



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
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Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

TELECOMMUNICATIONS

IN THE MATTER OF THE VERIFIED JOINT PETITION ) ORDER  
OF OLYMPUS HOLDINGS II, LLC TRANSFEROR AND )  
AP VIII OLYMPUS VOTECO, LLC TRANSFEREE FOR )  
AUTHORITY TO TRANSFER INDIRECT CONTROL OF )  
WEST SAFETY COMMUNICATIONS INC., WEST )  
TELECOM SERVICES, LLC OPERATING COMPANIES ) DOCKET NO. TM19040472

**Parties of Record:**

**James H. Laskey, Esq.**, Norris McLaughlin, P.A., on behalf of Petitioners  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

**BY THE BOARD:**

On April 16, 2019, Olympus Holdings II, LLC ("Olympus Holdings" or "Transferor") the parent company of West Corporation ("West") submitted a Verified Joint Petition to the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-51.1, N.J.S.A. 48:3-7 and N.J.S.A. 48:3-10 requesting Board approval to consummate a transaction that will result in a change in control of West to AP VIII Olympus VoteCo, LLC ("Olympus VoteCo" or "Transferee" and collectively with Olympus Holdings, the "Petitioners"). As a result of the transaction, West's wholly owned subsidiaries that hold Board authorizations, West Safety Communications Inc. ("West Safety") and West Telecom Services, LLC ("West Telecom") (collectively, the "West Licensees"), will be ultimately controlled by Olympus VoteCo. Following closing of the transaction, the same services will continue to be offered in New Jersey at the same rates, terms, and conditions to West Safety and West Telecom customers.

**BACKGROUND**

West is a Delaware corporation headquartered in Omaha, Nebraska. West is the direct or indirect parent company of several subsidiary companies, including the West Licensees. Through its subsidiaries, West is a global provider of communications and network infrastructure services primarily to business customers throughout the United States and internationally.

West Telecom (f/k/a KMC Data LLC and Hypercube Telecom, LLC) is a wholly owned indirect subsidiary of West. West Telecom is a Delaware limited liability company, and its principal place of business is located in Lancaster, Texas. The petition states that West Telecom provides wholesale local and national tandem switching and transport services, termination services, toll-free origination services, and Direct Inbound Dial services to telecommunications and information service providers, including wireless carriers, wireline competitive local exchange carriers ("CLECs") and interexchange carriers, cable telephony providers, and Voice over Internet Protocol ("VoIP") providers. West Telecom provides service to its customers using its nationwide optical backbone network that is both IP and TDM-based. West Telecom provides services in 47 states and the District of Columbia. In New Jersey, West Telecom is authorized to provide local exchange and interexchange services. See, I/M/O the Petition of KMC Data, LLC for Authority to Provide Local Exchange and Interexchange Telecommunications Services in the State of New Jersey, Docket No. TE01100637 (October 23, 2003). West Telecom provides regulated telecommunications services to approximately 15 customers in New Jersey.

West Safety (formerly known as Intrado Communications Inc.) is a wholly owned, indirect subsidiary of West. West Safety is a Delaware corporation, and its principal place of business is located in Longmont, Colorado. West Safety provides emergency communications services and infrastructure systems to public safety organizations and service providers, including public safety answering points, wireless carriers, wireline CLECs, cable telephony providers, and VoIP providers. West Safety's services are currently available in 47 states and the District of Columbia. In New Jersey, West Safety was authorized by the Board to provide local exchange and interexchange services. See, I/M/O the Verified Petition of Intrado Communications Inc. for Authorization to Provide Facilities-Based Local Exchange and Interexchange Telecommunications Services in the State of New Jersey, Docket No. TE15020263 (May 19, 2015). West Safety currently has no customers in New Jersey.

West is a direct, wholly owned subsidiary of Olympus Holdings, a Delaware limited liability company with a principal place of business located in New York, New York. All of the voting interests in Olympus Holdings are indirectly held by Olympus VoteCo, and all of the equity interests in Olympus Holdings are indirectly owned by certain investment funds that are managed by affiliates of Apollo Global Management, LLC ("Apollo") and certain members of West management.

Olympus VoteCo is a special purpose Delaware limited liability company with a principal place of business located in New York, New York. Currently, Joshua J. Harris holds 51 percent of the voting membership interests and 33.3 percent of the equity membership interests in Olympus VoteCo. Matthew Nord and Robert Kalsow-Ramos are officers and managers of Olympus VoteCo, and each currently hold 24.5 percent of the voting membership interests and 33.3 percent of the equity membership interests in Olympus VoteCo. According to the petition, Mr. Harris, Mr. Nord, and Mr. Kalsow-Ramos are U.S. citizens and investment professionals with the Apollo funds group.

The petition states that the Apollo, which was founded in 1990, is a global alternative investment manager. Apollo raises, invests, and manages investment funds on behalf of pension and endowment funds as well as institutional and individual investors.

