

# AUSLEY McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

123 SOUTH CALHOUN STREET  
P.O. BOX 391 (ZIP 32302)  
TALLAHASSEE, FLORIDA 32301  
(850) 224-9115 FAX (850) 222-7560

January 28, 2019

**CONFIDENTIAL DOCUMENTS ENCLOSED**

**VIA HAND DELIVERY**

Mr. Adam Teitzman, Director  
Office of the Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**REDACTED**

RE: Application of Hargray of Georgia, Inc. for a Certificate of Authority to Provide Telecommunications Company Service within the State of Florida; Docket No. 2019-~~0032~~ TL

Dear Mr. Teitzman:

Enclosed with this letter is Appendix C to the Application of Hargray of Georgia, Inc. ("Hargray") for a Certificate of Authority to Provide Telecommunications Company Service within the State of Florida, which is being filed under a separate cover letter contemporaneously with this letter.

Hargray considers certain portions of the materials in Appendix C to be proprietary confidential business information and therefore is filing Appendix C under a claim of confidentiality pursuant to Section 364.183(1), Florida Statutes, and Rule 25-22.006(5), Florida Administrative Code. One highlighted copy of Appendix C (confidential – not to be disclosed) and two redacted copies (available for public inspection) are enclosed per the rule.

Please contact me if there are questions regarding this filing.

Sincerely,

for J. Jeffrey Wahlen

Enclosures

cc: Jean Thaxon – Sr. Manager, Regulatory (Hargray)  
Trey Judy – Director, Regulatory Affairs (Hargray)

COM \_\_\_\_\_  
AFD \_\_\_\_\_  
APA \_\_\_\_\_  
ECO \_\_\_\_\_  
ENG \_\_\_\_\_  
GCL \_\_\_\_\_  
IDM 1 \_\_\_\_\_  
CLK \_\_\_\_\_

RECEIVED-FPSC  
2019 JAN 28 PM 12:52  
COMMISSION CLERK

Consolidated Financial Statements and Report of Independent  
Certified Public Accountants

**Hargray Holdings LLC and Subsidiaries**

Years Ended September 30, 2016 and 2015

# Table of contents

Report of Independent Certified Public Accountants	1-2
Consolidated financial statements:	
Consolidated balance sheets	3-4
Consolidated statements of comprehensive income	5
Statements of members' capital (deficit)	6
Consolidated statements of cash flows	7
Notes to consolidated financial statements	8-37



## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Grant Thornton LLP  
201 S College Street, Suite 2500  
Charlotte, NC 28244-0100  
T 704.632.3500  
F 704.334.7701  
[www.GrantThornton.com](http://www.GrantThornton.com)

Board of Directors  
Hargray Holdings LLC and Subsidiaries:

We have audited the accompanying consolidated financial statements of **Hargray Holdings LLC** (a Delaware corporation) **and Subsidiaries**, which comprise the consolidated balance sheets as of September 30, 2016 and 2015, and the related consolidated statements of comprehensive income, changes in members' capital, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

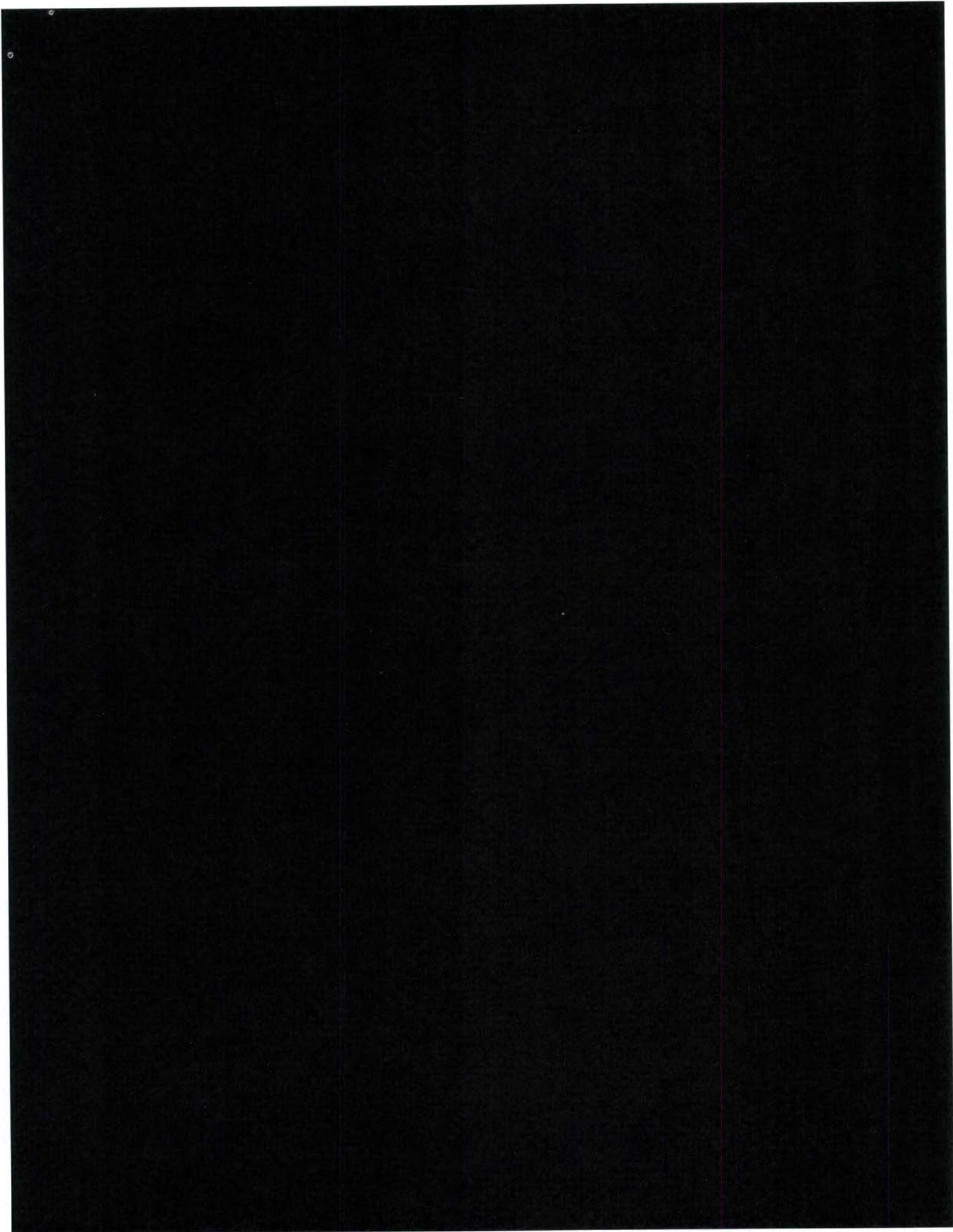
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

