THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Susan K. Duffy, Chair Dwight D. Keen Andrew J. French

In the Matter of the Joint Notice of)
Reorganization and Transfer of Customers) Docket No. 23-BLET-797-CCS (CLEC)
from BullsEye Telecom, Inc. to Lingo) Docket No. 23-BLE1-797-CCS (CLEC)
Telecom, LLC and Cancelation of the Kansas)
Certificates of Convenience and Authority.)

ORDER CANCELLING CERTIFICATE AND TRANSFERRING CUSTOMERS

NOW, the above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

- 1. On May 8, 2023, Lingo Telecom, LLC, (Lingo) and BullsEye Telecom, Inc., (BullsEye) filed a Joint Notice regarding an internal reorganization and transfer of customers from BullsEye to Lingo and requesting a cancellation of BullsEye's Certificate of Convenience and Authority to provide Competitive Local Exchange Carrier (CLEC) service in Kansas. On completion of the reorganization, BullsEye's customers in Kansas would be transferred to Lingo effective July 1, 2023. The transaction will be invisible to the affected customers.
- 2. Lingo and BullsEye are affiliates of the same entities holding the controlling interest¹ Lingo Communications, LLC, and B. Riley Principal Investments, LLC. Lingo, which previously operated as Matrix Telecom, Inc., was granted authority to provide CLEC services in Docket No. 05-MXTC-867-COC, and changed its name to Lingo in Docket No. 22-MXTC-429-CCN. BullsEye was granted authority to provide CLEC services in Docket No.

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¹ Joint Notice, Exhibit A-1; Exhibit A-2.

03-BLET-066-COC and currently provides services only to enterprise business customers.² Both maintain principal offices in Southfield, Michigan. Lingo is a Texas Limited Liability Company, and BullsEye is a Michigan Corporation.

- 3. The corporate reorganization will result in BullsEye ceasing business operations in Kansas. A notice of the transfer of customers was provided to BullsEye customers thru monthly invoicing starting February 17, 2023, and will continue to run thru June 2023. BullsEye customers will be transferred to Lingo, and they will still receive bills and services under the BullsEye trade name. The reorganization is designed to reduce costs and enhance operational and economic efficiencies.
- 4. The Commission's authority to supervise telecommunication public utilities is provided in K.S.A. 66-1,188. The Commission's authority to issue and terminate certificates of public convenience arises from K.S.A. 66-131. Pursuant to K.S.A. 66-131, the Commission must review all certificate applications to determine whether the public convenience will be promoted by granting the request.
- 5. On June 1, 2023, the Staff submitted a Report and Recommendation recommending the Commission cancel BullsEye's Certificate of Convenience and Authority to provide CLEC service within Kansas and recommending the Commission approve the request to discontinue service and to transfer BullsEye's customers to Lingo. The Staff noted BullsEye has paid all assessments and is current with its KUSF and Commission regulatory obligations. On approval of the Application, Lingo would report revenues and related assessments to the KUSF associated with BullsEye's relinquished customers.

² Application; Joint Notice of Internal Reorganization of BullsEye Telecom, Inc. and Lingo Telecom, LLC; page 2.

and Recommendation, of June 1, 2023, which is attached and made a part of this Order by reference, and finds the public convenience will be promoted by granting the request to cancel

The Commission adopts Staff's analysis and recommendation as stated in its Report

BullsEye's Certificate of Convenience and Authority to provide CLEC service in Kansas.

BullsEye's customers will then be transferred to Lingo under its operating authority, and Lingo

will assume all regulatory obligations associated with service to those customers.

6.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Joint Notice filed by Lingo Telecom, LLC and BullsEye Telecom, Inc., is hereby granted and the Certificate and Authority authorizing BullsEye Telecom, Inc. to provide CLEC service in Kansas, issued September 18, 2002, in Docket No03-BLET-066-COC, is hereby canceled, effective as of the date of this Order and the customers under this authority will be permitted to be transferred to Lingo Telecom, LLC.

B. Any party may file and serve a petition for reconsideration pursuant to the requirements and time limits established by K.S.A. 77-529(a)(1).³

C. The Commission retains jurisdiction over Lingo Telecom, LLC and BullsEye Telecom, Inc., and the subject matter of this Docket for the purpose of entering such further Order or Orders, as it may deem necessary.

BY THE COMMISSION, IT IS SO ORDERED.

