

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application)	Application No. C-5084
of DCT Telecom Group, Inc.,)	
Cleveland, Ohio, for approval of a)	
transfer of control and Pro Forma)	GRANTED
Restructuring and name change to)	
DCT Telecom Group, LLC.)	
)	Entered: January 7, 2020

BY THE COMMISSION:

On November 13, 2019, an application was filed by DCT Telecom Group, Inc. ("DCT" or "Applicant"), seeking the approval for a transfer of control, and a Pro Forma Restructuring resulting in a name change of DCT Telecom Group, Inc. to DCT Telecom Group, LLC. Notice of the application was published in The Daily Record, Omaha, Nebraska, on November 18, 2019. No protests were filed; therefore, this application is processed pursuant to the Commission's rule of modified procedure.

The Parties:

DCT is an Ohio corporation, previously holding its principal place of business in Cleveland, Ohio. DCT provides wholesale hosted Voice Over Internet Protocol ("VoIP") and unified communications services and internet access solutions to enterprise customers. The Commission granted DCT's application to operate as an interexchange carrier of telecommunications services in Docket No. C-3588, on July 27, 2006.

MBS Holdings, Inc. ("MBS") is a Delaware limited liability company with its principal place of business in Kennesaw, Georgia. MBS is ultimately owned and controlled by Castle Holding Company, LLC, a Delaware Limited Liability Company. MSC is the indirect parent company of several subsidiary companies, including Momentum Telecom, Inc.

Description of the Transaction:

On August 9, 2019, the DCT and MBS (collectively referred to herein as "the Parties") completed a transaction that resulted in the transfer of control of DCT Telecom Group, Inc. from DCT to MBS. The Parties also completed certain Pro Forma changes to DCT's ownership structure, though not its operations, prior to closing in order to facilitate the Transaction, including the conversion of DCT from a Corporation to a Limited Liability Company. This

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transaction became effective on August 9, 2019, and MBS acquired one hundred percent (100%) of the membership interests in DCT and thereby, control of DCT.

O P I N I O N A N D F I N D I N G S

Applicants seek approval from the Commission pursuant to Neb. Rev. Stat. § 75-146, which states in pertinent part: "No common carrier . . . shall consolidate its stock, property, franchise, or earnings, in whole or in part, with any other competing common carrier without permission of the commission."

A result of the transaction entered into on August 9, 2019 by DCT and MBS, DCT was converted from a corporation to a limited liability company under applicable Ohio law. The transaction resulted in a change in the ultimate equity ownership of DCT and was, for all practical purposes, imperceptible to the customers of DCT. Based on the evidence provided in the application the Commission is of the opinion that the Pro Forma Restructuring of DCT should be approved.

In the application, the parties also requested a name change from DCT Telecom Group, Inc., to DCT Telecom Group, LLC. DCT Telecom Group, Inc. is authorized to provide local exchange and interexchange telecommunications services in Nebraska. In the present application, DCT Telecom Group, Inc. requests that the Commission enter an order approving the name change to DCT Telecom Group, LLC. DCT Telecom Group, Inc. has received authority from the Secretary of State to use the new name. Based on the evidence adduced, the Commission is of the opinion the application is in the public interest and should be granted.

The parties state that Nebraska customers will receive the same rates, terms under MBS that they did under DCT. Further, MBS commits to continuing to report all revenues, customer lines, and any associated assessments previously reported and remitted by DCT. MBS also commits to fulfilling any and all outstanding obligations previously held by DCT. DCT submits that the proposed transaction will be seamless to Nebraska customers and that it will be in the public interest.

Upon review of the evidence, the Commission finds that the application filed herein is in compliance with the applicable Nebraska Statutes and that the transfer of control is reasonably required for the aforementioned purpose. The application is fair, reasonable and in the public interest and should be granted. Also,

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the Commission is of the opinion that the Application for Pro Forma Restructuring and a name change is in the public interest and should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-5084 be, and is hereby, granted.

IT IS FURTHER ORDERED that the Applicant file its updated tariff reflecting its name change within thirty (30) days from the date of this Order.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 7th day of January, 2020.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:








Chair

ATTEST:


Executive Director

