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September 28, 2011

Via Email

Jaelyn A. Brillling, Secretary
New York Public Service Commission
Agency Building 3
Three Empire State Plaza
Albany, NY 12223-1350
secretary@dps.state.ny.us

**Re: Petition of First Communications, LLC, First Telecom Services, LLC,
Globalcom, Inc., Xtension Services, Inc., and Gores AC Holdings, LLC for
Approval to Transfer Control and for a Financing Arrangement**

Dear Ms. Brillling:

On behalf of First Communications, LLC, First Telecom Services, LLC, Globalcom, Inc.,
Xtension Services, Inc., and Gores AC Holdings, LLC, attached for filing with the
Commission is the above-referenced Petition.

Please acknowledge receipt and acceptance of this filing. Should you have any questions
concerning this filing, please do not hesitate to contact Danielle Burt at 202-373-6039.

Respectfully submitted,



Jean L. Kiddoo
Danielle Burt

Counsel for Petitioners

Boston
Frankfurt
Hartford
Hong Kong
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**BEFORE THE
NEW YORK PUBLIC SERVICE COMMISSION**

_____))
In the Matter of the Petition of))
))
First Communications, LLC,))
First Telecom Services, LLC,))
Globalcom, Inc.,) Case No. _____)
Xtension Services, Inc.))
and))
Gores AC Holdings, LLC))
))
for Approval to Transfer Control))
and for a Financing Arrangement))
_____)

PETITION

First Communications, LLC (“FCL”), First Telecom Services, LLC (“FTS”), Globalcom, Inc. (“Globalcom”), Xtension Services, Inc. (“Xtension”), and Gores AC Holdings, LLC (“Gores”) (collectively, “Petitioners”), by their undersigned counsel and pursuant to N.Y. Pub. Serv. Law § 100 and any other regulations deemed applicable, request approval from Commission to consummate a transaction whereby Gores, an entity ultimately controlled by The Gores Group, LLC (“The Gores Group”), will acquire control of First Communications, Inc. (“FCI”), the parent company of FCL, FTS, Globalcom, and Xtension (“Operating Companies”), and indirectly acquire control of the Operating Companies. In addition, Petitioners seek approval, pursuant to N.Y. Pub. Serv. Law § 101, to participate in a financing arrangement whereby FCI will enter into a new credit facility of up to \$200 million and the Operating Companies will act as guarantors and pledge existing and future jurisdictional assets in support of the financing arrangement.

In support of this Petition, Petitioners state:

I. PETITIONERS

A. First Communications, Inc. and the Operating Companies

FCI is a Delaware corporation and its headquarters are located at 3340 West Market Street, Akron, Ohio 44333. FCI, through FCL, FTS, Globalcom and Xtension, provides local, private line, and/or long distance services to both business and residential customers in 49 states. Its services include, in addition to traditional local and long distance services, toll-free services, conference calling packages, calling cards, Internet access and dedicated and private line services.

FCL, an Ohio limited liability company, is authorized in New York to provide facilities-based and resold local exchange and interexchange telecommunications services pursuant to authorization granted in Case No. 03-C-0408 on June 3, 2003, as amended on February 4, 2004. FTS, an Ohio limited liability company, is authorized in New York to provide facilities-based and resold interexchange telecommunications services pursuant to authorization granted in Case No. 03-C-1348 on October 8, 2003.¹ Globalcom, an Illinois corporation, is authorized in New York to provide resold interexchange telecommunications services pursuant to authorization granted in Case No. 01-C-0486 on July 5, 2001. Xtension, a Delaware corporation, is authorized in New York to provide interexchange telecommunications service pursuant to authorization granted on May 10, 2002. Further information regarding FCL, FTS, Globalcom, Xtension and the services they provide has previously been submitted to the Commission and is therefore a matter of public record, and Petitioners request that it be incorporated herein by reference.

¹ The authorization was originally granted to GPU Telecom Services, Inc., which subsequently changed its name to First Telecom Services, LLC.

B. Gores AC Holdings, LLC

Gores is a limited liability corporation formed in Delaware with its principal office located at 10877 Wilshire Boulevard, 18th Floor, Los Angeles, California 90024. Gores is ultimately controlled by The Gores Group, and its managing member, Alec E. Gores.² The Gores Group is a private investment firm whose investment focus includes opportunities in the technology and telecommunications sectors. The Gores Group currently acts as managing member of the general partner of certain investment funds that together hold non-controlling ownership of 13.1 percent of the voting stock of FCI through Gores FC Holdings, LLC (“Gores FC Holdings”).

