

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Uniform Cover and Calendar Sheet

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| 1. REPORT DATE: July 10, 2006 | 2. BUREAU AGENDA NO. JUL-2006-FUS-1345* <i>K</i> |
| 3. BUREAU: Fixed Utility Services | |
| 4. SECTION(S): Finance/Tariffs | 5. PUBLIC MEETING DATE: |
| 6. APPROVED BY: Director: R. Rosenthal 3-5242 <i>RHR</i> Mgr/Spvr: R. Wilson <i>RBW</i> 3-6162 Legal Review: F. Wilmarth 2-8841 <i>(F)</i> | July 20, 2006 DOCUMENT FOLDER |
| 7. PERSONS IN CHARGE: Kirkwood 5-4364 Laudenslager 7-5155 | 9. EFFECTIVE DATE OF FILING: N/A |
| 8. DOCKET NO.: A-310812F0003 | DOCKETED OCT 10 2006 |

10. (a) **CAPTION** (abbreviate if more than 4 lines)
 (b) **Short summary of history & facts, documents & briefs**
 (c) **Recommendation**

- (a) Application of Sunesys, Inc. for approval of the transfer, by disposition, of ultimate control of Sunesys, Inc.
- (b) On June 29, 2006, the subject application was filed. No protests were filed and no hearings were held.
- (c) The Bureau of Fixed Utility Services recommends that the Commission adopt the proposed Order.

11. **MOTION BY:** Commissioner Chm. Holland

SECONDED: Commissioner Cawley

Commissioner Shane - Yes
 Commissioner Pizzingrilli - Yes
 Commissioner Fitzpatrick - Yes

CONTENT OF MOTION: Staff recommendation adopted.



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

July 25, 2006

REFER TO OUR FILE

A-310812 F0003

PATRICK R GILLARD ROBERT C GERLACH
BALLARD SPAHR ANDREWS AND INGERSOLL
1735 MARKET STREET 51ST FLOOR
PHILADELPHIA PA 19103

DOCUMENT
FOLDER

Application of Sunesys, Inc. for approval of the transfer, by
disposition, of ultimate control of Sunesys, Inc.

To Whom It May Concern:

This is to advise you that an Order has been adopted by the
Commission in Public Meeting on July 20, 2006 in the above entitled
proceeding.

An Order has been enclosed for your records.

Very truly yours,

James J. McNulty
Secretary

Enclosure
Certified Mail
LJM

DEBORAH C LOFTON SR VP GEN COUNSEL SECT
C/O INFRASOURCE SERVICES INC
100 WEST SIXTH STREET
SUITE 300
MEDIA PA 19063

DOCKETED
OCT 29 2007

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

Public Meeting held July 20, 2006

Commissioners Present:

Wendell F. Holland, Chairman
James H. Cawley, Vice Chairman
Bill Shane
Kim Pizzingrilli
Terrance J. Fitzpatrick

DOCUMENT
FOLDER

Application of Sunesys, Inc. for approval of
the transfer, by disposition, of ultimate control
of Sunesys, Inc.

Docket No.:
A-310812F0003

ORDER

DOCKETED
OCT 29 2007

BY THE COMMISSION:

On June 29, 2006, Sunesys, Inc. (Sunesys or the Company) filed the above-docketed application pursuant to Chapter 11 of Pennsylvania Public Utility Code, 66 Pa. C.S. §§ 1101, *et seq.*, and our Policy Statement Regarding Interpretation of 66 Pa. C.S. § 1102(a)(3), 52 Pa. Code § 69.901, for the approval of the transfer, by disposition, of ultimate control of Sunesys. The applicant provided proof of compliance with our regulations at 52 Pa. Code § 5.14 relating to applications requiring notice.

Sunesys is certified in Pennsylvania as a competitive access provider (CAP) pursuant to a certificate issued by the Commission on January 21, 2000 at A-310812 and currently provides dedicated point-to-point telecommunications transmission services to commercial, governmental and non-profit customers, primarily in Pennsylvania. Sunesys

does not provide service to residential customers. The company is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal office located at 202 Titus Avenue, Warrington, Pennsylvania 18976.