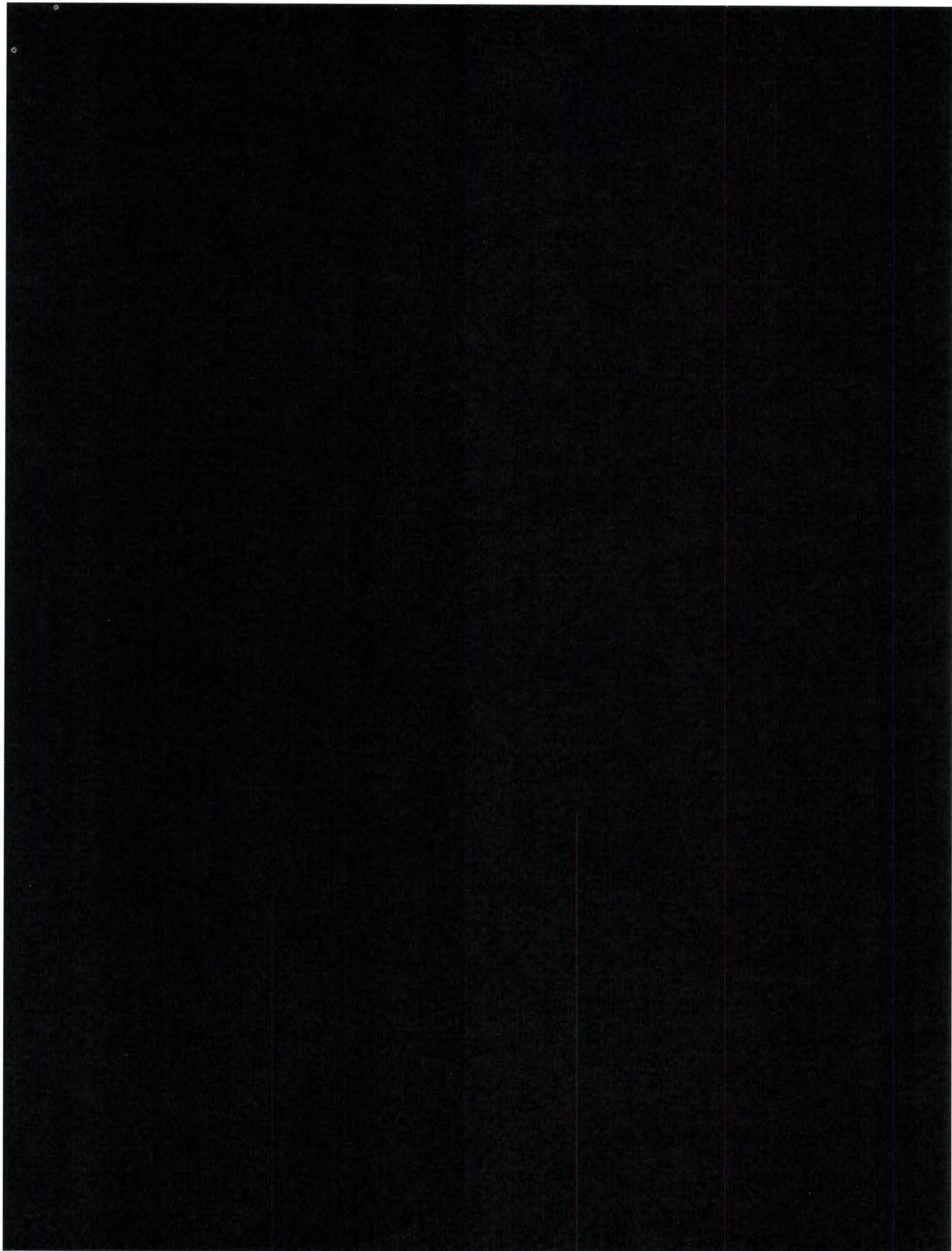
#### Opinion

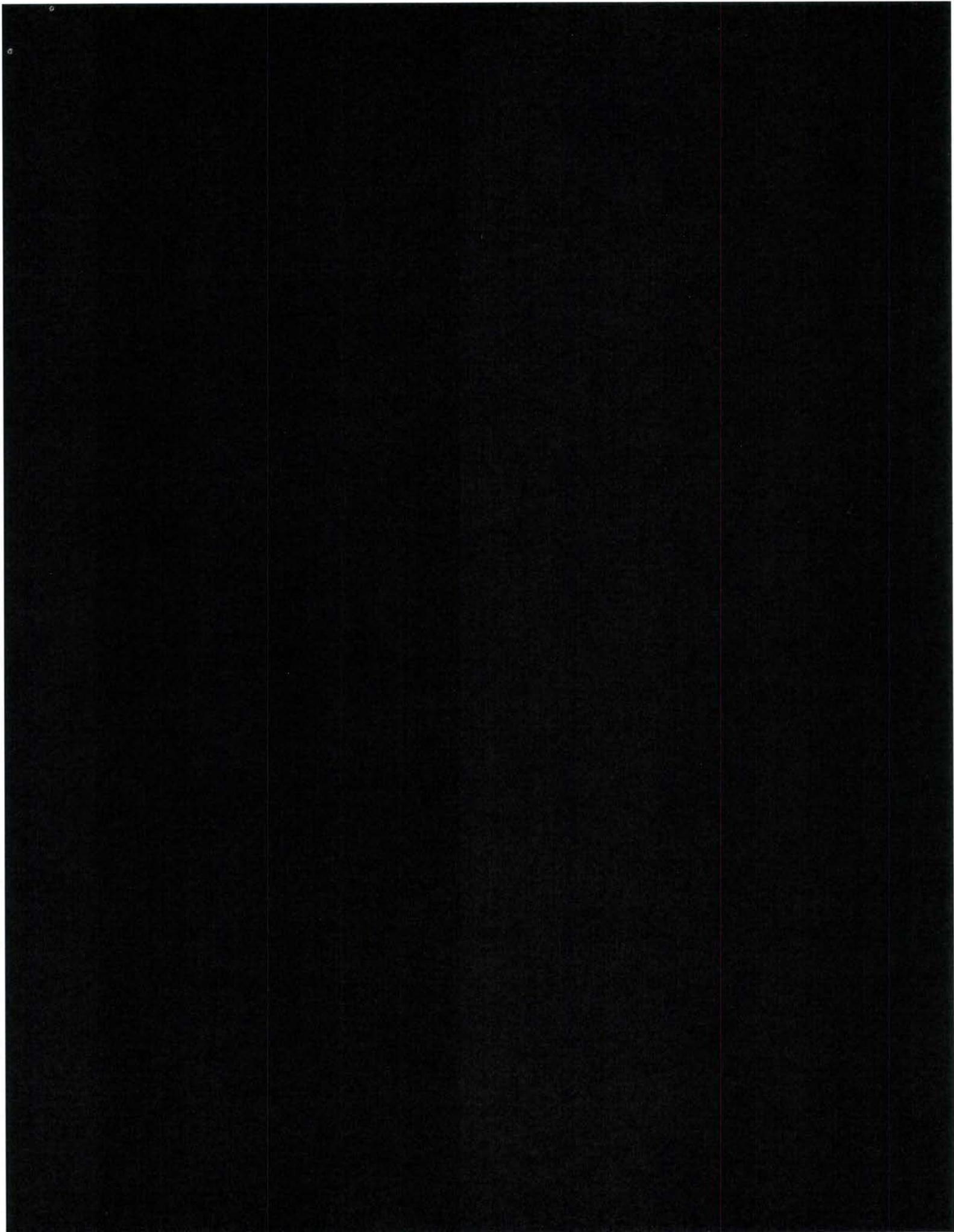
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hargray Holdings LLC and Subsidiaries as of September 30, 2016 and 2015, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