Gores is well-qualified managerially, technically and financially to own and control FCI and the Operating Companies. In particular, The Gores Group has created an internal operations team which has a history of enhancing the value and operations of its investment companies by focusing on customers and employees, supporting management with operational expertise and providing access to capital. In addition to the well-qualified management and operations teams of FCI and the Operating Companies that will remain with the companies following the transfer of control, The Gores Group and its affiliates also have an extensive background in acquiring and managing network services, software and computer hardware companies. Additional information regarding the management team assembled by The Gores Group is provided in Exhibit A.

Gores is financially qualified to take control of FCI and the Operating Companies. In addition to its own capital resources, through an established network of debt financing sources and investment partners, The Gores Group also provides access to capital for its portfolio companies.

² A limited partnership, Gores Capital Partners III, L.P., owns 95% percent of Gores.

II. DESIGNATED CONTACTS

Inquiries or copies of any correspondence, orders, or other materials pertaining to this Petition should be directed to:

Jean L. Kiddoo
Danielle C. Burt
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Washington, DC 20006-1806
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danielle.burt@bingham.com

With copies to:

Sandi Murphy
Mary Cegelski
First Communications, LLC
3340 West Market Street
Akron, OH 44333
Tel: (330) 835-2272
Fax: (330) 835-2330
Email: smurphy@firstcomm.com
mcegelski@firstcomm.com

III. DESCRIPTION OF THE TRANSACTIONS

Gores will acquire control of FCI and the Operating Companies by a combination of the exercise of the right to appoint a majority of the Board of Directors and/or the purchase/acquisition of voting securities of FCI either directly or through Gores FC Holdings, as a result of which Gores will directly or indirectly hold more than 50 percent of the voting securities of FCI. Accordingly, Petitioners seek authorization for the transfer of control of the Operating Companies to Gores. For the Commission's convenience, pre- and post-transaction illustrative charts are provided as Exhibit B.

Because the proposed transaction will be completed at the holding company level, Petitioners expect that the proposed transaction will be entirely transparent to customers of the

Operating Companies. The proposed transaction will not result in any change to the day-to-day operations of the Operating Companies. Furthermore, the Operating Companies do not anticipate that the proposed transaction will have any effect on their rates, terms or conditions of service. As a result, the proposed transaction will not directly affect any end user customers of the Operating Companies or the services they currently receive.

In addition, Petitioners request Commission approval, to the extent necessary, for a financing arrangement. FCI plans to enter into a new credit facility of up to \$200 million, consisting of a term loan of up to \$180 million and a revolving credit facility of up to \$20 million, with a maturity date of up to seven years. The financing arrangement contemplates that the Operating Companies will act as subsidiary guarantors and, to the extent they have or may have in the future any jurisdictional assets in New York, to pledge such existing and future assets in support of the financing arrangement upon receipt of required regulatory approvals. Petitioners therefore seek Commission approval for the Operating Companies to enter into such subsidiary guarantees and authority to pledge jurisdictional assets in support of the financing to the extent that there are or may in the future be any such assets.

Petitioners' participation in this financing arrangement will not result in a change in Petitioners' management or in its day-to-day operations, and will not adversely affect Petitioners' current or proposed operations in New York. Accordingly, and to the extent required, Petitioners request that the Commission approve the Petitioners' participation in the financing arrangement described herein.

IV. PUBLIC INTEREST CONSIDERATIONS

Petitioners submit that the transfer of control transaction described herein will serve the public interest. Following consummation of the proposed transaction, the Operating Companies

will have access to the financial and managerial oversight and expertise of Gores. Such support will strengthen the competitive position of the Operating Companies to the benefit of the telecommunications marketplace. Moreover, no existing or potential competitors will be eliminated as a result of the proposed transaction. Instead, the Operating Companies will continue to provide service to their customers, furthering the Commission's policies favoring competition and diversity of services.

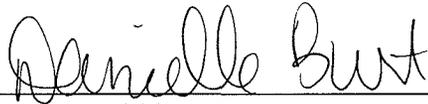
The proposed transaction will be conducted in a manner that will be transparent to customers of the Operating Companies. The transfer of control of the Operating Companies will not result in a change of carrier for customers or any assignment of authorizations. In addition, the Operating Companies will continue to provide high-quality communications services to their customers without interruption and without immediate change in rates, terms or conditions. Accordingly, the transaction will be virtually transparent to customers, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers.

