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January 13, 2021

FILED VIA EMAIL

Aida Camacho
Secretary of the Board
New Jersey Board of Public Utilities
44 S. Clinton Avenue
Trenton, NJ 08625

Re: BCM One, Inc. – Referred to as (“BCM”) Petition for Approval to Obtain Debt Financing; Docket No. _____

Dear Secretary Camacho:

Please find attached, pursuant to N.J.A.C. 14:1-12.3(d), the following: (1) a Confidential Copy of Petition of BCM One, Inc. for Approval to Obtain Debt Financing; (2) a Preliminary Public Copy of the information provided by BCM One, which is identical to the Confidential Copy except that any asserted confidential information has been deleted; (3) a consolidated set of CONFIDENTIAL exhibits; and (4) a draft order in .doc form.

Pursuant to N.J.A.C. 14:1-12.3(c), the first page of the Confidential Copy has been labelled “**CONFIDENTIAL COPY.**” BCM One has appropriately indicated, through the use of underscoring, highlighting, or other means, all information in the Confidential Copy that BCM One asserts to be confidential. The first page of the Preliminary Public Copy has been labelled “**PRELIMINARY PUBLIC COPY**” and also bears a notation stating that confidential information has been deleted.

The information that is hereby submitted in response to the Board provision, and that BCM One asserts is confidential (hereinafter referred to as the “Confidential Information”), relates to the amount of debt financing for which BCM One is a co-borrower that has been drawn down.

The following paragraphs provide information that is being submitted by BCM One, pursuant to N.J.A.C. 14:1-12.8(a), to substantiate its claims of confidentiality.

1. Measures taken by BCM One to prevent disclosure of the information to others (§ 14:1-12.8(a)(1)).

BCM One routinely guards against disclosure of Confidential Information (1) by instructing Company personnel that such information is for internal use only, and must not be disclosed or released to any persons or entities outside the Company; (2) by providing for secure storage of such information; and (3) to the extent such information is retained in electronic form, utilizing password protections and similar restrictive measures to protect against unauthorized access to such information.

2. Whether the information is contained in materials that are routinely available to the general public (§ 14:1-12.8(a)(2)).

The Confidential Information is not contained in materials that are routinely available to the general public.

3. Whether the information is contained in materials that are routinely available to other government agencies, regardless of whether such agencies treat the information as confidential, and the reasons therefor (§ 14:1-12.8(a)(3)).

The Confidential Information is not contained in materials that are routinely available to other government agencies.

4. The extent to which the information has been disclosed to others, and the precautions taken to prevent further disclosure (§ 14:1-12.8(a)(4)).

BCM has not disclosed the Confidential information to others.

5. If the Board, the Board's records custodian, or any other State or Federal agency or court of competent jurisdiction has previously made a confidentiality determination relevant to the pending confidentiality claim, provide copies of all such determinations (§ 14:1-12.8(a)(5)).

BCM One is not aware of any confidentiality determination made by any other State or Federal agency or court of competent jurisdiction relevant to the Confidential Information.

6. A description of any harmful effects that disclosure would have upon BCM One, including, but not limited to, BCM One's competitive or bidding position, trade secrets, proprietary commercial or financial information, or national security, and an explanation of the causal relationship between the disclosure and such harmful effects (§ 14:1-12.8(a)(6)).

Any release by the Board of the Confidential Information would cause BCM One competitive harm by allowing its competitors to become aware of sensitive proprietary information regarding the operation of BCM One's business at a level of detail not currently available to the public. Any competitor given access to such information would thereby be given an advantage in developing strategies and taking actions to enhance its competitive position to the detriment of BCM One.

7. The period of time for which BCM One desires that the Board's records custodian treat the asserted confidential information as confidential information (§ 14:1-12.8(a)(7)).

BCM One cannot determine at this time any date on which the Confidential Information should not be considered confidential.

8. If known, any provision in a statute, rule, Order or other document, which would exempt the information from public disclosure (§ 14:1-12.8(a)(8)).

N.J.S.A. 47:1A-1.1 provides that "[a] government record shall not include ... information which, if disclosed, would give an advantage to competitors or bidders[,]" and that such information "is deemed to be confidential for the purposes of P.L.1963, c.73 (C.47:1A-1 et seq.) [the "Open Public Records Act"] as amended and supplemented"

9. Any other substantiation that BCM One believes to be relevant in establishing that the Board's records custodian should determine the information to be confidential information (§ 14:1-12.8(a)(9)).

The Confidential Information bears directly on the inner workings and operations of BCM One and, in BCM One's view, this information is generally recognized as confidential and proprietary.

* * * * *

BCM One hereby requests, pursuant to N.J.A.C. 14:1-12.4(a)(3), that all communications of the Board's records custodian (oral and written), including, without limitation, the notices listed in N.J.A.C. 14:1-12.7 and 14:1-12.9, be directed to the designee specified below:

Claimant	BCM One, Inc. 295 Madison Avenue, 5th Floor, New York, New York 10017
Designees	Marc Korman SIDLEY AUSTIN LLP

Aida Camacho-Welch
Secretary of the Board
New Jersey Board of Public Utilities
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Counsel for BCM One, Inc.

Please contact counsel below if any questions arise concerning the above-referenced Joint Supplement or if you require any additional information.

Sincerely,



Marc Korman
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Counsel for BCM One, Inc.

