

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-4859
Application of UPN Intermediate)
Holdings, LLC, Kansas City,)
Missouri, and Cox)
Communications, Inc., Omaha,) GRANTED
Nebraska, seeking authority for)
Cox Communications, Inc., to)
acquire controlling interest in)
Unite Private Networks, LLC.) Entered: August 30, 2016

BY THE COMMISSION:

On July 25, 2016, an application was jointly filed by UPN Intermediate Holdings, LLC ("UPN-I"), of Kansas City, Missouri, and Cox Communications, Inc., ("Cox"), of Omaha, Nebraska, (collectively "Applicants"), seeking approval of a transfer of controlling interest of Unite Private Networks, LLC ("UPN"), to Cox. Notice of the application was published in The Daily Record, Omaha, Nebraska, on July 28, 2016. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

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

The Parties:

UPN-I is a limited liability company, organized under the laws of the State of Delaware with principal offices located in Kansas City, Missouri. UPN-I owns 100% of the UPN Companies, including the certificated entity in Nebraska, UPN. Unite is a provider of local exchange and interexchange telecommunications services within the State of Nebraska. UPN is authorized to operate in Nebraska under and by virtue of authority heretofore granted by this Commission.¹

Cox is a corporation, organized under the laws of the State of Delaware. Cox is the parent company of the Nebraska certificated entity Cox Nebraska Telecom, LLC. Cox Nebraska Telecom, LLC, is a provider of local exchange and interexchange telecommunications services within the State of Nebraska. Cox Nebraska Telecom, LLC, is authorized to operate in Nebraska under and by virtue of authority heretofore granted by this Commission.²

¹ See Authority Nos. C-2684 (July 22, 2002) and C-3487 (November 22, 2005).

² See Authority Nos. C-1359 (December 19, 1996) and C-1625 (October 15, 1997).

Description of the Transaction:

According to the application, Applicants entered into a membership interest and stock purchase agreement, ("Agreement"). Under the terms of the Agreement, Cox will acquire an indirect majority interest in UPN-I, which owns UPN. Following the completion of the transaction, Cox will hold a combined 66% equity interest in Fiber Platform, LLC, through Cox's wholly-owned subsidiaries, Fiber Platform Holdings, LLC, and Fiber Platform Blocker, Inc.

Ridgemont Equity Partners currently controls UPN through REP UP. UPN Holdings, LLC, prior to a reorganization that will occur as an integral part of the transaction, owns all of the membership interests in UPN-I. Following the transaction, Ridgemont will hold a minority share interest in Fiber Platform, LLC. The remainder of the minority equity in Fiber Platform, LLC, will be owned by members of the management of UPN.

UPN-I will continue to operate as a stand-alone business as a direct subsidiary of Fiber Platform, and will be governed by a Board of Managers that consists of Managers appointed by Cox, Ridgemont and the management of UPN.

Applicants further state the proposed transaction will be transparent to customers and will not result in changes to the certificated entity, UPN, as the transaction occurs at the parent company level.

The Applicants state that the transaction is in the public interest because it will strengthen UPN and assist it in pursuing long-term strategic growth opportunities in new markets, as well as expanding and densifying its fiber network throughout its existing footprint and into adjacent areas. The Applicants further state the transaction will result in more robust competition benefiting all customers.

Based on the evidence, we find the application to be fair and reasonable and in the public interest. The application should be granted.

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O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-4859 be, and it is hereby, granted.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 30th day of August, 2016.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Gerald L. Vay
Crystal Croades

Frank E. Landis

//s//Frank E. Landis
//s//Tim Schram

Tim Schram
Chairman

ATTEST:

Jeffrey L. Puley
Executive Director