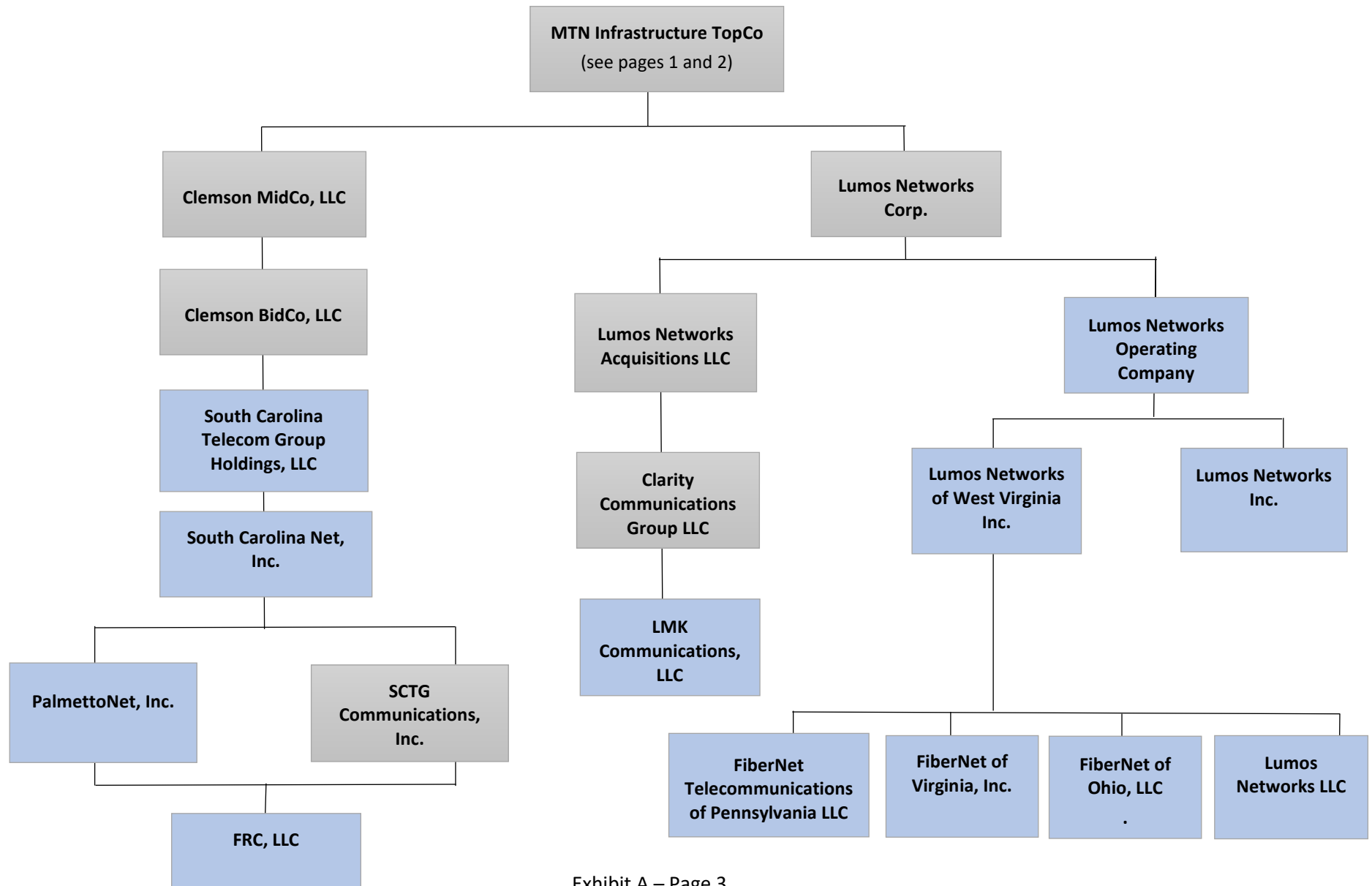
\* The relevant ownership structure of EQT is a matter of record before the Commission and is not included on this chart because EQT will not hold an ownership interest in the Segra Commercial Licensees after the Merger is consummated.



**Exhibit A: Post-Merger Ownership Structure of Segra Commercial Licensees**



**Exhibit A: Pre- and Post- Merger Ownership Structure of Segra Commercial Licensees\***



\* The Segra Commercial Licensees are noted in blue. The Merger is not anticipated to result in any material changes to the ownership structure of the Segra Commercial Licensees as depicted herein.