

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No.

Petition of Schurz Broadband Group, Inc. for
Approval of a controlling interest in
Champlain Broadband, LLC pursuant to 30
V.S.A. § 515

Petition

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Schurz Broadband Group, Inc. (“Petitioner” or “SGB”), by and through its undersigned counsel, respectfully submits this Petition to the Vermont Public Utility Commission (Commission), pursuant to 30 V.S.A. § 515 with supporting prefiled testimony and exhibits, requesting that the Commission approve an acquisition of a controlling interest in Champlain Broadband LLC (Champlain) (d/b/a Burlington Telecom), a company that is subject to the Commission’s jurisdiction pursuant to Certificate of Public Goods (CPG) issued in Case No. 18-0491-PET in 2019 under 30 V.S.A. §§ 231 and 504. The Petitioner refers to the acquisition as the “Transaction.”

The proposed Transaction does not change the ultimate ownership of Champlain because Schurz Communications Inc. (SCI)—the current owner of Champlain—will continue to have ultimate control over Champlain. Rather, the proposed Transaction would insert SBG—a holding company—as the sole owner of the voting membership interests of Champlain. SCI is and will remain the sole owner of SBG. This arrangement allows SCI to formally integrate Champlain and other broadband companies owned by SCI under a common corporate entity and into a common capital structure to gain operating efficiencies. The proposed Transaction will not affect Champlain’s ability to satisfy obligations in the CPGs or Final Order issued in Case

No. 18-0491-PET. For these reasons, this Transaction is not contrary to the public good of Vermont.

1. As the Final Order in Case No. 18-0491-PET explains, Champlain obtained approval from the Commission to acquire the Burlington Telecom assets and continue operating the system providing cable television, broadband internet access, and telecommunications services to residential and business customers in the greater Burlington area. The Commission found that the proposed transaction would promote the public good of the State of Vermont and approved it pursuant to 30 V.S.A. §§ 109 and 231. The Commission also issued Champlain a CPG under Section 504 for a term of 11 years, and designated Champlain as an eligible telecommunications carrier for Lifeline Purposes under 47 U.S.C. § 214(e).

2. As the Final Order explains, SCI is the sole member of Champlain.

3. The Petitioner is a Delaware corporation that was formed in 2006, is wholly owned by SCI, and is a holding company that was formed so that SCI could place ownership of its six broadband companies under one holding company. This structure will create operating efficiencies, standardization of policies, procedures and operations, and consistency and synergies among contracts and management throughout the SBG broadband group.

4. Under the Transaction, SCI would transfer all voting membership interests of Champlain from SCI to SBG. SCI would remain the sole owner of SBG and thus SCI would remain the ultimate owner and manager of Champlain.

5. The Transaction is not contrary to the public good because it maintains the continuity of the ultimate ownership of Champlain by SCI that the Commission approved in Case No. 18-0491-PET, while formally integrating the other broadband companies under one company—

SBG. The Board of Managers, officers, and operating agreement of Champlain would remain the same. Further, the Transaction does not affect Champlain's ability to satisfy the conditions in Case No. 18-0491-PET's Final Order or related CPGs.

6. This Petition was prepared in coordination with SCI, which fully supports the proposed Transaction and the Commission's approval thereof under 30 V.S.A. § 515.

7. Section 515 of Title 30 provides in relevant part that:

(a) No person, corporation, partnership, or unincorporated association shall acquire ownership of greater than 40 percent of the voting securities in a company as defined in subdivision 501(3) of this title subject to the supervision of the Public Utility Commission without the approval of the Commission after due notice and opportunity for hearing and a finding on its part that such acquisition will not be contrary to the public good.

8. The Commission has explained that Section 515 requires the Commission "approve the acquisition by a company greater than forty percent of the voting securities of a cable television company that is subject to the [Commission's] jurisdiction," and that approval "under § 515 requires a finding that the acquisition is 'not contrary to the public good.'"¹

9. The proposed Transaction requires Commission approval under Section 515 because SBG is acquiring all the voting securities of Champlain. SCI will continue to own SBG.

10. The Transaction is not contrary to the public good under 30 V.S.A. § 515 for the reasons set forth above.

11. The proposed Transaction will not have any effect on the business plans, operations, or governance of Champlain.

12. The Petitioner seeks to close this Transaction upon receiving Commission approval, which the Petitioner hopes to obtain by May 1, 2025.

¹ Docket 6242, *Joint Petition of Adelpia Communications Corporation and Harron Communications Corporation for approval of the transfer of control of Harron to Adelpia via a stock acquisition*, pages 2-3 (Order of August 9, 1999).

13. As the proposed Transaction is not contrary to the public good as required under Section 515, the Petitioner requests Commission approval without a hearing based on the enclosed prefiled testimony and exhibits of Austin Cook, Chief Financial Officer of SCI. A declaration from SBG's President is also included as an exhibit and demonstrates SBG's consent to the Transaction.


14. Petitioner respectfully requests that the Commission:

- a. notify persons entitled to notice of this Petition's filing and of the opportunity for a hearing thereon in accordance with Section 515;
- b. make findings of fact and conclusions of law with respect to the matters set forth in this Petition and, in accordance with those findings and conclusions; and
- c. issue approval under Section 515 for the Transaction.

Dated at Montpelier, Vermont, this 28th day of February, 2025.

SCHURZ BROADBAND GROUP, INC.

By their attorney,



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