Participation by the Operating Companies in the proposed financing arrangement is consistent with the public interest and will not impair their ability to perform services to the public. The financing arrangement will be entirely transparent to New York consumers and will not alter the rates, terms and conditions under which the Operating Companies provide service in New York. The financing arrangement will not cause a change in the control of the Operating Companies or FCI. Moreover, the financing described herein serves the public interest in promoting competition among telecommunications carriers by providing FCI and the Operating Companies with the opportunity to strengthen their financial position. Petitioners believe that the financing also provides important financial benefits to the companies by improving and expanding the terms of credit under which the companies operate.

V. CONCLUSION

For the reasons stated above, Petitioners submit that the public interest, convenience and necessity will be furthered by grant of this Petition for the above-described transactions.

Respectfully submitted,



Jean L. Kiddoo, Esq.

Danielle C. Burt, Esq.

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Counsel for Petitioners

Date: September 28, 2011

EXHIBITS

- Exhibit A - Gores Group Management Biographies
- Exhibit B - Illustrative Corporate Structure Charts

EXHIBIT A

Gores Group Management Information

Mark R. Stone, Senior Managing Director President Operations, The Gores Group

Mr. Stone is a member of Gores' investment committee and is responsible for Gores' worldwide operations team, oversight of all Gores' portfolio companies and operational due diligence efforts. Mr. Stone is Executive Chairman or Chairman of the Board of several portfolio organizations, serves on the Board of Directors of several others, including First Communications, Inc., and occasionally performs interim CEO roles. Prior to joining Gores in 2005, Mr. Stone spent nearly a decade transforming businesses – as CEO of Sentient Jet, a provider of private jet services, CEO of Narus, a telecom software company, CEO of Sentex Systems, an access control and security company, and Corporate General Manager of Citysearch, a new media organization. Mr. Stone spent five years with The Boston Consulting Group (“BCG”) as a member of their high technology and industrial goods practices and served in BCG's Boston, London, Los Angeles and Seoul offices. Mr. Stone earned a B.S. in Finance with Computer Science and Mathematics concentrations from the University of Maine and an M.B.A. in Finance from The Wharton School of the University of Pennsylvania.

Steven C. Yager, Senior Managing Director President Mergers & Acquisitions, The Gores Group

Mr. Yager is a member of Gores' investment committee and is responsible for originating and structuring transactions, and overseeing portfolio company exits. Prior to joining Gores, Mr. Yager served as the President and CEO of Artemis International Solutions (a Pre-GCP I portfolio company) from 1997 to 2002. At Artemis, he led a turnaround and restructuring initiative and was responsible for the acquisition of Software Productivity Research, Inc. as well as the sale of Artemis to Proha Oyj, a publicly-traded Finnish software company. He was subsequently responsible for the reverse merger of Artemis into Opus360 and served as Chairman until 2005. Mr. Yager also served as CEO of Aonix, and was responsible for the restructuring of that company. From 1994 to 1996, Mr. Yager served as the Executive Vice President of Business Development for Medaphis Physician Services. From 1985 to 1994, Mr. Yager worked at Executive Business Systems (Alec Gores' first company) and its acquiror, Contel Business Systems, as a General Manager. Prior to EBS, Mr. Yager worked at Burroughs from 1978 to 1985 in a variety of Sales and Marketing positions. Mr. Yager serves on the Boards of Directors of Siemens Enterprise Communications, National Envelope, Stock Building Supply and Sage Automotive. Mr. Yager earned a B.A. in Business Administration and Economics from the University of Michigan.

