BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

JULY 10, 2025

IN RE:) DOCKET NO. 25-00019
PETITION FOR MERGER OF NEXUS GROUP, INC.	,
INTO PEACE COMMUNICATIONS, LLC	ý ,

ORDER APPROVING NUNC PRO TUNC MERGER OF NEXUS GROUP INTO PEACE COMMUNICATIONS, LLC AND CANCELLATION OF CCN

This matter came before Chairman David F. Jones, Commissioner Robin L. Morrison, Commissioner Clay R. Good, Commissioner Kenneth C. Hill, and Commissioner David Crowell of the Tennessee Public Utility Commission (the "Commission" or "TPUC"), the voting panel assigned to this docket, during a regularly scheduled Commission Conference held on May 29, 2025. The panel convened to consider the *Petition for Merger of Nexus Group, Inc. into Peace Communications, LLC* ("Petition"), requesting *nunc pro tunc* approval of the merger and cancellation of the Certificate of Convenience and Necessity ("CCN") of the Nexus Group.

I. <u>BACKGROUND</u>

On March 11, 2025, Peace Communications, LLC ("Peace") and the Nexus Group, Inc. ("Nexus") (collectively, "Petitioners") filed their *Petition* seeking *nunc pro tunc* approval of a merger. Peace closed its acquisition of Nexus on June 20, 2023, with Nexus merging into Peace and Nexus ceasing to exist as an independent entity. Neither Peace nor Nexus have elected market regulation under Tenn. Code Ann. § 65-5-109(n).¹

¹ In recognition of the growth and breadth of service competition available in Tennessee's telecommunications market, in 2009, the General Assembly passed broad deregulatory legislation known as the Market Regulation Act of 2009 ("MRA"). The MRA created a process where regulated telecommunications providers may "elect" to operate in a deregulatory status. Upon notifying the Commission that the provider has elected market regulation, "…the provider shall be exempt from all commission jurisdiction, including, but not limited to, state-based regulation of retail pricing or retail operations…." Except for specific circumstances listed in the statute, Commission authority over the telecommunications market in Tennessee has largely been negated.

Telecommunication companies that elect market regulation have minimal regulatory requirements. For example, a merger transaction, like the transaction in the *Petition*, would not require approval. Because neither Peace, nor Nexus have elected market regulation, the Commission has regulatory oversight of the merger transaction.

II. FINDINGS AND CONCLUSIONS

Tenn. Code Ann. § 65-4-112 (2004) applies to this particular transaction, because it involves the merger of two Tennessee Public Utility Commission-certified entities.

Tenn. Code Ann. § 65-4-112(a) (2004) states:

No lease of its property, rights, or franchises, by any such public utility, and no merger or consolidation of its property, rights and franchises by any such public utility with the property, rights and franchises of any other such public utility of like character shall be valid until approved by the commission, even though power to take such action has been conferred on such public utility by the state or by any political subdivision of the state.

During the regularly scheduled Commission Conference on May 29, 2025, the panel convened to consider the Parties' *Petition*. When reviewing a merger as described in the *Petition*, the panel weighs the public interest implications of the merger.² The Petitioners stated that "the merger has provided enhanced operational capabilities and economic efficiencies used by Peace as it extends the geographical reach of its services." Given this representation, the panel found that the merger appears to support increased market competition and is in the public interest. Therefore, the panel approved the merger of Peace and Nexus under Tenn. Code Ann. § 65-4-112 *nunc pro tunc* to June 20, 2023.

After the merger, Nexus ceased to exist as an independent entity. As a result, Peace Communications, LLC requests cancellation of Nexus' CCN.⁴ The panel found that because the two entities have merged into a singular entity operating as Peace Communications, LLC, the CCN issued

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² Peace Communications, LLC notified customers of the transaction. The transaction only impacted customers of unregulated services like broadband, VOIP, and managed information technology services.

³ *Petition*, p.3 (March 11, 2025)

⁴ Id. at 3. See also In re: Application of the Nexus Group, Inc. for a Certificate to Provide Competing Local Telecommunications Services, Docket No. 16-00034, Initial Order Granting CCN (November 3, 2016).

to Nexus is unnecessary. Therefore, the panel approved the request to cancel the CCN issued to

Nexus.

IT IS THEREFORE ORDERED THAT:

1. The merger of Nexus Group, Inc into Peace Communications, LLC pursuant to

Tennessee Code Annotated § 65-4-112 is approved *nunc pro tunc* to June 20, 2023.

2. The request to cancel the Certificate of Convenience and Necessity issued to Nexus

Group, Inc. is approved.

3. Any person(s) aggrieved by the Commission's decision in this matter may file a

Petition for Reconsideration with the Commission with fifteen days from the date of this Order.

4. Any person(s) aggrieved by the Commission's decision in this matter has the right to

judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section,

within sixty days from the date of this Order.

FOR THE TENNESSEE PUBLIC UTILITY COMMISSION:

Chairman David F. Jones,

Commissioner Robin L. Morrison,

Commissioner Clay R. Good,

Commissioner Kenneth C. Hill, and

Commissioner David Crowell concurred.

None dissented.

ATTEST:

Earl R. Taylor, Executive Director

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