

Decision No. C19-1013

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 19A-0609T

IN THE MATTER OF THE JOINT APPLICATION OF CEDAR HOLDINGS GROUP, INC AND TING FIBER, INC FOR APPROVAL OF THE PROPOSED TRANSFER OF INDIRECT CONTROL OF CEDAR HOLDINGS GROUP INC TO TING FIBER INC.

**COMMISSION DECISION
APPROVING JOINT TRANSFER.**

Mailed Date: December 17, 2019
Adopted Date: December 17, 2019

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of a joint application filed by Cedar Holdings Group, Inc. (Cedar), and Ting Fiber, Inc. (Ting) on November 1, 2019 (Joint Application). The Joint Applicants request Commission authorization for a change of control and ownership that involves Zippytech, Inc (Zippytech), an entity that holds Commission issued telecommunications authority and a wholly-owned subsidiary of Cedar.

2. We will construe this filing as an application for approval of the transfer of ownership of the Commission issued telecommunications authority held by Zippytech pursuant to 4 *Code of Colorado Regulations* 723-2-2110 of the Commission's Rules Regulating Telecommunications Services and Providers of Telecommunications Services.

3. Zippytech acquired a Certificate of Public Convenience and Necessity (CPCN) for the provision of local exchange and a Letter of Registration (LOR) to provide emerging competitive services in Decision No. C09-0409 in Proceeding No. 09A-157T, on April 20, 2009.

4. Cedar is the parent company of two wholly-owned subsidiaries, Zippytech, Inc. and Zippytech of New Mexico, located respectively in Colorado and New Mexico. Cedar has dedicated its efforts in overbuilding facilities of the local incumbent provider and is currently providing internet access, transport and VoIP services to business and residential customers. Cedar does not hold any Commission issued telecommunications authority.

5. Ting is a Delaware corporation that in turn is a wholly-owned subsidiary of Tucows, Inc., a publicly traded company and a provider of network access, domain names and other internet services. Ting does not hold any Commission issued telecommunications authorities.

6. The Joint Application states that as a part of a stock purchase agreement, Ting will purchase 100 percent of the issued and outstanding stock of Cedar.

7. On November 1, 2019, 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 December 2, 2019. No interventions were filed.

8. On November 25, 2019, Joint Applicants filed a supplement that amended the proposed effective date of the transfer from December 16, 2019 to January 1, 2020.

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 Joint Application contains all of the information required by the applicable Commission Rules and is therefore deemed complete.

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

12. Following the transaction, Cedar, and its subsidiaries will be wholly owned by Ting. Cedar will notify its customers prior to closing of the purchase transaction and Ting will then notify customers following the transaction. Customers will continue to receive services without interruption, at the same rates, terms, and conditions that exist prior to the transaction.

13. Zippytech is a competitive local exchange provider with Commission issued authorities. 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 Letters of Registration addressing advanced features, premium services, intraLATA toll, non-optional operator services, and private line services.

14. 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/deny the transfers and encumbrances of the part of authorities held by providers that address those services.

15. We remind the Joint 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.

16. We find that the proposed transfer of control of the telecommunications authorities held by Zippytech is not contrary to the public interest and therefore grant the

Joint Application for transfer of control to that extent. Ting has provided additional information, as required in Rule 2110, to allow it to assume the CPCN and LOR currently held by Zippytech. The Joint Application recognizes the Commission's jurisdiction as it now exists. 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 Cedar Holdings Group, Inc. (Cedar) and Ting Fiber, Inc. (Ting) is deemed complete. The request to transfer of the Commission issued authorities held by Zippytech, Inc. as a part of a transaction where Ting is acquiring 100 percent of the issued and outstanding capital stock of Cedar, is granted.

2. Cedar, Ting, 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 Joint 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
December 17, 2019.**

(S E A L)



ATTEST: A TRUE COPY

A handwritten signature in cursive script that reads "Doug Dean".

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

FRANCES A. KONCILJA

JOHN GAVAN

Commissioners