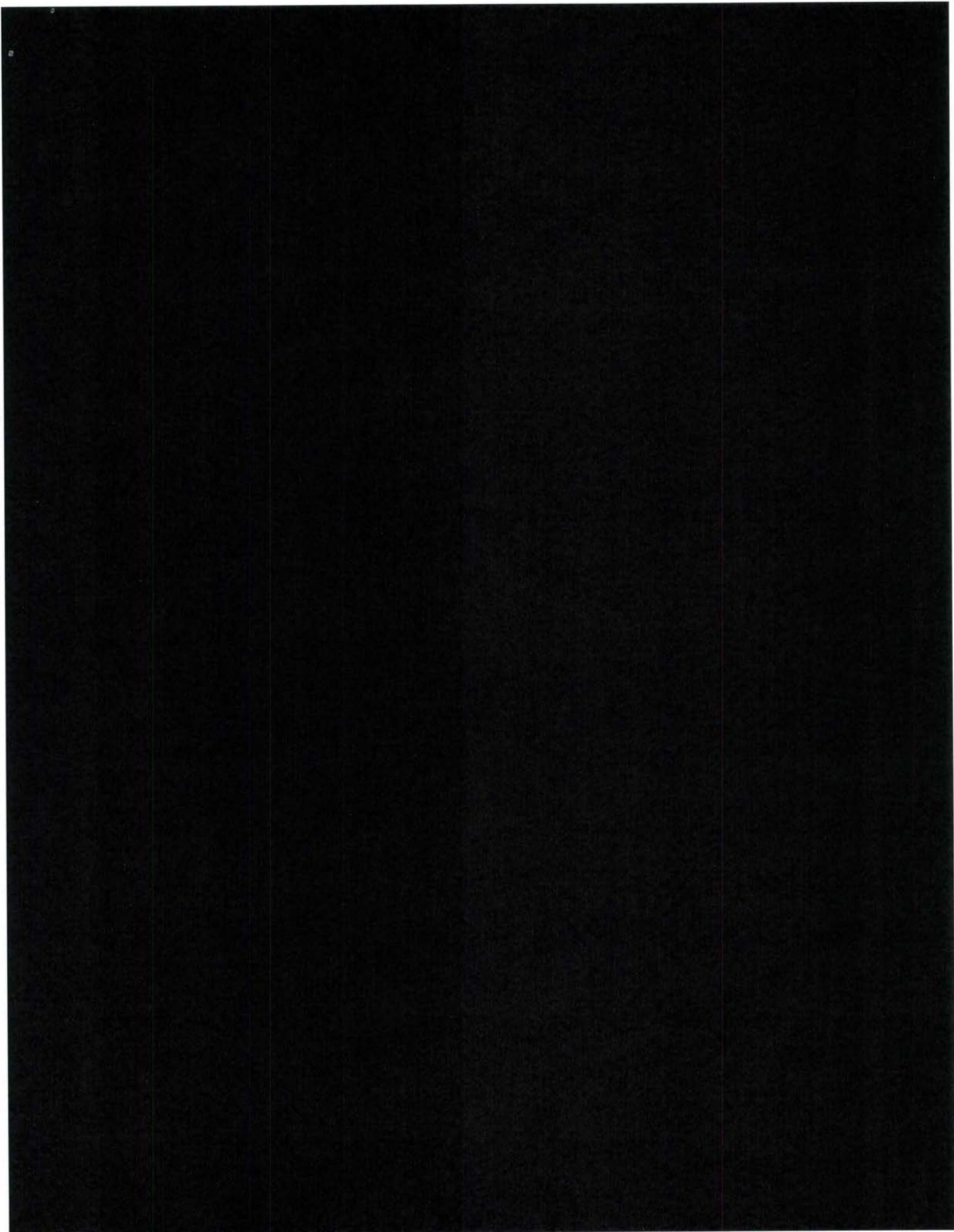
*Grant Thornton LLP*

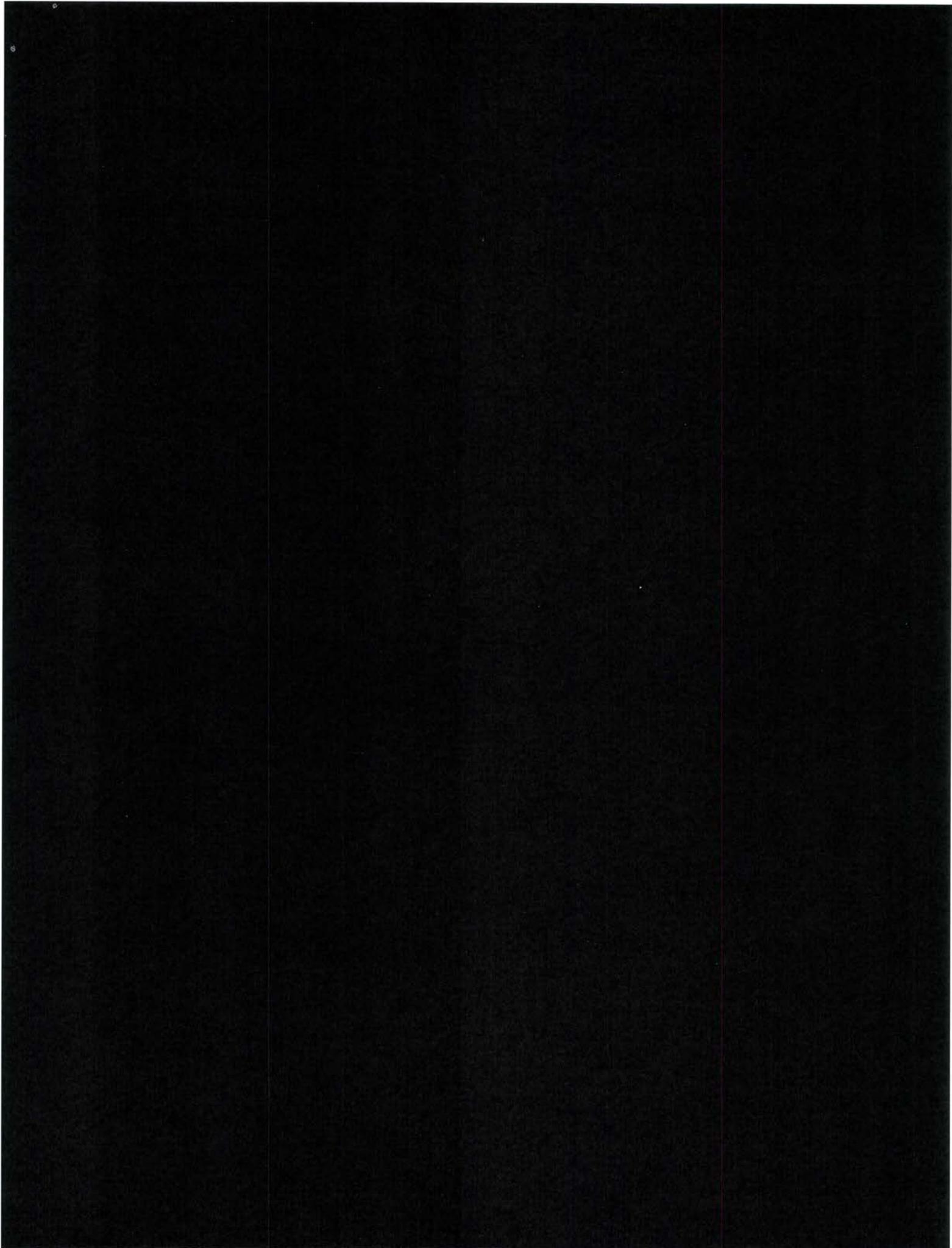
Charlotte, North Carolina  
December 14, 2016