Duffy, Chair; Keen, Commissioner; French, Commissioner

Dated: 06/08/2023

³K.S.A. 66-118b; K.S.A. 77-503(c); K.S.A. 77-531(b).

Lynn M. Ref

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Laura Kelly, Governor

Susan K. Duffy, Chair Dwight D. Keen, Commissioner Andrew J. French, Commissioner

REPORT AND RECOMMENDATION UTILITIES DIVISION

TO:

Susan K. Duffy, Chair

Dwight D. Keen, Commissioner Andrew J. French, Commissioner

FROM:

Hemant Bhagat, Senior Telecommunications Analyst

Sandy Reams, Assistant Chief of Telecommunications

Bryan Seamans, Chief of Telecommunications

Jeff McClanahan, Director of Utilities

DATE:

June 1, 2023

RE:

Docket No. 23-BLET-797-CCS

In the Matter of the Joint Notice of Reorganization and Transfer of Customers from BullsEye Telecom, Inc. to Lingo Telecom, LLC and Cancelation of the Kansas

Certificates of Convenience and Authority.

EXECUTIVE SUMMARY:

On May 8, 2023, Lingo Telecom, LLC (Lingo) and BullsEye Telecom, Inc (BullsEye) filed a Joint Notice regarding an internal reorganization that will result in the transfer of customers from BullsEye to Lingo. The Joint Notice requests the Commission to approve the transfer of customers to Lingo and cancel BullsEye's Certificate of Convenience and Authority (Certificate) to provide Competitive Local Exchange Carrier Services (CLEC) in Kansas.

Staff recommends the Commission grant the request to cancel BullsEye's CLEC Certificate.

BACKGROUND:

The Commission derives its authority to supervise telecommunications public utilities from K.S.A. 66-1,188 and K.S.A. 66-2005(z). The Commission derives its authority to certificate and decertificate public utilities from K.S.A. 66-131.

Pursuant to K.S.A. 66-131, the Commission must review all certification and de-certification applications to determine whether the "public convenience" will be promoted by granting the request.

ANALYSIS:

Lingo and BullsEye are affiliates of the same entities holding the controlling interest¹ - Lingo Communications, LLC and B. Riley Principal Investments, LLC. As part of the internal corporate reorganization, BullsEye seeks to relinquish its Certificate of Convenience and Authority to provide CLEC services in Kansas and transfer its Kansas customers to Lingo Telecom, effective July 1, 2023.

Lingo, a Texas Limited Liability Company incorporated on June 13, 1990, previously operated as Matrix Telecom, Inc. Lingo's principal office is located in Southfield, Michigan. Matrix was granted authority to provide CLEC services in Docket No. 05-MXTC-867-COC and changed its name to Lingo in Docket No. 22-MXTC-429-CCN.

BullsEye is a Michigan corporation formed on March 4, 1997. The Company's principal office is located in Southfield, Michigan. In Kansas, BulleEye was granted authority to provide CLEC services in Docket No. 03-BLET-066-COC and the Company currently provides services only to enterprise business customers.²

A notice of the transfer of customers was provided to BullsEye customers thru monthly invoicing starting February 17, 2023 and will continue to run thru June 2023. Following the transfer, Lingo Telecom will serve BullsEye customers and BullsEye will no longer operate within Kansas. BullsEye customers will still receive bills and services under the BullsEye trade name.

BullsEye indicates the transfer of customers to Lingo Telecom will reduce costs and provide enhanced operational efficiencies without any changes to customer service, terms and conditions, and rates. BullsEye's relinquishment of its Certificates will cause no harm to Kansas consumers.

Lingo Telecom and BullsEye have a current Annual Interrogatory on file with the Commission and are in good standing with regard to Commission assessments and Kansas Universal Service Fund assessments.

RECOMMENDATION:

As no customers will be adversely affected by this filing, Staff recommends the Commission approve BullsEye's request to cancel its Certificates of Convenience and Authority for CLEC services within the State of Kansas.

¹ Joint Notice, Exhibit A-1; Exhibit A-2.

² Application; Joint Notice of Internal Reorganization of BullsEye Telecom, Inc. and Lingo Telecom, LLC; page 2.

CERTIFICATE OF SERVICE

23-BLET-797-CCS

I, the undersigned, ce	ertify that a true copy o	of the attached	Order has been	n served to the	following by	means of
electronic service on	06/08/2023	·				

BRETT BERRY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 b.berry@kcc.ks.gov

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/S/ KCC Docket Room

KCC Docket Room