

LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NUMBER S-37488

AMERICAN BROADBAND HOLDING COMPANY, CAMERON COMMUNICATIONS, L.L.C., ELIZABETH TELEPHONE COMPANY, L.L.C., CAMERON TELEPHONE COMPANY, L.L.C., AND LBH, L.L.C., EX PARTE

Docket No. S-37488, In re: Request for Letter of Non-Opposition to issuance of guarantees and pledge of assets as security in connection with debt incurrence by American Broadband Holding Company.

(Decided at the April 16, 2025 Business and Executive Session.)

ORDER

Overview

On January 24, 2025, American Broadband Holding Company (“ABHC”), Cameron Communications, LLC (“Cameron Communications”), Cameron Telephone Company, LLC (“Cameron Telephone”), Elizabeth Telephone Company, LLC (“Elizabeth Telephone”), and LBH, LLC (“LBH”, and together with Cameron Communications, Cameron Telephone and Elizabeth Telephone, the “Regulated Subsidiaries”) jointly filed the above-captioned request (the “Request”), pursuant to LPSC General Order dated March 18, 1994, as amended, seeking an order of approval or non-opposition from the Louisiana Public Service Commission (“LPSC” or “Commission”) to the Regulated Subsidiaries providing guarantees and granting security interests in their respective assets (including Cameron Communications’ ownership interests in Cameron Telephone, Elizabeth Telephone and LBH), and mortgages on their real property (as applicable) (the “Proposed Security Interests”), in connection with financing obtained by the Regulated Subsidiaries’ indirect parent, ABHC, as borrower, and all of ABHC’s direct and indirect subsidiaries, as guarantors. Each of the entities identified above are collectively referred to herein as the “Applicants.”

The Proposed Security Interests are not part of any merger, consolidation, acquisition, or other change in corporate structure, ownership or control of the Regulated Subsidiaries, and do not involve the disposition of the Regulated Subsidiaries’ assets or the transfer of ownership or other indicia of control of the Regulated Subsidiaries.

Notice of the Request was published in the Commission’s Official Bulletin #1342 dated January 31, 2025, for a 15-day intervention period. No interventions were filed during, or subsequent to, the intervention period.

Commission Jurisdiction and Authority

The Commission exercises jurisdiction over public utilities and common carriers in Louisiana pursuant Article IV, Section 21 (B) of the Louisiana Constitution, which states:

“The commission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law.”

Pursuant to this authority, the Commission promulgated the March 18, 1994 General Order, as amended (the “1994 General Order”), which provides in pertinent part:

“No utility or common carrier subject to the jurisdiction of the Louisiana Public Service Commission shall sell, assign, lease, transfer, mortgage, or otherwise dispose of or encumber the whole or any part of its franchise, works, property, or system, nor by any means direct or indirect, merge or consolidate its utility works, operations, systems, franchises, or any part thereof, nor transfer control or ownership of any assets, common stock or other indicia of control of the utility to any other person, corporation, partnership, limited liability company, utility, common carrier, subsidiary, affiliated entity or any other entity, nor merge or combine with another person, corporation, partnership, limited liability company, utility, common carrier, subsidiary, affiliated company or any other entity, or divide into two or more utilities or common carriers, where the values involved in such action exceed one percent (1%) of the gross assets of such regulated utility or common carrier, or subsidiary thereof, nor in any way commit itself to take such action or affect any right, interest, asset, obligation, stock ownership, or control involved in such action without prior full disclosure of the prior intendment and plan of such utility or common carrier with regard to such action and without prior official action of approval or official action of non-opposition by the Louisiana Public Service Commission. This section is intended to apply to any transfer of the ownership and/or control of public utilities and common carriers regardless of the means used to accomplish that transfer.”

Herein, the Proposed Security Interests are analyzed within the context of the 1994 General Order and the 18 public interest factors contained therein, as applicable.

Description of Applicants

- ABHC, a Delaware corporation, and the Borrower under the 2024 Revolving Credit Commitments (defined below), is a holding company that does not directly provide telecommunications services. Through its operating subsidiaries, including the Regulated Subsidiaries, ABHC partners in the provision of telecommunications, high-speed broadband and other advanced services to consumers in Alabama, Alaska, Louisiana, Missouri, Nebraska and Texas. ABHC is not regulated by the Commission.¹
- Cameron Communications, a Louisiana limited liability company, is the direct parent of Cameron Telephone, Elizabeth Telephone, and LBH. Cameron Communications is authorized by the LPSC to provide competitive access and interexchange telecommunications services throughout Louisiana.² Cameron Communications and its subsidiaries are engaged in the business of providing cable television services, telecommunications and information services and products to the public, including local dial tone, long distance telephone services, and high-speed broadband Internet services.
- Cameron Telephone, a Louisiana limited liability company, is a wholly owned subsidiary of Cameron Communications and an Incumbent Rural Local Exchange Carrier authorized

¹ See LPSC Docket No. S-35825 and Order No. S-35825, dated March 19, 2021, for the upstream ownership structure of ABHC.