## **DISCUSSION**

According to the petition, Mr. Harris will enter into a unit purchase agreement pursuant to which he will assign his 51 percent voting interest and 33.3 percent equity interest in Olympus VoteCo to its current managers, Mr. Nord and Mr. Kalsow-Ramos, each of whom will receive an additional 20.55 percent voting and 11.75 percent equity interest in Olympus VoteCo, and to Mount Olympus Parent, L.P., which will receive a nonattributable 9.9 percent voting and equity interest in Olympus VoteCo. Following the Transaction, and taking into account their existing interests in Olympus VoteCo, Mr. Nord and Mr. Kalsow-Ramos each will hold a 45.05 percent voting interest and a 45.05 percent equity interest in Olympus VoteCo, and Olympus VoteCo, under the collective control of Mr. Nord and Mr. Kalsow-Ramos, will indirectly control all of the voting interests in West and the West Licensees. Other than Olympus VoteCo and the intermediate holding companies between Olympus VoteCo and West, no other individual or entity will directly or indirectly hold ten percent or more of the voting interests of West or the West Licensees.

Petitioners state that the transaction does not involve the assignment of either West Telecom's or West Safety's telecommunications authorizations or customers. All current New Jersey customers of West Telecom as of closing will continue to be served by the West Licensees pursuant to their existing authorizations. (West Safety has no customers in New Jersey at this time.) Further, the transaction will not result in a change in the name of either West Licensee. West Telecom's customers will continue to receive their existing services at the same rates, terms, and conditions, and therefore the transaction will be virtually transparent to customers.

Petitioners submit that the transaction is in the public interest. The proposed transaction will occur at the parent level only. No assignment of authorizations, assets, or customers will occur as a consequence of the proposed transaction, and West and the West Licensees will continue to provide service to their existing customers pursuant to the same rates, terms, and conditions. In addition, the Transaction will have no effect on the contractual obligations or regulatory status of West or the West Licensees. Accordingly, this transaction will be transparent to customers and vendors of the West Licensees and will not result in any discontinuance, reduction, loss, or impairment of service. Further, the transaction will not affect the number or identity of the employees or management of West or the West Licensees, or their respective pensions or other benefits. Thus, the West Licensees will continue to be operated by the same management and technical personnel that operate the companies today. The proposed transaction also will not adversely affect competition because it will not result in any reduction in the number of competitors serving the market.

By letter dated May 9, 2019, the New Jersey Division of Rate Counsel submitted comments, stating that it does not oppose the approval of Petitioners' requests contained in this matter.

## **FINDINGS AND CONCLUSIONS**

Pursuant to N.J.S.A. 48:2-51.1(a), the Board shall evaluate the impact of an acquisition of control of a public utility on competition, on the rates of ratepayers affected by the acquisition of control, on the employees of the affected public utility or utilities, and on the provision of safe and adequate utility service at just and reasonable rates. The Board must be satisfied that positive benefits will flow to customers and the State of New Jersey and, at a minimum, that there are no adverse impacts on any of the criteria delineated in N.J.S.A. 48:2-51.1 as set forth above. N.J.A.C. 14:1-5.14(c). Also, pursuant to N.J.S.A. 48:3-7 and N.J.S.A. 48:3-10, the

Board must determine whether the public utility, or a wholly owned subsidiary thereof, may be unable to fulfill its pension obligations to any of its employees.

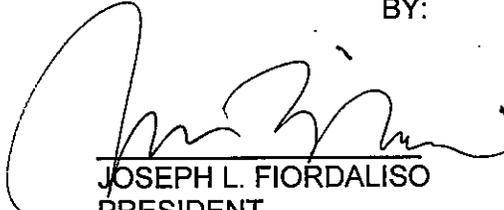
After a careful review of this matter, the Board is satisfied that positive benefits will flow to customers based upon the record, and that the Petitioners would not be able to exercise market power to raise prices above competitive levels or exclude competitors from the marketplace. The Board therefore **FINDS** that the proposed transaction will have little impact on competition. The Board additionally **FINDS** that there will be no negative impact on rates or the present provision of safe, adequate and proper service since Petitioners' New Jersey customers will continue to receive the same services at the same rates and under the same terms and conditions and the provision of service quality on competitive offerings is in the public interest. The Board notes that the petitioners have represented that the transaction will not affect the number or the identity of the employees or management of West or the West Licensees, or their respective pensions or other benefits.

Accordingly, the Board **FINDS** that the proposed transaction is consistent with the applicable law, is not contrary to the public interest and will have no material impact on the rates of current customers, or on New Jersey employees. The Board also **FINDS** that the proposed transaction will have no impact on the provision of safe, adequate and proper service, and will positively benefit competition. Therefore, after investigation, having considered the record and exhibits submitted in this proceeding, the Board **HEREBY AUTHORIZES** Petitioners to complete the proposed transaction.

This Order shall be effective June 22, 2019.

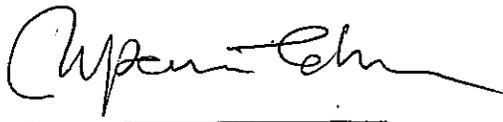
DATED: 6/12/19

BOARD OF PUBLIC UTILITIES  
BY:

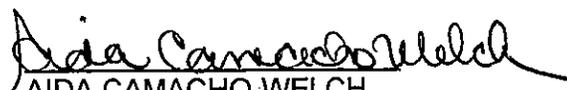
  
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