STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

DT 26-025

YANKEE TELECOM, INC. AND TDS TELECOMMUNICATIONS, LLC

Joint Petition for Findings Pursuant to RSA 374:30, II in Furtherance of the Acquisition of Yankee Telecom, Inc. and its New Hampshire Operating Subsidiaries by TDS Telecommunications, LLC

Order Nisi Approving Settlement Agreement on Acquisition

O R D E R   N O. 28,242

July 31, 2026

In this order, the Commission approves, on a nisi basis, the settlement agreement entered into by Yankee Telecom, Inc. (Yankee), TDS Telecommunications, LLC (TDS), and the New Hampshire Department of Energy (DOE), the full group of parties to this above-captioned proceeding, thereby authorizing TDS to acquire all the outstanding ownership shares of Yankee, thereby effecting an indirect change in control of Yankee's wholly owned subsidiaries, Granite State Telephone, Inc. (GST), and Granite State Long Distance, Inc. (GSLD).

I. PROCEDURAL HISTORY AND SUMMARY OF YANKEE'S AND TDS'S OPERATIONS

On April 30, 2026, Yankee and TDS (collectively, 'Joint Petitioners') filed a "Joint Petition for Findings Pursuant to RSA 374:30, II, in Furtherance of the Acquisition of [Yankee] and its New Hampshire Operating Subsidiaries to [TDS]" (Joint Petition). In support of their Joint Petition, Yankee and TDS filed three attachments, including a Confidential Attachment 3, the Yankee-TDS Stock Purchase Agreement, for which Yankee and TDS have filed a motion for protective treatment under RSA 91-A:5, and New Hampshire Code Admin. R. Puc 203.07(b)(8) and Puc 203.12 as confidential commercial information exempt from disclosure, in its entirety.

All docket filings, other than any information subject to confidential treatment, can be found on the Commission's website at PUC Virtual File Room, see Docket DT 26-025.

In the Joint Petition, the Joint Petitioners advised the Commission that concurrent review of the proposed acquisition of Yankee and its subsidiaries by TDS will be conducted by the Federal Communications Commission (FCC) under Federal law, following the Joint Petitioners' filing being made with the FCC on April 29, 2026. Joint Petition at 1. On June 3, 2026, counsel for the Joint Petitioners filed a letter to the Commission stating that no comments regarding the proposed acquisition were filed at the FCC by the deadline of May 29, 2026, and that "the federal proceeding is now ready for a final approval order from the FCC."

On June 19, 2026, the Commission issued a Commencement of Adjudicative Proceeding and Notice of Prehearing Conference order, which presented a summary description of the mechanics of the proposed acquisition of Yankee and its subsidiaries by TDS, and scheduled a prehearing conference and technical session on July 14, 2026.

No requests for intervention in this proceeding were filed. On July 10, 2026, the parties to this proceeding (Yankee, TDS, and the DOE) filed a motion to accept a stipulation, which requested approval of the parties' proposed procedural schedule and cancellation of the prehearing conference and technical session scheduled on July 14, 2026. The Commission granted this motion, thereby cancelling the July 14 prehearing conference and technical session, approving the parties' proposed procedural schedule, and scheduling a technical hearing for July 27, 2026.

Subsequently, on July 23, 2026, the parties filed a motion for Commission acceptance of a late-filed settlement agreement, to which the settlement agreement was appended, and requesting that the Commission cancel the July 27 technical hearing and approve the settlement agreement by means of an Order Nisi. The parties' motion was granted by a Commission procedural order issued on July 24, 2026, cancelling the July 27 hearing, in anticipation of the Commission issuing this Order Nisi.

In the Joint Petition, the Joint Petitioners state that GSLD is a New Hampshire corporation, for which 100 percent of the voting stock is owned by Yankee, authorized by the Commission to offer certain intrastate interexchange services in New Hampshire. See In re: Granite State Long Distance, Inc., Order No. 22,145 (May 16, 1996), at 2. The Joint Petitioners further state that as a provider of telecommunications services that is not an incumbent local exchange carrier, GSLD is automatically classified as an "exempted local exchange carrier" under RSA 362:7, I(c)(3). The Joint Petitioners thereby assert that GSLD is therefore exempt, under RSA 374:30, I, from the requirement to obtain Commission approval for the ownership transfer from Yankee to TDS that is the subject of the Joint Petition. Joint Petition at 5-6.