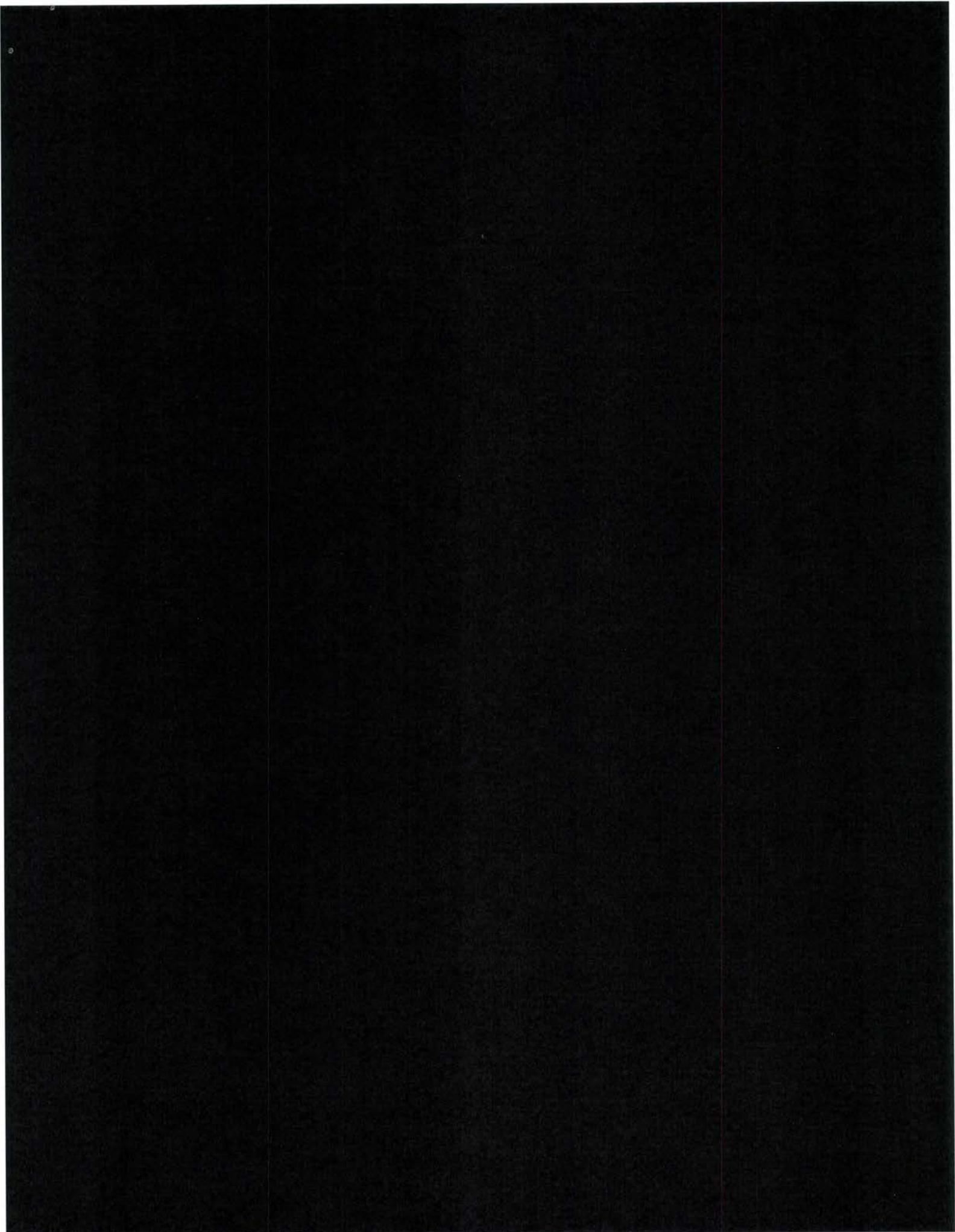


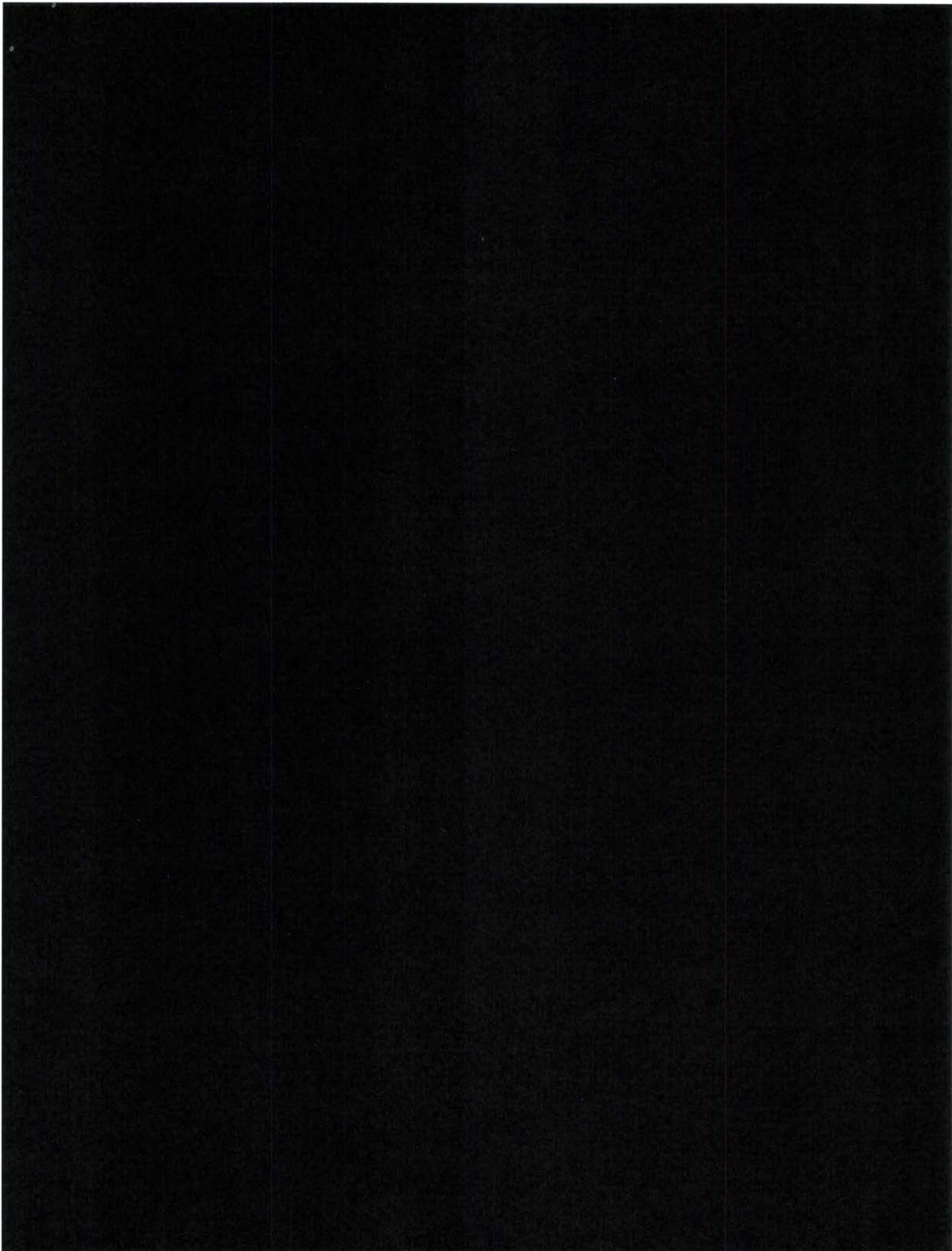


