

Decision No. C24-0310

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 24A-0135T

IN THE MATTER OF JOINT APPLICATION OF CBTS BORROWER, LLC, CINCINNATI BELL INC., AND CBTS TECHNOLOGY SOLUTIONS LLC, FOR APPROVAL OF THE PROPOSED TRANSFER OF INDIRECT CONTROL OF CBTS TECHNOLOGY SOLUTIONS LLC TO CBTS BORROWER, LLC.

**COMMISSION DECISION DEEMING APPLICATION
COMPLETE AND GRANTING APPLICATION**

Mailed Date: May 7, 2024

Adopted Date: May 1, 2024

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of a Joint Application filed by CBTS Borrower, LLC (CBTS Borrower), Cincinnati Bell Inc. (Cincinnati Bell), and CBTS Technology Solutions LLC (CBTS-TS) on March 21, 2024.

2. The Applicants request Commission authorization for authority to execute an indirect transfer control of the CBTS-TS to CBTS Borrower (the Transaction). The Transaction will not result in any change of commission-issued authorities.

3. We will construe this filing as an application for approval of the transfer of indirect control of CBTS-TS to CBTS Borrower pursuant to 4 *Code of Colorado Regulations* 723-2-2110 of the Commission's Rules Regulating Telecommunications Services and Providers of Telecommunications Services.

4. CBTS Borrower, LLC is a Delaware limited liability company, that was recently formed for the purpose of the Transaction. CBTS Borrower is an indirect subsidiary of TowerBrook's Fund VI fund family and is ultimately controlled by TowerBrook Investors, Ltd.

5. Cincinnati Bell Inc. is wholly owned by Red Fiber Parent LLC, a Delaware limited liability company and the indirect parent of CBTS-TS.

6. CBTS Technology Solutions LLC is a Delaware limited liability company. In Colorado CBTS TS, formally known as Cincinnati Bell Any Distance Inc, was granted a Certificate of Public Convenience and Necessity (CPCN) to provide local exchange telecommunications services on December 29, 2009, in Decision No. C09-1461 in Proceeding No. 09A-850T. A Letter of Registration (LOR) on January 21, 2004, in Decision No. C04-0079 in Proceeding No. 03A-540T.

7. Applicants, therefore, request Commission authorization to complete the indirect transfer of control of CBTS-TS to CBTS Borrower. The transfer will provide CBTS-TS access to new markets and expand its portfolio of products and services.

8. On March 21, 2024, a notice of the Joint Application was provided to all persons, firms, or corporations interested in or affected by the grant or denial of the requested relief. Interventions were due on or before April 22, 2024. No interventions were filed.

B. Discussion

9. The Commission has jurisdiction over this Joint Application pursuant to §§ 40-5-105, 40-15-204, and 40-15-303, C.R.S.

10. The application contains all of the information required by the applicable Commission Rules and is therefore deemed complete.

11. The application is unopposed and therefore may be considered without a formal hearing, pursuant to § 40-6-109(5), C.R.S.

12. Applicants request Commission approval to complete the indirect transfer of control of CBTS-TS to CBTS Borrower.

13. The application represents the Transaction will facilitate CBTS-TS's growth into a stand-alone IT Services Company focused on supporting enterprise business customers with solutions and services including Application Modernization, Cybersecurity, IT Consulting, Cloud, Unified Communications, and Infrastructure Solutions. The Transaction is also expected to provide CBTS-TS access to new markets and expand its portfolio of products and services.

14. CBTS-TS is a competitive provider with commission-issued authority. Except for limited circumstances (such as for providers that are recipients of state high-cost support and for the provision of basic emergency services), certifications to provide basic local exchange services are no longer regulated by the Commission. See § 40-15-401(1)(b), C.R.S. Similarly, the provision of any other emerging competitive services such as advanced features, premium services, intraLATA toll, non-optional operator services, and private line services, except switched access services and basic emergency services, are no longer regulated by the Commission. See §§ 40-15-401(1)(e), (k), (n), (o), (s), (t), C.R.S. Consequently, the Commission does not have the authority to approve the transfers of the CPCNs or those parts of the LORs addressing advanced features, premium services, intraLATA toll, non-optional operator services, and private line services.

15. Switched access services and the provision of basic emergency services have not been deregulated. As a result, we have the authority to review and approve or deny the transfers and encumbrances of the part of authorities held by providers that address those services.

16. We remind applicants that public utilities remain subject to Commission oversight that includes but is not limited to reporting and payment obligations to the Colorado High-Cost Support Mechanism and the Telecommunications Relay Services Program.

17. We find that the proposed indirect transfer of control of CBTS-TS to Concept Communications is not contrary to the public interest and therefore grant the Joint Application for transfer to that extent. Entities that hold Commission-issued authorities remain obligated to comply with any applicable requirements or regulations as stated in Article 15 of Title 40.

II. ORDER

A. The Commission Orders That:

1. The Joint Application to transfer filed by CBTS Borrower, LLC, Cincinnati Bell Inc., and CBTS Technology Solutions LLC is granted and deemed complete within the meaning of § 40-6-109.5, C.R.S

2. CBTS Borrower, LLC, Cincinnati Bell Inc., and CBTS Technology Solutions LLC Partners or their authorized representatives shall jointly notify the Commission if the transfer has been terminated or is not completed within 60 days of the proposed effective date stated in the application or if the proposed transfer terms are changed prior to the consummation date. The notice shall include the proceeding and decision numbers which granted the authority to execute the transfer.

3. The 20-day period provided for in § 40-6-114, C.R.S., within which to file applications for rehearing, reargument, or reconsideration begins on the first day following the effective date of this Decision.

4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
May 1, 2024.**

(S E A L)



ATTEST: A TRUE COPY

Rebecca E. White,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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MEGAN M. GILMAN

TOM PLANT

Commissioners