Sunesys is a wholly-owned subsidiary of InfraSource Incorporated (InfraSource), a Delaware Corporation with its principal place of business located at 100 West Sixth Street, Suite 300, Media, Pennsylvania 19063. InfraSource is one of the largest specialty contractors serving the utility transmission and distribution infrastructure in the United States. InfraSource is a wholly-owned subsidiary of InfraSource Services, Inc. (IFS), a Delaware corporation with its principal place of business located at 100 West Sixth Street, Suite 300, Media, Pennsylvania 19063. IFS's common stock is listed on the New York Stock Exchange. InfraSource and IFS do not provide public utility services in the Commonwealth of Pennsylvania and are not certificated by the Commission.

IFS was formed in May 2003 in order to acquire InfraSource and certain of its subsidiaries, including Sunesys, from Exelon Enterprises Company, LLC., a subsidiary of Exelon Corporation. This transaction was approved pursuant to an order entered by the Commission September 5, 2003 at A-310812F0002. Upon completion of the transaction, IFS's principal stockholders were 1) OCM/GFI Power Opportunities Fund, L.P. (OCM/GFI), which is co-managed by Oaktree Capital Management, LLC (Oaktree) and GFI Energy Ventures LLC and 2) OCM Principal Opportunities Fund II, L.P. (OCM), which is managed by Oaktree. OCM/GFI and OCM are referred to herein as "the Stockholders". Upon completion of the transaction, the Stockholders owned approximately 83.6% of the common stock of IFS, with the remaining stock owned by management.

On May 12, 2004, IFS completed an initial public offering of 8,500,000 shares of common stock, reducing the Stockholder's percentage ownership in IFS to

approximately 65.2%. Further, on March 24, 2006, the Stockholders and other stockholders completed a secondary underwritten public offering of 13,000,000 shares of IFS's common stock resulting in a reduction of the Stockholder's ownership percentage to 31.8%. On April 12, 2006, an additional 1,950,000 shares of IFS's common stock were sold by the Stockholders and other stockholders following the exercise, in full, of the underwriter's over-allotment option to purchase additional shares. As of the date of this filing (June 29, 2006), the Stockholders collectively own approximately 27.2% of IFS's common stock.

Sunesys proposes a transaction whereby the Stockholders would sell all, or substantially all, of their remaining shares of IFS's common stock in another secondary underwritten public offering. The offering is scheduled to occur in July 2006. Sunesys will continue to be a wholly-owned subsidiary of InfraSource and, through its parent, an indirect subsidiary of IFS. After the offering, Sunesys' customers will continue to receive service from the company under the same rates, terms and conditions as is currently provided pursuant to the Company's tariff on file with the Commission.

Upon consummation of the offering, Sunesys will continue to operate under the same name and operating authority as at present and the Company avers that there will be no disruption, impairment, or other change in the entity providing service to customers, the facilities used to provide such services, or the rates, terms and conditions of such service. All existing tariffs will remain in place. InfraSource will continue to provide cost-effective expertise to Sunesys in such areas as accounting, human resources and legal services.

The proposed transaction will not have any effect upon current management or employees of Sunesys, InfraSource or IFS. Contact points for customers, the Pennsylvania Emergency Management Agency and Commission inquiries will

remain the same. The Company avers that the transaction will have no impact on their ability to fulfill its obligations to its employees with respect to their pension benefits.

This instant application is required, pursuant to our Policy Statement at 52 Pa. Code 69.901 (b)(2), because the proposed sale of stock will result in the elimination of the controlling interest. Our review of the subject application leads us to conclude that the proposed change in control is necessary or proper for the service, accommodation, convenience, or safety of the public, and that the application should be approved.

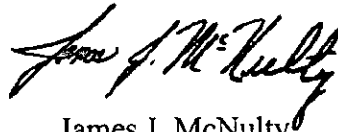
Commission staff has reviewed its records and notes that Sunesys is current with filing its Annual Reports. Sunesys has no outstanding fines or assessments;
THEREFORE,

IT IS ORDERED:

1. That the Application of Sunesys, Inc. for the approval of the transfer, by disposition, of ultimate control of Sunesys, Inc. is hereby approved and that a Certificate of Public Convenience be issued evidencing such approval.
2. That within 30 days following the consummation of the transaction as described in Ordering Paragraph No. 1, above, Sunesys shall notify this Commission.
3. That upon filing of the notice mentioned in Ordering Paragraph No. 2, above, the case be marked closed.

4. That if the Applicant comes to determine that the instant transaction will not occur, Sunesys, Inc. shall promptly file with this Commission notice of such determination.

BY THE COMMISSION,



James J. McNulty
Secretary

(SEAL)

ORDER ADOPTED: July 20, 2006

ORDER ENTERED: **JUL 25 2006**