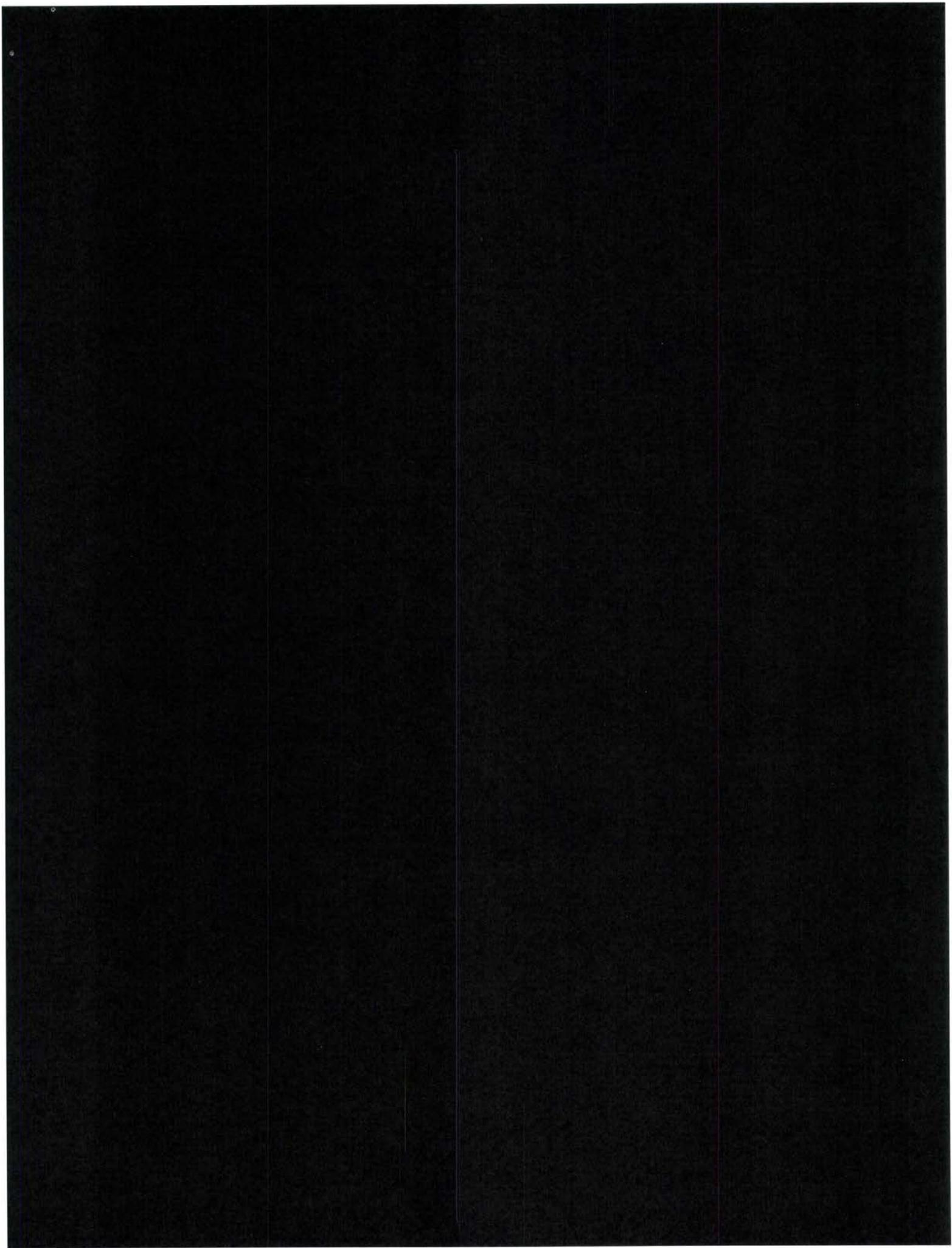


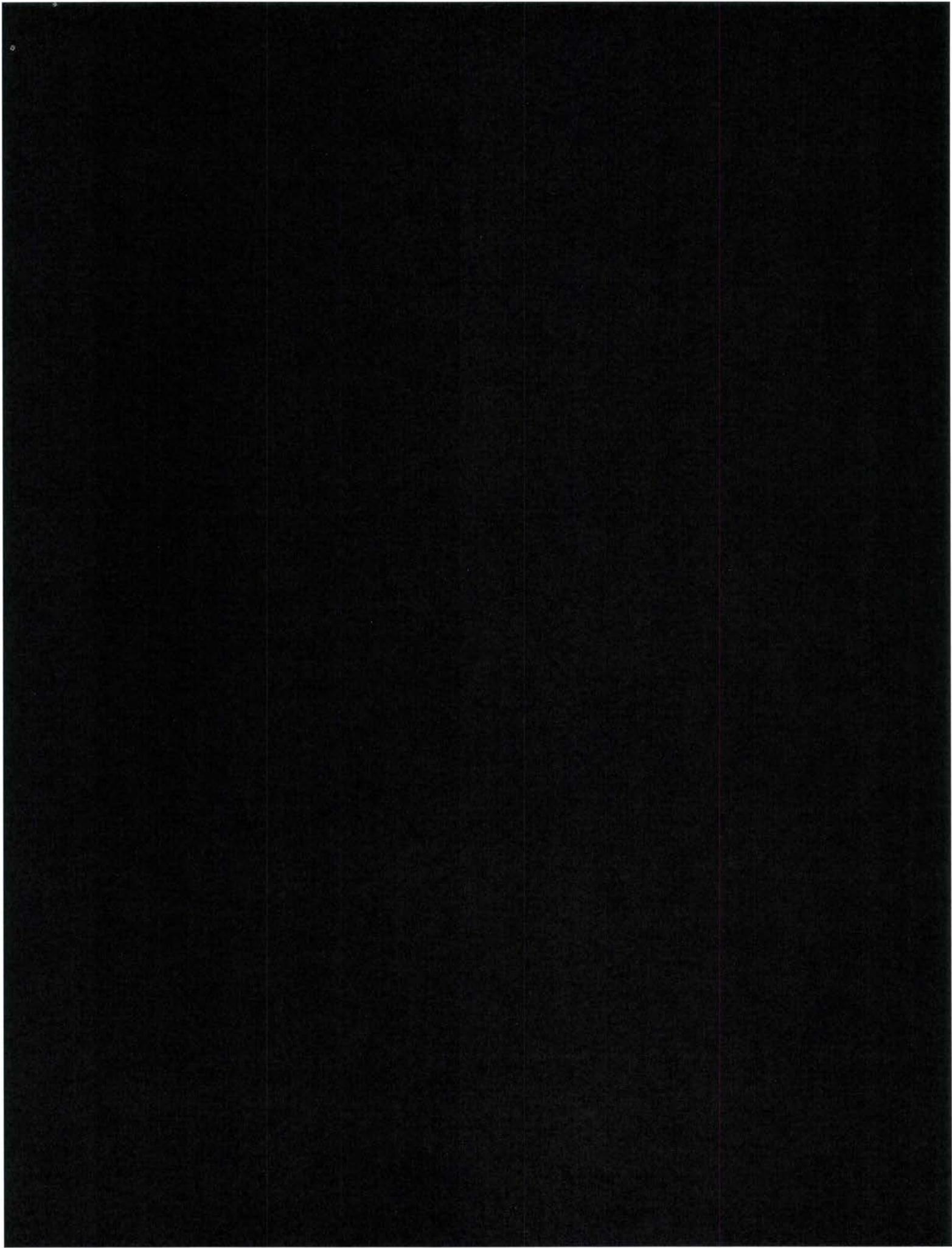


