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June 26, 2006

**By Overnight Delivery**

Blanca S. Bayó  
Commission Clerk and Administrator Services  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

**Re: Notification of Norlight Telecommunications, Inc. Regarding  
*Pro Forma* Transfer of Control**

Dear Ms. Bayó:

Norlight Telecommunications, Inc. ("Norlight") notifies the Florida Public Service Commission ("Commission") of a transaction whereby Norlight will be spun off from its indirect parent company, Journal Communications, Inc. ("Journal"), to Journal's stockholders. As a result of the proposed transaction, Journal's stockholders, which currently indirectly hold all of Norlight's equity, will become Norlight's direct owners and Journal will no longer control any equity interest in Norlight. Thus, the proposed transaction is *pro forma* in nature.

Norlight holds authority from the Commission to provide intrastate telecommunications services in Florida. As described in detail below, although the proposed transaction will result in a *pro forma* change in Norlight's ownership, the management and operation of Norlight will continue unchanged. This transaction does not involve any transfer of certificates, assets or customers and Norlight will retain its authorization to provide intrastate telecommunications services in Florida. Norlight will continue to offer service pursuant to its authorization under the same rates, terms and conditions. Accordingly, this transaction will be transparent to Florida consumers.

Based on a review of Florida law, it is Norlight's understanding that Commission approval is not required to complete the *pro forma* transaction described herein. Accordingly, Norlight submits this letter for informational purposes only to ensure the continuing accuracy of the Commission's records. In addition, Norlight states as follows:

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By Overnight Delivery

Blanca S. Bayó  
June 26, 2006  
Page 2

### **Description of the Parties**

#### **A. Norlight Telecommunications, Inc. ("Norlight")**

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Norlight is a corporation organized under the laws of the State of Wisconsin with principal offices located at 13935 Bishops Drive, Brookfield, Wisconsin 53005. Norlight is currently an indirect wholly-owned subsidiary of Journal,<sup>1</sup> which is a publicly-traded company (NYSE:JRN). Norlight is a facilities-based communications company with more than 30 years of experience providing network and Internet Protocol and Enhanced services over its regional fiber network to 1400 wholesale and commercial customers in the upper Midwest.

Norlight is a non-dominant carrier that holds authority to provide intrastate interexchange telecommunications services in approximately 30 states and competitive local exchange telecommunications services in approximately six (6) states. In Florida, Norlight is authorized to provide interexchange telecommunications services pursuant IXC Certificate No. 5291 (now Intrastate Interexchange Registration No. TI680) granted by Order No. PSC-98-0103-FOF-TI in Docket No. 970634-TI on January 16, 1998.

#### **B. Journal Communications, Inc. ("Journal")**

Journal is a Wisconsin corporation with principal offices located at 333 West State Street, Milwaukee, Wisconsin 53203-1309. Journal is a publicly-traded (NYSE:JRN) diversified media and communications company with operations in publishing, radio and television broadcasting, and printing services. Journal publishes the Milwaukee Journal Sentinel, which serves as the only major daily newspaper in the Milwaukee metropolitan area, and about 90 community newspapers and shoppers in eight (8) states. Journal owns and operates 37 radio stations and nine television stations in 12 states. Journal also provides a wide range of commercial and electronic printing services, and operates a direct marketing services business. Journal does not provide any intrastate telecommunications services and does not hold any certificates or authorizations from this Commission.

### **Description of Pro Forma Transfer of Control**

Pursuant to the proposed transaction, Journal will spin-off its indirect wholly-owned subsidiary, Norlight, to Journal's shareholders. The spin-off will be accomplished through a pro-rata distribution of all of Norlight's shares to Journal's shareholders. Journal will announce the record date, the distribution date, and the distribution ratio at a later date. Because Norlight's indirect equity owners before the transaction will become

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<sup>1</sup> Prior to the spin-off transaction, Norlight's current direct parent company is expected to merge with Journal. At that time, Norlight will become a direct subsidiary of Journal.

By Overnight Delivery

Blanca S. Bayó  
June 26, 2006  
Page 3

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Norlight's direct equity owners after the transaction, the transaction is *pro forma* in nature. After the spin-off, Norlight will be a widely-held public company and only one shareholder, Matex, Inc., is expected to have slightly more than a 10% equity interest (approximately a 12% equity interest) in Norlight. Following the transaction, Journal will not have any equity interest in Norlight. Post-transaction, Norlight is expected to apply for listing on the NASDAQ exchange. Completion of the spin-off is subject to various regulatory and other approvals. For the Commission's convenience, pre- and post-transaction organizational charts are provided as Exhibit A.

#### **Public Interest Statement**

Norlight respectfully submits that the *pro forma* transaction described herein will serve the public interest. The proposed transaction is expected to provide Norlight flexibility to compete more effectively in its target markets and to take advantage of strategic growth opportunities. Norlight expects that the proposed acquisition will enable Norlight to strengthen its competitive position in Florida to the benefit of Florida consumers and the State's telecommunications marketplace.

After the *pro forma* transaction, Norlight will remain technically, managerially and financially qualified to provide intrastate telecommunications services in Florida. Norlight has over 30 years experience providing network and other services to its wholesale and commercial customers. Norlight has a state-of-the-art network management and data center, a wealth of experienced engineering and technical personnel, a recognizable distinct brand, and an excellent record of customer service. Norlight's key technical and managerial personnel, whose qualifications have already been passed upon by the Commission, are expected to remain with the company following the transaction. In addition, as an established provider of telecommunications and other services, Norlight has a strong operating history and positive financial record. Thus, Norlight will remain well-qualified to continue providing intrastate telecommunications services in Florida following consummation of the proposed *pro forma* transaction.