Yankee is a New Hampshire corporation with its principal office in Weare. Yankee owns 100 percent of the voting stock of GST, which offers, as an approved Incumbent Local Exchange Carrier (ILEC) under RSA 362:8 and RSA 374:22-p, and an Excepted Local Exchange Carrier (ELEC) under RSA 362:7, I(c)(2), local and long-distance telephone voice services to retail customers in its service area, and carrier access and network capacity services to wholesale customers. Joint Petition at 2-5. GST's service area is comprised of four telephone exchanges:

(1) Chester, serving Chester and Sandown and portions of Auburn, Danville, Derry, Fremont, and Hampstead in Rockingham County; (2) Hillsborough Upper Village, serving Windsor and portions of Antrim and Hillsborough in Hillsborough County; (3) Washington, serving Washington and a portion of Stoddard in Sullivan and Cheshire Counties; and (4) Weare, serving Weare and portions of Deering, Hopkinton, and New Boston in Hillsborough and Merrimack Counties. Id. at 5. TDS, a Delaware corporation with principal offices in Madison, Wisconsin, owns five ILEC-ELEC New Hampshire subsidiaries, all incorporated in New Hampshire, operating in small communities throughout the State. Id. at 3-5.

II. OVERVIEW OF SETTLEMENT AGREEMENT TERMS

The settlement agreement contains the following provisions. Parts I though IV of the settlement agreement present an Introduction (Part I), a summary of the Procedural History of this proceeding (Part II), an Overview of the Transaction (Part III), which is also presented in the Commission's order of notice, and a summary of the Legal Standards governing this transaction (Part IV).

Part V of the settlement agreement presents the substantive terms of agreement between the Joint Petitioners and the DOE. Parts V.A. and V.B. of the settlement agreement present a series of recommended Commission findings for incorporation into the Commission's approval Order for this proceeding, which are reproduced verbatim[1] below:

A. Findings Required by RSA 374:30, II

1. The Parties [Yankee, TDS, and the DOE] recommend that the Commission enter findings, in accordance with RSA 374:30, II, as follows:

a. TDS is technically, managerially, and financially capable of maintaining the obligations of an ILEC set forth in RSA 362:8 and RSA 374:22-p.

[1] The abbreviations of the party names and telecommunications company categories (e.g., 'ILEC' etc.) shown in the reproductions of the settlement agreement's terms as presented in this Order are those established within this Order.

b. TDS's many decades of experience providing basic communications services in New Hampshire through its five (5) existing New Hampshire ILEC operating companies demonstrate that TDS can meet GST's obligations as a New Hampshire ILEC to provide affordable basic service in its service territory, as required by RSA 374:22-p, I and III;

c. TDS's longstanding receipt and use of federal [Universal Service Fund] funds through its New Hampshire ILEC operating subsidiaries, and its longstanding provisioning of Lifeline services in New Hampshire, demonstrates TDS's ability to continue meeting GST's obligations as an [Eligible Telecommunications Carrier, 'ETC'] under federal law, including provisioning Lifeline services in its service territory, as required by RSA 374:22-p, II.

d. TDS's assumption of GST's ongoing [Enhanced Alternative Connective America Fund Cost Model, 'E-ACAM'] obligations, including the assumption of GST's obligation to complete its required broadband fiber buildouts in accordance with E-ACAM's federal program requirements, show that TDS has the capability to meet GST's continuing obligations under the federal Communications Act of 1934, as amended.

2. The Parties also recommend that the Commission find, in accordance with RSA 374:30, II, that TDS's near-term transition plan further demonstrates that TDS's capability to continue meeting the obligations of an ILEC in New Hampshire, as follows:

a. Following the migration of Yankee to TDS's network and operating systems, which is anticipated to occur within 12 months of closing, TDS will be able to offer up to 8 Gbps symmetrical broadband speeds in GST's territory.

b. In the same timeframe, TDS will also be able to offer its proprietary cloud-based video solution, TDS TV+, which offers an all-in-one home entertainment service that combines television, video-on-demand, a cloud DVR, and streaming apps into a single interface. Additionally, TDS will offer its mobile solution, TDS Mobile, which utilizes a nationwide 5G network to provide TDS's customers with reliable, affordable, and competitive mobile offering.

B. Findings Required by Rule Puc 204.10(b)

3. The Parties recommend that the Commission make the following findings in accordance with N.H. Code Admin. Rules Puc 204.10(b):

a. The terms of the Parties' proposed settlement are just and reasonable and serve the public interest.

b. The Parties' proposed settlement is a more expedient alternative to continued litigation.

Part V.C. of the settlement agreement presents a series of Conditions of Approval for the Commission's approval of the settlement agreement by Order Nisi, which are reproduced verbatim below:

C. Conditions of Approval

4. The Parties further recommend that the Commission approve the Joint Petition by issuing an Order Nisi, without a technical hearing and upon the following conditions:

a. Following the closing of the Transaction, GST will continue to offer basic telecommunications services in New Hampshire at the same rates, terms and conditions as before the Transaction, and any future changes in the rates, terms, and conditions of service will be made in accordance with applicable state and federal statutes and regulations.

b. Following the closing of the Transaction, GST will continue to operate as an ILEC-ELEC and as a designated ETC in New Hampshire; will continue to offer Lifeline services to eligible low-income customers; and will continue to receive federal High Cost support in the form of E-ACAM and [Connect America Fund Intercarrier Compensation, or 'CAF-ICC'] support. TDS will assume GST's E-ACAM buildout obligations and will continue to comply with all applicable requirements of ETC's receiving federal support.