Scott M. Honour, Senior Managing Director

Mr. Honour is a member of Gores' investment committee and is responsible for originating and structuring transactions, and overseeing portfolio company exits. Prior to joining Gores, Mr. Honour led a career as an investment banker with a focus on private equity related transactions. From 2001 to 2002, Mr. Honour served as a Managing Director at UBS Warburg, where he was a financial sponsor coverage banker and oversaw the Transaction Development Group at UBS Warburg. Prior to joining UBS Warburg, Mr. Honour was an investment banker at

Donaldson, Lufkin & Jenrette ('DLJ'), where he executed a variety of mergers and acquisitions, high-yield financings, equity offerings and restructurings. Mr. Honour also served as a Vice President at DLJ Merchant Banking from 1995 to 1997. Prior to joining DLJ, Mr. Honour served as an analyst at Trammell Crow. Mr. Honour currently serves on the Boards of Directors of RealDolmen, First Communications and Westwood One. Mr. Honour earned a B.S. in Business Administration and a B.A. in Economics, cum laude, from Pepperdine University and an M.B.A. in Finance and Marketing from The Wharton School of the University of Pennsylvania

Ashley W. Abdo, Managing Director

Mr. Abdo is a member of Gores M&A team and is responsible for originating and structuring transactions, and overseeing portfolio company exits. While at Gores, Mr. Abdo has held multiple senior M&A and senior Operating roles in both the US and Europe. Mr. Abdo lead, as CEO, several restructurings of Gores portfolio companies including Select Business Solutions, Jamis Software and Real Software. As a part of these restructurings Mr. Abdo orchestrated both acquisitions and divestures as a means of transforming the businesses. After completing the turnaround and exit from Real Software in 2008, Mr. Abdo joined the M&A team in Europe followed by a transfer to Los Angeles in 2010. Prior to joining Gores, Mr. Abdo worked for Per-Se Technologies (formerly known as Medaphis). Mr. Abdo began his career in 1986 with VERSYSS, Inc., where he held various sales and management positions. Mr. Abdo has a B.S. in Finance from the University of Colorado.

Eric R. Hattler, Managing Director and General Counsel

Mr. Hattler is responsible for the legal aspects of the negotiation and execution of certain transactions. Prior to joining Gores, Mr. Hattler was an associate at Riordan & McKinzie (now part of Bingham McCutchen), a Los Angeles-based law firm specializing in complex corporate transactions, where he represented a number of private equity groups and emerging growth companies. From 1988 to 1989, Mr. Hattler served as a management consultant with A.T. Kearney, focusing on operational issues. Mr. Hattler earned a B.A. from Amherst College, and earned J.D. and M.B.A. degrees from the University of Chicago.

Eric Harnish, Managing Director

Mr. Harnish is responsible for portfolio company financial oversight and controls as well as leading financial due diligence activities. Prior to joining Gores, Mr. Harnish held senior executive positions in financial management with both Fortune 500 and start-up companies, including Executive VP and CFO with Maintenanenet, and Vice President of Finance/Divisional CFO with Gateway. Prior to Gateway, Mr. Harnish served in various financial management, marketing, and accounting capacities with Honeywell, and Deloitte & Touche. Mr. Harnish serves on the Boards of Directors of Avure Technologies, United Road Services and Sagem Communications. Mr. Harnish earned a B.S. in Finance from The University of Illinois and an M.B.A. from The University of Michigan.

Michael Nutting, Managing Director, Head of Corporate Finance

Mr. Nutting is responsible for leading all corporate finance transactions and capital markets activity for Gores portfolio companies, as well as managing the firm's relationships with corporate finance providers. Prior to joining Gores, Mr. Nutting was a Director in Investment Banking at Credit Suisse where he maintained primary coverage responsibilities and executed

financings, mergers and acquisitions, and other corporate transactions for financial sponsors and their portfolio companies. Prior to Credit Suisse, Mr. Nutting was an Associate in Investment Banking at Merrill Lynch and CIBC Oppenheimer. Mr. Nutting earned a B.A., cum laude, in Economics-Accounting from Claremont McKenna College and an M.B.A. from the UCLA Anderson School of Management. Mr. Nutting also holds the Chartered Financial Analyst (CFA) designation.

Kurt Hans, Senior Vice President, Tax

Mr. Hans leads the global tax function for Gores, including tax due diligence, legal structure optimization, tax-related agreement negotiation, and tax modeling. Mr. Hans is responsible for the tax compliance, tax audit, and tax planning functions of Gores' portfolio companies. Prior to joining Gores in 2004, Mr. Hans worked for Arthur Andersen and KPMG, where he specialized in mergers and acquisitions, international corporate taxation, and partnership taxation while serving the venture capital, technology and telecommunications industries. Mr. Hans earned a B.S. in Business Administration with concentrations in Accounting and Finance at Colorado State University and a Masters of Taxation at the University of Denver.