² See, LPSC Certificate of Authority TSP-0098-B dated March 24, 2003.

to provide and providing local exchange and other telecommunications services to end user customers throughout its local exchange service area in Louisiana pursuant to its filed tariffs and Commission regulations. Cameron Telephone provides service in Calcasieu and Cameron Parishes in Louisiana.

- Elizabeth Telephone, a Louisiana limited liability company, is a wholly owned subsidiary of Cameron Communications and an Incumbent Rural Local Exchange Carrier authorized to provide and providing local exchange and other telecommunications services to end user customers throughout its local exchange service area in Louisiana pursuant to its filed tariffs and Commission regulations. Elizabeth Telephone provides service in Allen, Beauregard, Rapides, and Vernon Parishes in Louisiana.
- LBH d/b/a Cameron Communications, a Louisiana limited liability company, is a wholly owned subsidiary of Cameron Communications and a competitive access and local exchange carrier authorized to provide and providing competitive access, local exchange, interexchange long distance and other telecommunications services to end user customers in Louisiana pursuant to its filed tariffs and Commission regulations.³ LBH provides services in Calcasieu and Cameron Parishes in Louisiana.

Summary of Proposed Security Interests and 2024 Revolving Credit Commitments

Pursuant to the Request, ABHC, as borrower, is party to a Credit Agreement, dated June 13, 2022 (the “Credit Agreement”), by and among the Guarantors parties thereto, Toronto Dominion (Texas) LLC (“TD”), as Administrative Agent, and the Lenders from time-to-time party thereto. The Credit Agreement is a syndicated credit facility of \$375 million that was comprised of a term loan of \$250 million, a delayed draw term loan of \$75 million, and a revolving credit facility of \$50 million (collectively, the “Original Credit Facilities”). The Commission expressed its non-opposition to the Original Credit Facilities and the Regulated Subsidiaries providing guarantees and granting security interests in their respective assets in connection with the Original Credit Facilities by Order No. S-36479 (dated December 22, 2022).

As recited in the Request, as of the most recent amendment to the Credit Agreement executed by the parties thereto on December 19, 2024, there was \$359.1 million outstanding from the Original Credit Facilities, consisting of \$311 million in initial term and delayed draw term loans, and \$48.1 million in revolving credit loans. The most recent amendment contains the following primary amendments to the Original Credits Facilities pursuant to the Request:

Adds a new super-priority revolving credit commitment of \$24 million, which matures 364 days following the effective date and is subject to terms further described in the Sixth Amendment (the “2024 Revolving Credit Commitments”); and,

Waives payment of principal and interest on the Original Credit Facilities from September 30, 2024 through the term of the new 2024 Revolving Credit Commitments.

³ See, LPSC Certificate of Authority TSP-00538 dated July 6, 2004.

Therefore, pursuant to the Request, \$359.1 million of the original \$375 million facility has been utilized, and the 2024 Revolving Credit Commitments would increase total availability of funds to \$384.1 million.

The Applicants state that the proceeds from the new 2024 Revolving Credit Commitments will be used for general corporate purposes, working capital of ABHC and its subsidiaries, including the Regulated Subsidiaries, and other purposes as permitted by the Credit Agreement. The Applicants are confident that the amended facility will have material benefits to the financial performance and operations of the business through, among other things, access to additional capital.

Pursuant to the Request, the Lenders have required the Regulated Subsidiaries to obtain necessary regulatory approvals to provide the Proposed Security Interests. Until such time as the LPSC approves the Request, and ABHC delivers the necessary documents to the Lenders, the Regulated Subsidiaries are not considered guarantors of the new 2024 Revolving Credit Commitments created by the Sixth Amendment.

The Applicants explain that the guarantees will be contingent liabilities of the Regulated Subsidiaries, and the 2024 Revolving Credit Commitments will be serviced by the consolidated cash flows of ABHC and all of its subsidiaries, including the Regulated Subsidiaries. Any foreclosure on such security and guarantees, and exercise of remedies are subject to customary conditions to obtain any required approval from the Federal Communications Commission and any applicable state telecommunications regulatory authority, including the LPSC.