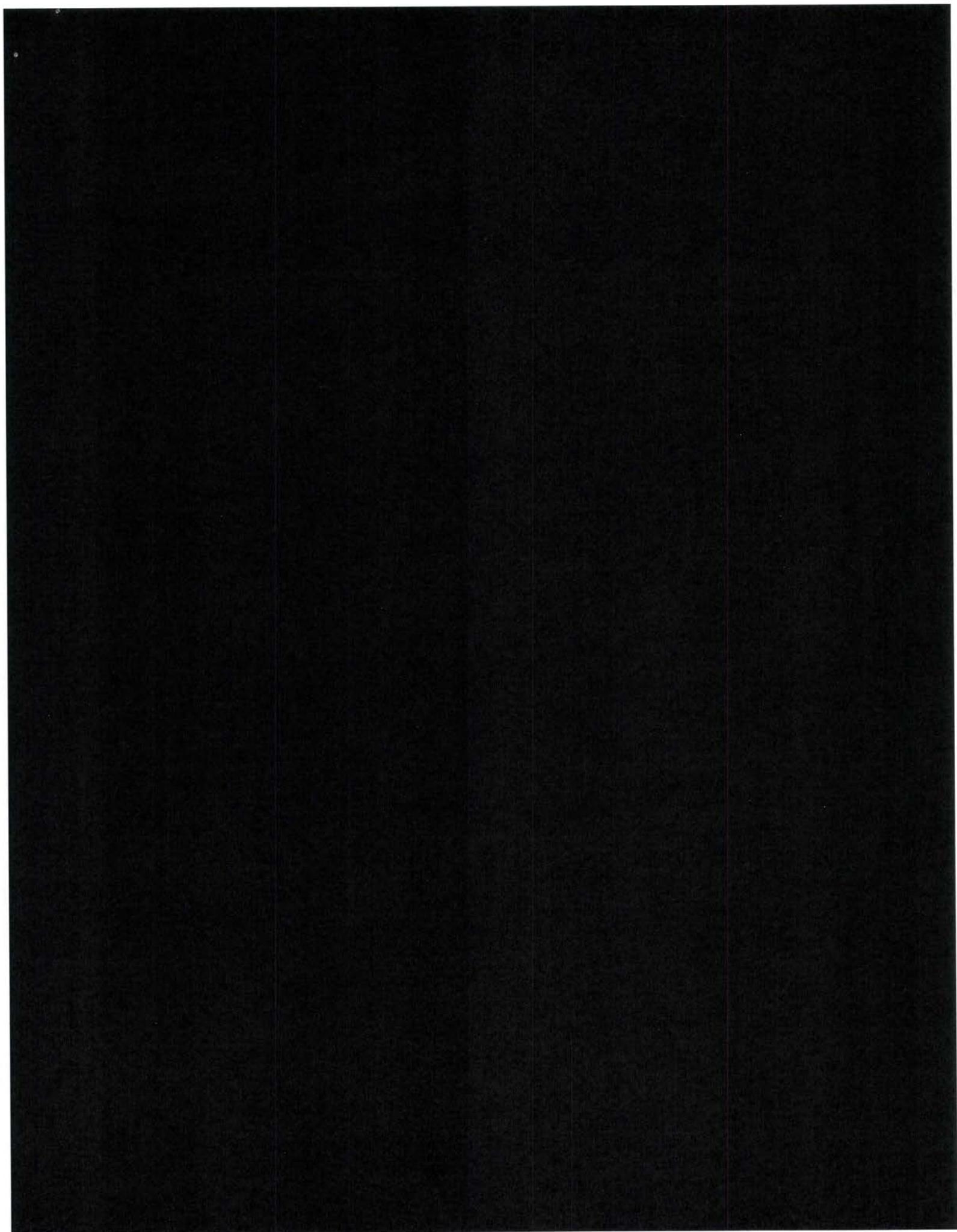