Steven G. Eisner, Senior Vice President, Fund General Counsel

Mr. Eisner is responsible for managing the legal affairs of the Gores private equity funds and for overseeing the legal affairs of the funds' portfolio companies. Mr. Eisner also oversees the insurance and risk management functions for the firm and its portfolio companies as well as the compliance function for the firm. Prior to joining Gores, Mr. Eisner served as Vice President of Development and Vice President of Legal Affairs at Ameristar Casinos, Inc., an owner and operator of regional casino entertainment properties throughout the United States. Mr. Eisner began his career with O'Melveny & Myers in Los Angeles working on mergers and acquisitions, corporate securities transactions and general corporate matters. Mr. Eisner earned a B.A. degree in Economics from The University of California Berkeley, with high honors, and a J.D. from The University of California Los Angeles School of Law, where he was elected to the Order of the Coif.

Joe Awad, Vice President & Counsel

Mr. Awad is involved in many of Gores' legal functions, including the negotiation and execution of acquisitions, divestitures, debt financings, and general corporate matters. Mr. Awad earned a B.S. in Biological Science from the University of California, Irvine, and a J.D. from Loyola Law School, Los Angeles.

Desmond Nugent, Vice President

Mr. Nugent is responsible for portfolio company financial oversight and controls as well as leading financial due diligence activities. Before joining Gores, Mr. Nugent was Vice President and Global Controller of TNS, a world leader in market research, global market information and business analysis. From 2004 to 2008, Mr. Nugent was Chief Financial Officer of AGB Nielsen Media Research, a global provider of television audience measurement services, based in Milan, Italy. Before 2004, Mr. Nugent was a director in the transaction services practice of PricewaterhouseCoopers, where he specialized in providing financial due diligence services with a focus on the technology and media industries. Mr. Nugent earned a B.A. in Accounting from The University of Ulster, a Post-Graduate Diploma in Accounting from The Queen's

University of Belfast and an M.B.A. from Columbia University. Mr. Nugent is a Certified Public Accountant.

Jeremy D. Rossen, Vice President, Human Capital

Mr. Rossen is responsible for human capital oversight for all portfolio companies and is a member of the operating due diligence team. Prior to joining Gores Partners in 2009, Mr. Rossen served as General Counsel of LRN Corporation, HELIO, and Somera Communications. Prior to that, Mr. Rossen was Senior Corporate Counsel for RealNames Corporation and served as a corporate and securities associate at Wilson Sonsini Goodrich and Rosati, a law firm specializing in serving the technology and growth business sector. Mr. Rossen holds a B.A. in Economics and a J.D. from the University of Pennsylvania.

Daniel Abrams, Vice President, Fund Counsel

Mr. Abrams is responsible for supporting the legal affairs of Gores' portfolio companies. Prior to joining Gores, Mr. Abrams was an associate at Manatt, Phelps & Phillips in Los Angeles where he worked on mergers and acquisitions, corporate securities transactions and other general corporate matters, including matters for Gores and its portfolio companies. Mr. Abrams began his career as a corporate and securities associate with DLA Piper in Washington, DC. Mr. Abrams earned a B.A. degree from Tufts University, and both a J.D., cum laude, and an M.B.A. degree from American University.

