Agenda Date: 10/03/07 Agenda Item: IVC



STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

		TELECOMMUNICATIONS
IN THE MATTER OF THE VERIFIED JOINT PETITION OF PAC-WEST TELECOMM, INC., PAC-WEST ACQUISITION COMPANY LLC AND PAC-WEST FUNDING COMPANY LLC FOR APPROVAL OF TRANSFER OF CONTROL OF PAC-WEST TELECOMM))))	ORDER OF APPROVAL
	,	DOCKET NO. TM06120848

(SERVICE LIST ATTACHED)

BY THE BOARD:

This matter involves the Board's prior Order dated February 7, 2007, authorizing the transfer of control of Pac-West Telecomm, Inc. (Pac-West), to Pac-West Acquisition Company LLC (PWAC and collectively Petitioners) a subsidiary of Columbia Ventures Corporation (CVC). In that Order the Board, following a full and careful review of the petition, found that the proposed transfer of control satisfied the relevant legal standards pertaining to such transfers, would likely result in a positive benefit to the state of New Jersey, would not negatively impact any of the four statutory criteria relating to transfer and approved the transfer. The Order also stated that "the approval in this Order shall become null and void and of no effect to the extent it has not been exercised prior to August 30, 2007."

The Petitioners by letter dated August 22, 2007 have requested that the Board extend the approval deadline from August 30, 2007, to December 31, 2007. The reason for this request is that due to the intervening bankruptcy of Pac-West, Petitioners did not complete the transfer of control by August 30, 2007. On April 30, 2007, Pac-West filed for protection under Chapter 11 of the U.S. Bankruptcy Laws in the U.S. Bankruptcy Court for the District of Delaware. In conjunction with the filing, PWAC, agreed to provide Pac-West with up to \$18.5 million in debtor-in-possession (DIP) financing, subject to court approval. The DIP financing is expected to provide Pac-West with approximately \$6 million of funding to facilitate its reorganization pursuant to the Chapter 11 process. On September 6, 2007 the Bankruptcy Court approved the Disclosure statement for the proposed plan of reorganization, and has scheduled a confirmation hearing for October 22, 2007.

The letter states that the extension will allow PWAC to acquire control of Pac-West as part of Pac-West's emergence from bankruptcy without need for a duplicative application and for a repeat review by the Board of a transaction which no party opposed and which other jurisdictions have already approved. Petitioners represent that there have been no material changes in the qualifications of PWAC that would make a continuation of the approval inappropriate. Currently, Pac-West does not have any customers in New Jersey.

The Board <u>HEREBY FINDS</u> that granting the Petitioners' request for an extension of the date will serve the public interest, in that it would avoid any potential need for the Board to duplicate its review of a transfer which no party opposed. Further, the Board finds that no material changes have occurred such that continuation of the approval would be inappropriate.

The Board <u>HEREBY ORDERS</u> that the Petitioners' instant request is granted, and that the deadline for exercise of the authority granted by its Order of February 7, 2007, is hereby extended from August 30, 2007 through and including December 31, 2007.

DATED: 10/3/07

BOARD OF PUBLIC UTILITIES

BY:

JEANNE M. FOX PRESIDENT

istine V. Bater

COMMISSIONER

FREDERICK F. BUTLER

COMMISSIONER

OSEPH L. FIORDALISO

COMMISSIONER

ATTEST:

SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

Utilities

Service List

Docket No. TM06120848

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