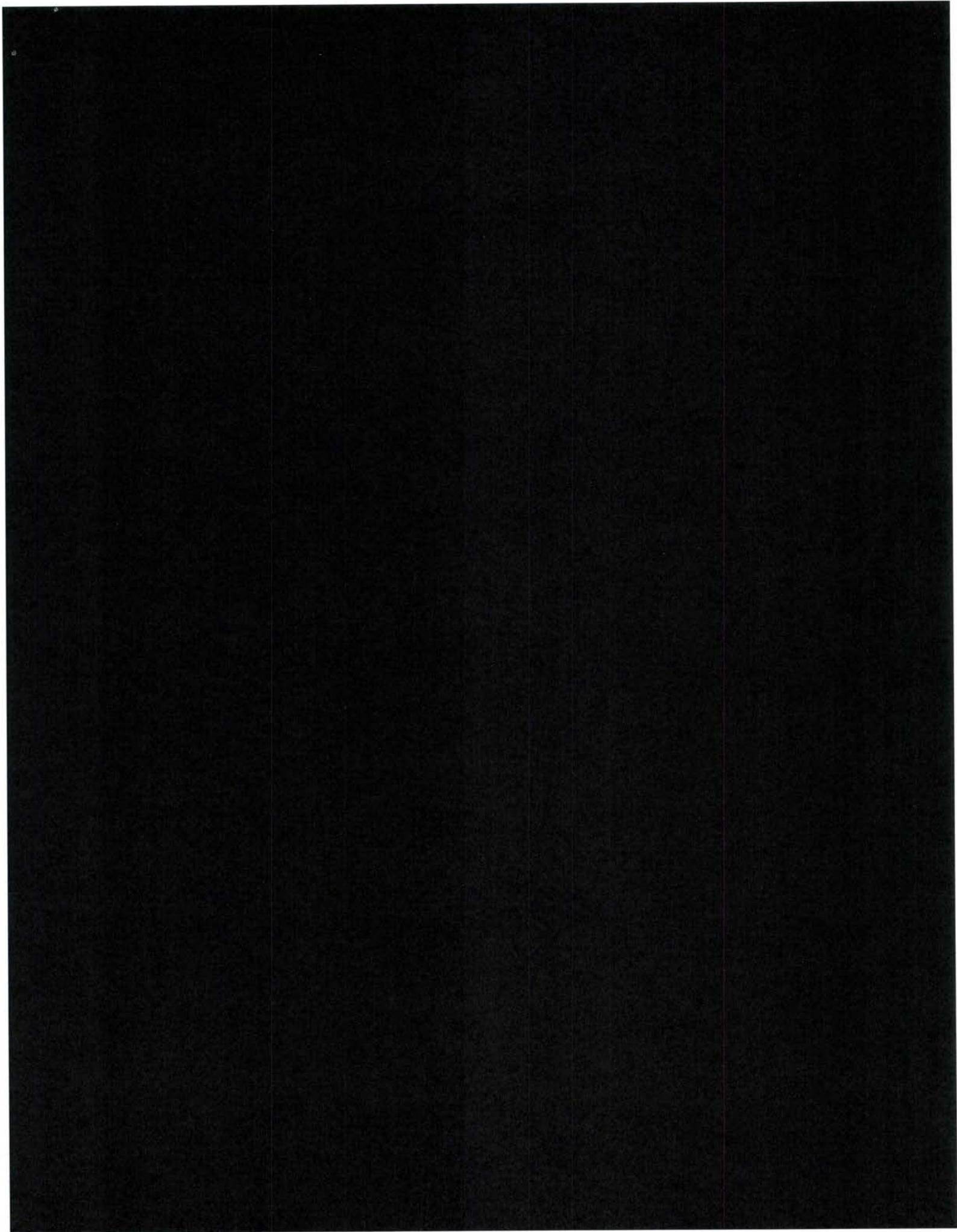


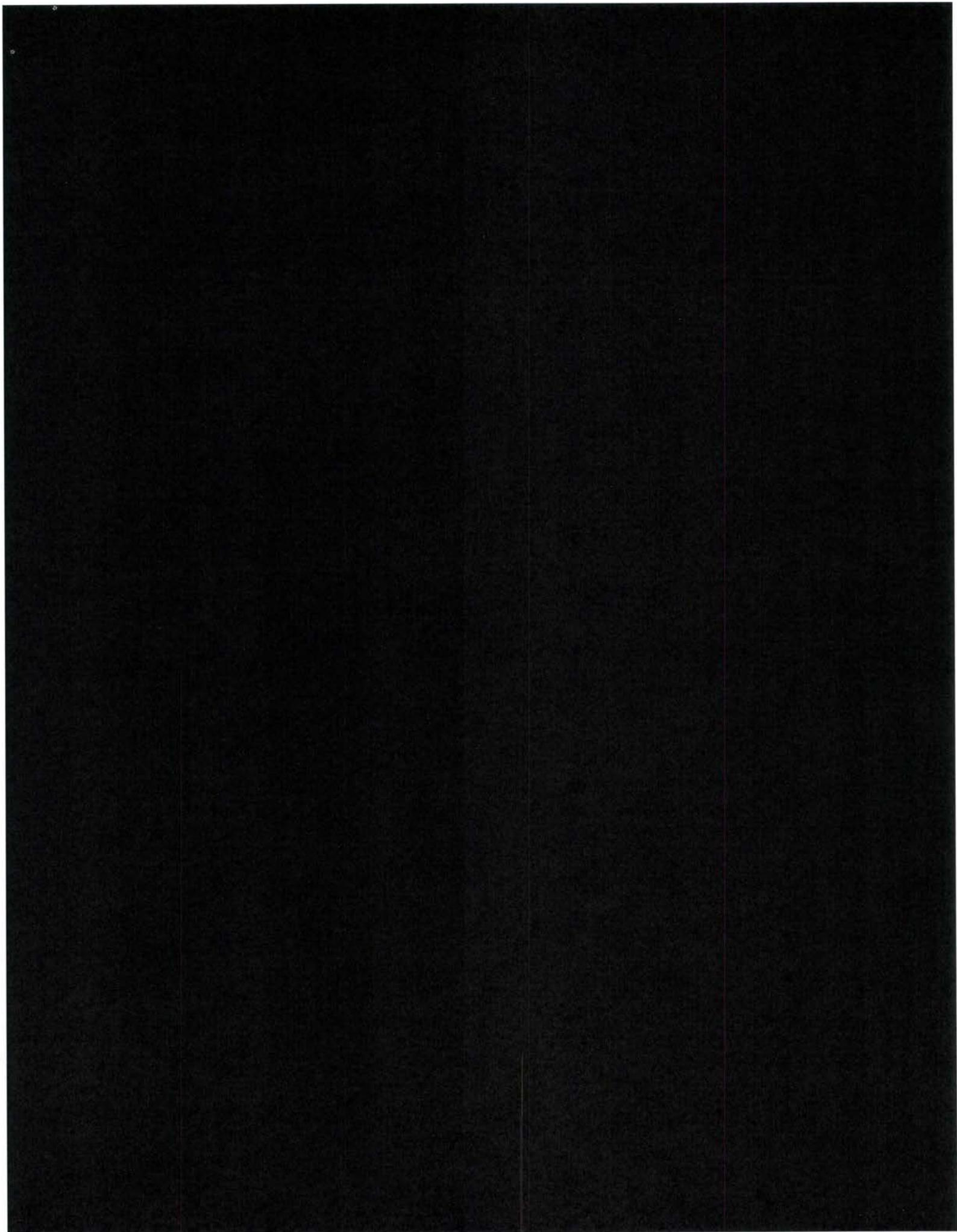