Further, the transaction will be conducted in a manner that will be transparent to Norlight's customers. The *pro forma* transfer of control of Norlight will not result in a change of carrier for customers or any transfer of authorizations. Following consummation of the proposed transaction, Norlight will continue to provide high-quality communications services to its customers without interruption and without immediate change in rates, terms or conditions. The *pro forma* transfer of control of Norlight therefore will be seamless and transparent to consumers in the State of Florida.

\* \* \* \*

By Overnight Delivery

Blanca S. Bayó

June 26, 2006

Page 4

An original and five (5) copies of this filing are enclosed. Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Should you have any questions concerning this filing, please do not hesitate to contact the Brett Ferenchak at (202) 373-6697.

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Respectfully submitted,

William B. Wilhelm, Jr.

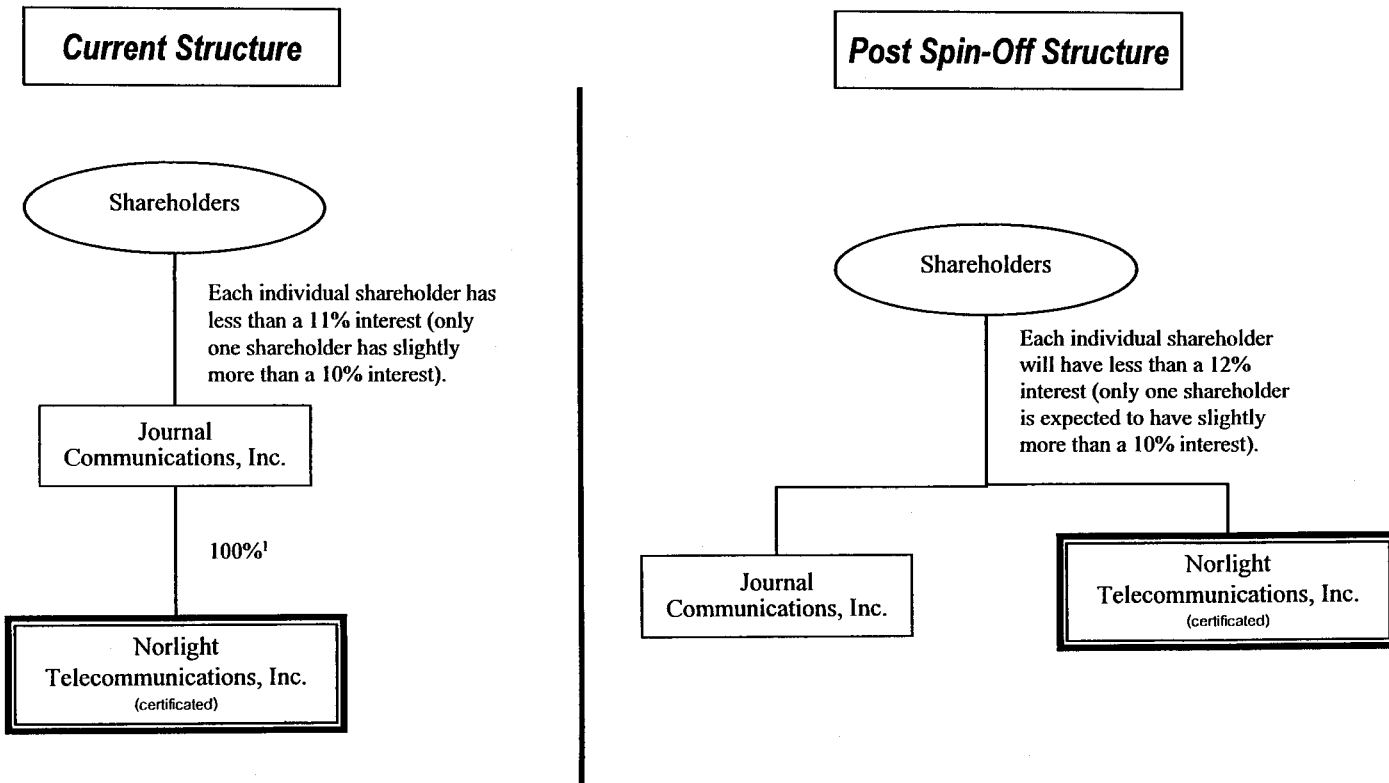
Brett P. Ferenchak

**EXHIBIT A**

Pre- and Post-Transaction Organizational Charts

## EXHIBIT A

### Pre- and Post-Transaction Organizational Chart

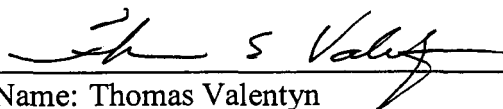


<sup>1</sup> Norlight Telecommunications, Inc. ("Norlight") is currently a wholly owned indirect subsidiary of Journal Communications, Inc. ("Journal"). Prior to or at the time of the spin-off, Norlight's direct parent will be merged with Journal and Norlight will become a direct subsidiary of Journal.

## VERIFICATION

I, Thomas Valentyn, state that I am Vice President and General Counsel for Norlight Telecommunications, Inc., a party to this filing; that I am authorized to make this Verification on behalf of Norlight Telecommunications, Inc.; 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.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 17 day of May, 2006.

A handwritten signature in cursive script, appearing to read "Th S Valentyn", written over a horizontal line.

Name: Thomas Valentyn

Title: Vice President and General Counsel  
Norlight Telecommunications, Inc.