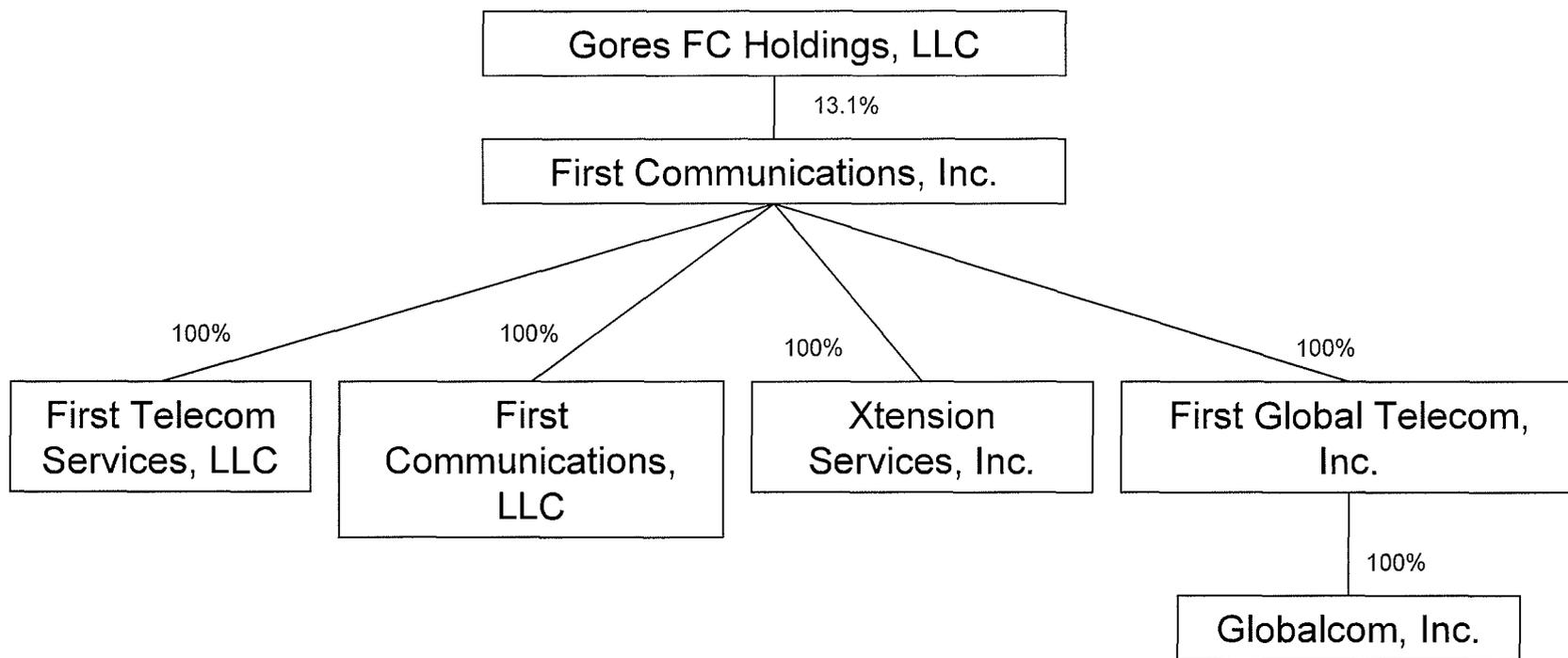
James Oh, Vice President, Corporate Finance

Mr. Oh is responsible for executing corporate finance and capital markets transactions for Gores portfolio companies, as well as maintaining relationships with the firm's corporate finance providers. Prior to joining Gores, Mr. Oh was a Vice President in the Loan Originations and Loan Sales & Syndications groups at Wells Fargo Capital Finance. In this capacity, Mr. Oh originated, structured, executed, and syndicated senior credit facilities for acquisitions, recapitalizations, growth capital, refinances, and working capital needs for financial sponsors and various companies across a variety of industries. Prior to Wells Fargo Capital Finance, Mr. Oh was an Associate at a private equity firm in Los Angeles and a Senior Associate in the Transaction Services Group at PricewaterhouseCoopers LLP. Mr. Oh earned a B.A. in International Economics from the University of California at Los Angeles. Mr. Oh is a Certified Public Accountant.