Enclosures

PRELIMINARY PUBLIC COPY

[Information asserted to be confidential is deleted]

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

BCM One, Inc. – Referenced To As)
 (“BCM”) Petition for Approval) Docket _____
 To Obtain Debt Financing)

PETITION OF BCM ONE, INC. FOR APPROVAL TO OBTAIN DEBT FINANCING

NOW COMES PETITIONER, BCM One, Inc. (“BCM”), by and through counsel and, pursuant to Section 48:3-9 of the New Jersey Revised Statutes, hereby petition the State of New Jersey Board of Public Utilities for approval and authority to obtain additional debt financing in the amount of \$100 million. In support of its petition, Petitioner respectfully submits the following:

1. BCM is a corporation duly organized and incorporated under the laws of the State of New York. BCM was issued a Certificate of Convenience and Necessity by the New Jersey Board of Public Utilities on June 8, 2002, to provide competitive local exchange carrier and interexchange carrier telecommunications services in a decision issued in Docket No. TE01050329. The principal office of BCM is located at 295 Madison Avenue, 5th Floor, New York, New York 10017.
2. BCM is engaged in the telecommunications business and operates within the state of New Jersey.
3. BCM obtained approval for debt financing in the amount \$105 million from the Board as part of the acquisition of BCM by BCM One Group Holdings, Inc. *See* Docket TM18101120. BCM subsequently obtained approval for debt financing in the amount of \$50 million from the Board in 2009, *See* Docket TF19020149, and \$200 million in 2020. *See* Docket TF0020136.

4. BCM proposes to obtain additional debt financing in the aggregate amount of up to \$100 million to effect the acquisition of complementary entities to BCM One, either directly or through one or more wholly-owned subsidiaries of BCM One Group Holdings, Inc. It is contemplated that such additional indebtedness would be on similar terms and conditions as set forth in the prior requests for indebtedness filed with the Board on October 31, 2018, February 5, 2019, and February 7, 2020.
5. BCM One is a co-borrower with BCM One Group Holdings, Inc. and other entities held by BCM One Group Holdings, Inc. Notification, therefore, is being provided to the Board regarding the additional debt.
6. If any of these complementary entities have certificates in New Jersey, BCM One will apply for appropriate authority to acquire such entities.
7. The additional debt financing will not disrupt customer service in New Jersey and will not result in a degradation of services. The potential acquisitions funded by the debt financing are intended to position BCM for measured growth in the telecommunications market, while also developing improved operating efficiencies.
8. The Petitioners respectfully submit that the acquisition described herein will serve the public interest, as required under New Jersey law, by preserving and enhancing competition in the market, thereby benefiting BCM's customers with access to integrated, global voice, video and IM services.
9. BCM currently has two employees in New Jersey. The proposed debt financing will not have any adverse effect on their continuing status as employees. BCM does not provide a pension plan to the employees, but the employees have other retirement benefits that will not be affected by the additional debt financing.

10. BCM's unaudited total companywide revenue in 2019 was \$60,100,000.00. It's New Jersey-specific revenue was \$4,243,772.07. It has 117 New Jersey customers for regulated services.
11. The projected closing date fees, expenses and other costs of the additional debt financing consist of less than \$ in lender expenses and less than \$ in legal expenses.
12. Attached hereto is a chart showing the current and pro-forma capital structure reflecting the incurrence of the additional debt financing, which also includes a calculation of the debt-to-equity ratio and the estimated cost of capital, as well as a schedule of the outstanding debt (Ex. 1). In addition, attached hereto are copies of the most recent amendments to BCM's loan agreements to which full versions of the modified loan agreements are attached(Ex. 2).¹
13. The security interests securing BCM's loan agreements cover substantially all of the assets of BCM and the other companies under the BCM One Group Holdings, Inc. umbrella. The maturity date of the senior facility is January 3, 2024. The maturity date of the mezzanine facility is July 3, 2024. The general interest rate for the senior facility is the base rate plus a margin equal to 3.50% or LIBOR plus a margin equal to 4.50%, as applicable. The general interest rate for the mezzanine facility is 11% per year. The foregoing terms are subject to change in subsequent amendments, restatements, supplements and other modifications to the

¹ BCM One has provided these same most recent credit agreement amendments in a semi-annual letter filed on December 29, 2020.

loan agreements. There are no securities being sold in connection with the transactions described herein – security interests are being granted.

14. The most recent annual financial statements for BCM One Group Holdings, Inc. are attached (Ex. 3).
15. A Draft Order is also attached hereto.
16. BCM One does not intend to use any of the additional debt to refinance outstanding credit facilities.
17. No franchise, nor right to own, operate, or enjoy any franchise, nor any contract for consolidation or lease is proposed to be capitalized either directly or indirectly in this proceeding.

Wherefore, for the foregoing reasons, the Petitioner respectfully request the Board's approval and authority to obtain additional debt financing in the amount of \$100 million.

/s/ Marc A. Korman
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Washington, DC 20005
(202) 736-8417
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Counsel for BCM One, Inc.

Dated: January 13, 2021

VERIFICATION

I hereby verify that as an authorized signer for BCM One, Inc.'s majority owner, Thompson Street Capital Partners V, L.P., BCM One, Inc. is authorized to become a co-borrower on an additional debt financing not to exceed \$100 million being undertaken by BCM One, Inc.'s parent company, BCM One Group Holdings, Inc.

It is the intention of BCM One, Inc. and its parent entities, in good faith, to use the proceeds of the debt financing for the purposes set forth in this petition. The Petitioner shall notify the Board of Public Utilities of any material changes in the proposed financing, consistent with any Board order.



Brian R. Kornmann
Director

Date: January 13, 2021