

Henry Walker Direct: 615.252.2363 Fax: 615.252.6363 hwalker@babc.com Bradley

October 24, 2017

State Of WASH.
JTIL. AND TRANSP.
COMMISSION

VFEDERAL EXPRESS OVERNIGHT DELIVERY

Mr. Steve King Washington Utilities and Transportation Commission 1300 Evergreen Park Drive SW Olympia, WA 98502

Re: Notice Regarding TeleQuality Communications, Inc.

Dear Mr. King:

The purpose of this letter is to notify the Commission that TeleQuality Communications, Inc. ("TeleQuality Inc."), a certified provider of intrastate long distance services in Washington, has entered into an agreement to be acquired, subject to appropriate regulatory approvals, by Education Networks of America, Inc. ("ENA"). This change of control at the parent level will not affect the rates, services, or day-to-day management of TeleQuality which, as of this date, has two customers in the state.

TeleQuality Inc. provides Internet access and data network products and services to rural healthcare providers that participate in the FCC's Rural Health Care Program. TeleQuality Inc.'s technology solutions, including high-band width connectivity, Internet access, and hosted VoIP services, enable healthcare providers to take advantage of emerging healthcare communications technologies that increase access to and lower the cost of healthcare. TeleQuality Inc. was registered by the Commission as a competitive telecommunications company on February 2, 2008. Docket Number UT-080017. TeleQuality Inc. currently has two customers in the state.

ENA, a Delaware corporation with headquarters in Nashville, Tennessee, provides high-capacity broadband, Wi-Fi/LAN, voice, and video solutions to the K-12 education community, higher education institutions and libraries. ENA's managed networks include information solutions, instructions and productivity tools, and third party applications that are used in tandem with its proprietary products. ENA currently provides services primarily to school districts and libraries that participate in the FCC's schools and libraries universal service support program, commonly known as the E-Rate Program.

On October 13, 2017, TeleQuality Inc., ENA, and other related entities entered into a Unit Purchase Agreement ("Agreement") pursuant to which ENA will acquire control of TeleQuality Inc. Prior to the closing of the transaction, TeleQuality Inc. will be re-domiciled and converted into a Delaware limited liability company, becoming TeleQuality Communications, LLC (hereafter, "TeleQuality"). Upon approval of the FCC and other regulatory approvals, the

7/4074737.1 034050-301010 parent company of TeleQuality will contribute its equity interests in TeleQuality to ENA's indirect parent company, Commodore Parent, LLC ("Commodore Parent"), in exchange for equity in Commodore Parent, which will in turn contribute the equity interests in TeleQuality to ENA. After the closing of this transaction, TeleQuality will operate as a wholly-owned subsidiary of ENA. TeleQuality will continue to operate under its existing certificate and this change of control will not affect the rates, services or management of TeleQuality. Thus, the transaction will be transparent to customers and the Commission.

The proposed transaction serves the public interest. ENA will continue to serve schools and libraries under the E-Rate Program and TeleQuality will continue to serve rural healthcare providers under the Rural Health Care Program. ENA and TeleQuality will have more resources at their disposal to innovate and offer new products and services to consumers. The transaction will allow the companies to benefit from economies of scale in the procurement of equipment and services, enabling them to reduce costs, increase efficiency, and become more competitive. The companies will also be better positioned to leverage their expertise to maintain and improve their networks.

Please contact me at 615-252-2363 or email me at hwalker@babc.com if you have any questions about this filing.

Sincerely,

BRADLEY ARANT BOULT CUMMINGS LLP

Rv.

Henry Walker

HW/dbi

¹ A more detailed explanation of the proposed transaction may be found in the parties' FCC application. "Domestic Section 214 Transfer of Control of TQCI Holdco, Inc. to Education Networks of America," WC Docket No. 17-285 (filed October 20, 2017).