

STATE OF VERMONT  
PUBLIC SERVICE BOARD

Docket No. 6644

Petition of Single Billing Services, Inc., d/b/a )  
Asian American Association, for Approval of a )  
Transfer of Control )

Order entered: 3/20/2002

**I. INTRODUCTION**

This case involves a Telecommunications Merger and/or Acquisition Request for Approval Form ("Petition") filed on January 9, 2002, by Single Billing Services, Inc., d/b/a Asian American Association ("SBS" or "Petitioner"), seeking Vermont Public Service Board ("Board") approval under 30 V.S.A. § 107, for approval of a transfer of control of SBS from its current shareholder to EAAA, Inc., pursuant to a stock purchase agreement.

On March 8, 2002, the Vermont Department of Public Service ("Department") submitted a letter to the Board indicating that the Department had no objection to the transfer of control. The Department noted that the transaction should not have an adverse impact on Vermont consumers. Further, the Department also had no objection to the issuance of an order without hearing or further investigation, as provided under 30 V.S.A. § 107.

**II. FINDINGS OF FACT**

Based upon the petition and accompanying documents, the Board makes the following findings of fact.

1. SBS received a Certificate of Public Good (CPG No. 499-R) to provide telecommunications services in Vermont on October 5, 1999. Petition at 1.
2. EAAA, Inc. ("EAAA") is a Delaware corporation and is not certificated as a telecommunications carrier in Vermont. Petition at Attachment.
3. Pursuant to a Stock Purchase Agreement entered into on April 18, 2001, EAAA will acquire 100 percent of the issued and outstanding capital stock of SBS. Following the transaction, SBS will continue to operate in all respects as it currently operates, pursuant to

existing operating authority. Neither the name of nor the terms and conditions of service offered by SBS will be affected by the transaction. Petition at 2-3 and Attachment.

4. Completion of the proposed transaction will promote the public interest in that it will promote competition among telecommunications providers by providing SBS with access to greater financial resources, thus strengthening its competitive position and enabling it to pursue marketing and business plans more effectively. Petition at 3-4 and Attachment.

### **III. CONCLUSIONS OF LAW AND DISCUSSION**

The proposed transaction requires Board approval under 30 V.S.A. § 107, which applies to a direct or indirect acquisition of a controlling interest in a Vermont utility.<sup>1</sup> Under Section 107, a "controlling interest" is defined as 10% or more of the outstanding voting securities of a company. Section 107 requires a finding that the transfer of control will promote the public good. This standard is met in this case. The proposed transaction will promote the public good, because the transfer of control of SBS will allow it access to greater financial resources, thus allowing it to operate in a more flexible manner. In the competitive arena of telecommunications, the overall effect of this transfer may promote more customer choice in terms of services, with stronger competitors in the Vermont telecommunications market. It should also be noted that the transfer of control will not have an adverse impact on Vermont consumers as SBS will continue to operate according to its present authority.

For all of the above reasons, the proposed indirect transfer of control of SBS should be approved.

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1. Approval under 30 V.S.A. §§ 231 and 311 is not required because the current holder of the Certificate of Public Good will continue to be the entities providing telecommunications service in Vermont.

**IV. ORDER**

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that:

1. The transfer of control of Single Billing Services, Inc., d/b/a Asian American Association, is approved.

2. Petitioner shall file a letter notifying the Board of the completion of the transaction within one week of such completion.

DATED at Montpelier, Vermont, this 20<sup>th</sup> day of March, 2002.

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|-----------------------------|---|----------------|
| <u>s/Michael H. Dworkin</u> | ) |                |
|                             | ) | PUBLIC SERVICE |
|                             | ) |                |
| <u>s/David C. Coen</u>      | ) | BOARD          |
|                             | ) |                |
|                             | ) | OF VERMONT     |
| <u>s/John D. Burke</u>      | ) |                |

OFFICE OF THE CLERK

Filed: March 20, 2002

Attest: s/Susan M. Hudson

Clerk of the Board

*NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us).*

*Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.*