Staff Review and Recommendation

The Staff Report and Recommendation was filed into the record on March 20, 2025. The Request is subject to the Commission's 1994 General Order, which governs transfers of control, security interests, and other transactions involving public utilities. Exhibit C to the Request provided responses to the 18 evaluation factors outlined in the 1994 General Order, as applicable,⁴ which are summarized as follows:

- The Proposed Security Interests will not result in any loss or impairment of service to any customers of the Regulated Subsidiaries. The Proposed Security Interests and 2024 Revolving Credit Commitments do not involve a transfer of operating authority, assets or customers, and therefore, will not alter the identity or ability of the carriers to provide telecommunications services in Louisiana.
- The Proposed Security Interests and 2024 Revolving Credit Commitments will not change

⁴ The Proposed Security Interests are not part of any merger, acquisition, consolidation or other change in corporate structure, ownership or control of the Regulated Subsidiaries.

the rates or terms and conditions of regulated services. Any future change in rates, terms or conditions of regulated services will be made in accordance with applicable Commission requirements.

- The terms of the 2024 Revolving Credit Commitments and Proposed Security Interests are necessary and appropriate for, and consistent with the performance by the Regulated Subsidiaries of their services to the public and will not impair their ability to perform such services.
- The terms of the 2024 Revolving Credit Commitments and Proposed Security Interests will facilitate a reduction in the cost of capital of the Regulated Subsidiaries and enhance their ability to provide high-quality products and services while appropriately balancing financial and business risks.
- The 2024 Revolving Credit Commitments and Proposed Security Interests will provide the Regulated Subsidiaries with sufficient cash flow and the financial resources needed to maintain, further grow and expand their networks, and to effectively compete in the highly competitive telecommunications environment.
- While the Regulated Subsidiaries' equity and assets in Louisiana will be pledged and mortgaged (as applicable) as security against the 2024 Revolving Credit Commitments, no negative impact on the Regulated Subsidiaries' operations is anticipated as a result of the Proposed Security Interests.
- The Proposed Security Interests and 2024 Revolving Credit Commitments will not affect the Commission's exercise of its regulatory authority over the Regulated Subsidiaries in Louisiana.

Staff reviewed the Request and Exhibits included as part thereof, including the "Sixth Amendment to Credit Agreement and Security Agreement" and Applicants' responses to the 18 public interest factors of the 1994 General Order. Staff Recommended that the Commission grant the Request and issue an order of approval or non-opposition to the 2024 Revolving Credit Commitments and Proposed Security Interests as filed.

Based on Staff's review of the Request submitted in connection with the Proposed Security Interests and analysis of the 18 factors set forth in the 1994 General Order, Staff recommended that the Commission issue an order of approval or non-opposition to the 2024 Revolving Credit Commitments and Proposed Security Interests, subject to the following conditions:

1. The Applicants shall file into the record of this proceeding copies of the executed loan agreements, guarantees, security agreements and other related documents finalizing the Proposed Security Interests within thirty (30) days of the completion date of each transaction comprising the Proposed Security Interests; however, if such documents are not filed within ninety (90) days of the issuance of an Order in this docket, the Applicants shall file a report into the docket explaining the delay; and,
2. That the approval or non-opposition be granted without prejudice to the authority of the Commission to make investigations and require any reasonably necessary change that the Commission may legally find to be in the public interest; and,
3. That the Order be effective immediately.

Commission Consideration

On motion of Vice Chairman Skrmetta, seconded by Commissioner Coussan, and unanimously adopted, the Commission voted to express its non-opposition to the Request including the conditions contained in Staff’s Report and Recommendation filed into the record on March 20, 2025.

THEREFORE, IT IS ORDERED:

That the Louisiana Public Service Commission expresses its non-opposition to the 2024 Revolving Credit Commitments and Proposed Security Interests filed into the record on March 20, 2025, subject to the following conditions:

1. The Applicants shall file into the record of this proceeding copies of the executed loan agreements, guarantees, security agreements and other related documents finalizing the Proposed Security Interests within thirty (30) days of the completion date of each transaction comprising the Proposed Security Interests; however, if such documents are not filed within ninety (90) days of the date of this Order, the Applicants shall file a report into the docket explaining the delay; and,
2. This non-opposition is granted without prejudice to the authority of the Commission to make investigations and require any reasonably necessary change that the Commission may legally find to be in the public interest; and

This Order is effective immediately.

**BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
May 12, 2025**



A handwritten signature in blue ink, appearing to read "Brandon M. Frey".

**BRANDON M. FREY
SECRETARY**

/S/ MIKE FRANCIS
DISTRICT IV
CHAIRMAN MIKE FRANCIS

/S/ ERIC F. SKRMETTA
DISTRICT I
VICE CHAIRMAN ERIC F. SKRMETTA

/S/ FOSTER L. CAMPBELL
DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL

/S/ DAVANTE LEWIS
DISTRICT III
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