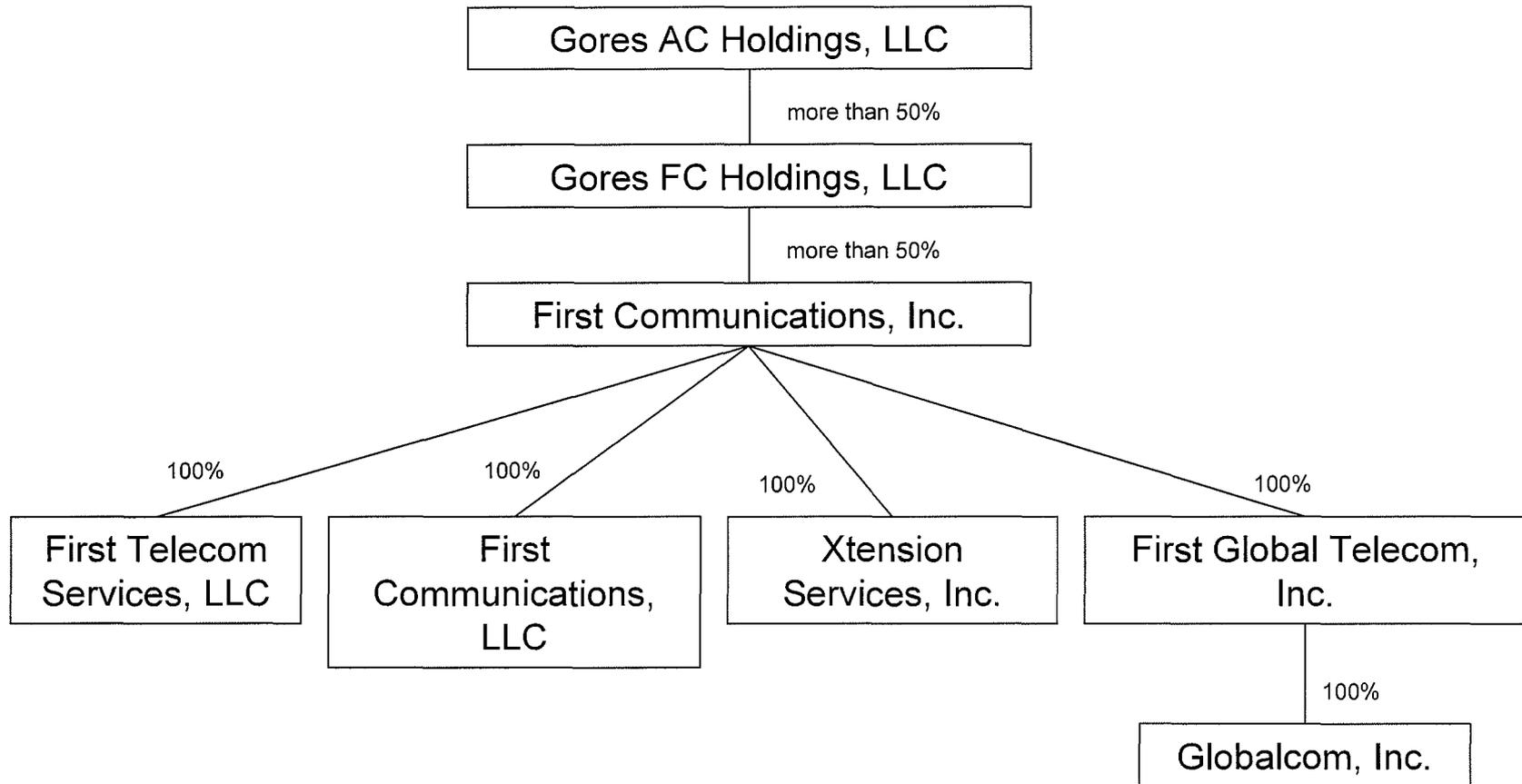
EXHIBIT B

Illustrative Corporate Structure Charts

First Communications Pre-Transaction Illustrative Corporate Structure Chart



First Communications Post-Transaction Illustrative Corporate Structure Chart



VERIFICATION

STATE OF OHIO

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COUNTY OF SUMMIT

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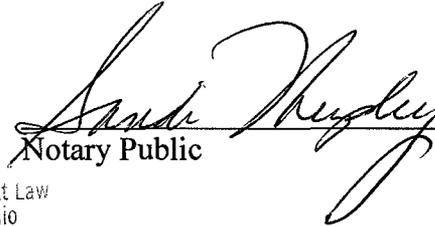
I, Joseph R. Morris, state that I am President of First Communications, Inc.; that I am authorized to make this Verification on behalf of First Communications, Inc. and its subsidiaries; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document are true and correct to the best of my knowledge, information, and belief.



Name: Joseph R. Morris

Title: President

SWORN TO AND SUBSCRIBED before me on the 28 day of September, 2011.



Notary Public

SANDI R. MURPHY, Attorney At Law
Notary Public - State of Ohio
My commission has no expiration date.
Section 147.03 R.C.

My commission expires: _____

VERIFICATION

STATE OF CALIFORNIA §
COUNTY OF LOS ANGELES §

I, Eric R. Hattler, state that I am Vice President for Gores AC Holdings, LLC; that I am authorized to make this Verification on behalf of Gores AC Holdings, LLC; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document are true and correct to the best of my knowledge, information, and belief.

[Handwritten signature of Eric R. Hattler]

Name: Eric R. Hattler
Title: Vice President

STATE OF CALIFORNIA }ss:
COUNTY OF LOS ANGELES

On September 26, 2011 before me, Tami Lynn McGuirt, Notary Public, personally appeared Eric R. Hattler who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten signature]