c. GST's existing tariffs, interconnection agreements, retail offerings, and customer agreements will not be affected by the Transaction and will remain in effect after closing, and any future changes in such agreements and offerings will be made in accordance with applicable state and federal statutes and regulations.

d. Other than the Yankee shareholders who will depart from the company upon closing, TDS expects to retain all or substantially all of Yankee's employees at levels of compensation and benefits comparable to similarly situated employees of TDS or its New Hampshire operating subsidiaries.

e. The acquisition of GST will have no direct impact on the [DOE's] Order on rate-center consolidation.

f. The transaction will not result in any changes to voting shares or to the structure of the TDS Board of Directors.

g. TDS will provide public notice of the pending Transaction to GST's customers by means of a press release of general distribution and a notice sent to every current GST customer.

h. TDS's acquisition for GST will not delay or risk TDS's existing investments in fiber and broadband in New Hampshire, and TDS remains committed to meeting its federal E-ACAM fiber deployment plans in New Hampshire.

Part V.D. of the settlement agreement presents a series of savings clauses (non-severability of terms, 'no binding precedent'), agreed to by the parties. No comment regarding the proposed acquisition of Yankee by TDS in general, or the proposed settlement agreement in particular, was filed by a member of the public in this docket.

III. COMMISSION ANALYSIS

Pursuant to RSA 374:30, II, an ILEC that is an ELEC "…may transfer or lease its franchise, works, or system, or any part of such franchise, works, or system, exercised or located in this state…when the [C]ommission finds the utility to which the transfer is to be made is technically, managerially, and financially capable of maintaining the obligations of an [ILEC] as set forth in RSA 362:8 and RSA 374:22-p." RSA 374:30, II. Yankee's subsidiary GST is an ILEC-ELEC entity located in New Hampshire pursuant to RSA 362:7, I(c)(3), RSA 362:8, and RSA 374:1-a; therefore, the transfer of ownership of Yankee, and by extension, its subsidiary GST, is governed by RSA 374:30, II.

Informal disposition is encouraged and may be made of any case at any time prior to the entry of a final decision or order. RSA 541-A:31, V(a), :38. N.H. Code Admin. R. Puc 204.10 requires the Commission to determine, prior to approving a settlement, that the settlement agreement is consistent with applicable law, is just and reasonable, and serves the public interest.

See Unitil Energy Systems, Inc., Order No. 28,225 (May 28, 2026) at Page 11. As the Settlement Agreement pertains to the acquisition of an ILEC-ELEC entity by a public utility, TDS, the applicable standard is whether TDS is technically, managerially, and financially capable of maintaining the obligations of an ILEC as set forth in RSA 362:8 and RSA 374:22-p. RSA 374:30, II.

Having reviewed the record in this case and the terms of the proposed settlement agreement, we will approve the settlement agreement as just, reasonable, and in the public interest, as the terms and conditions of the settlement agreement are designed to help ensure that TDS will maintain GST's obligations as an ILEC going forward, as required by RSA 374:30, II. We further adopt the findings presented in the settlement agreement as presented, and incorporate them by reference in this Order Nisi. In doing so, we approve the acquisition of Yankee, and its ILEC-ELEC subsidiary, GST, by TDS. (We concur with the Joint Petitioners that the acquisition of GSLD is exempt from our review). In doing so, we find that TDS is technically, managerially, and financially capable of maintaining the obligations of an ILEC as set forth in RSA 362:8 and RSA 374:22-p. TDS has an established track record as a telephone utility in New Hampshire, and we have confidence that TDS will be able to continue the service obligations of GST in its service territory going forward. We will take up the Joint Petitioners' motion for confidential treatment in a procedural order to be issued after the effective date of this Order Nisi.

Based upon the foregoing, it is hereby

ORDERED NISI, subject to the effective date below, that the settlement agreement by and among Yankee, TDS, and the DOE, is hereby approved, with the conditions and findings presented therein hereby incorporated by reference; and it is

FURTHER ORDERED, that upon the effective date of this Order Nisi, the acquisition of Yankee and GST by TDS is thereby approved, as contemplated in the Joint Petition and the settlement agreement; and it is

FURTHER ORDERED, that Yankee and TDS shall post a copy of this Order Nisi on their websites within two business days of the date of this Order, with an affidavit of publication to be filed with this office on or before August 7, 2026; and it is

FURTHER ORDERED, that all persons interested in responding to this Order be notified that they may submit their comments or file a written request for a hearing, stating the reason and basis for a hearing, no later than August 10, 2026; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than August 12, 2026; and it is

FURTHER ORDERED, that this Order shall be effective August 14, 2026, unless Yankee and TDS fail to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this thirty-first day of July 2026.

Christopher J. Ellms, Jr. Chairman	Pradip K. Chattopadhyay Commissioner	Mark W. Dell'Orfano Commissioner

Service List - Docket Related

Docket#: 26-025

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