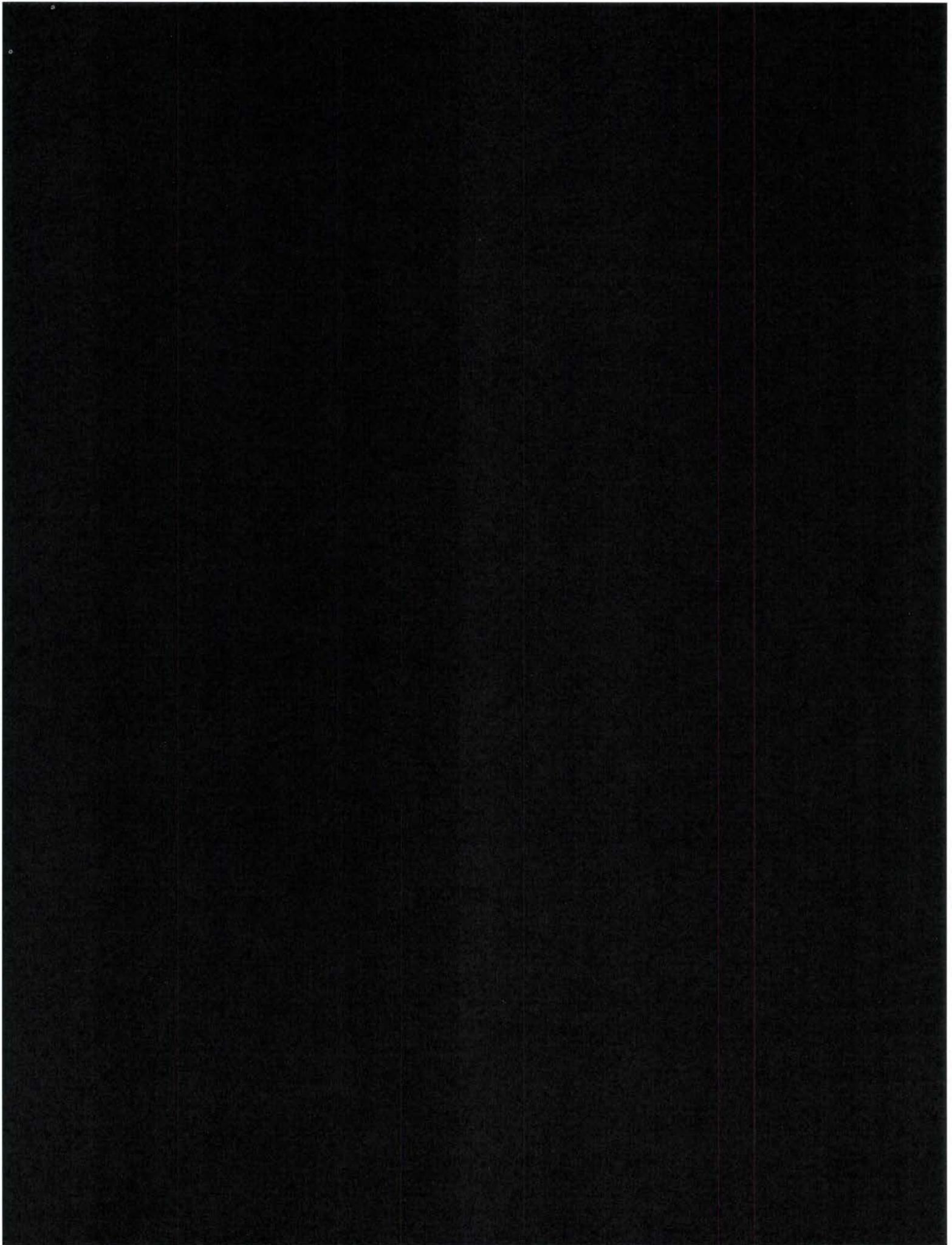


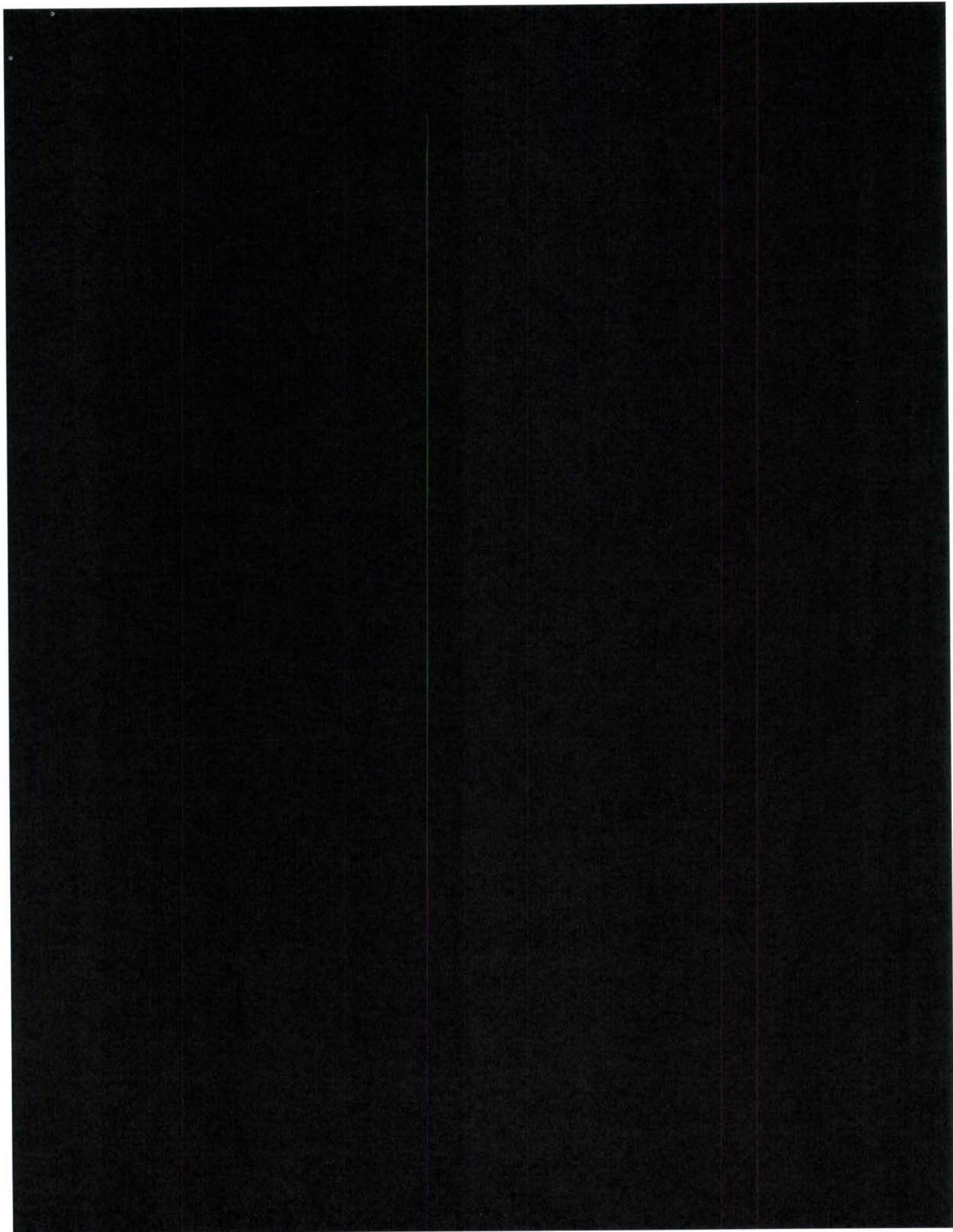


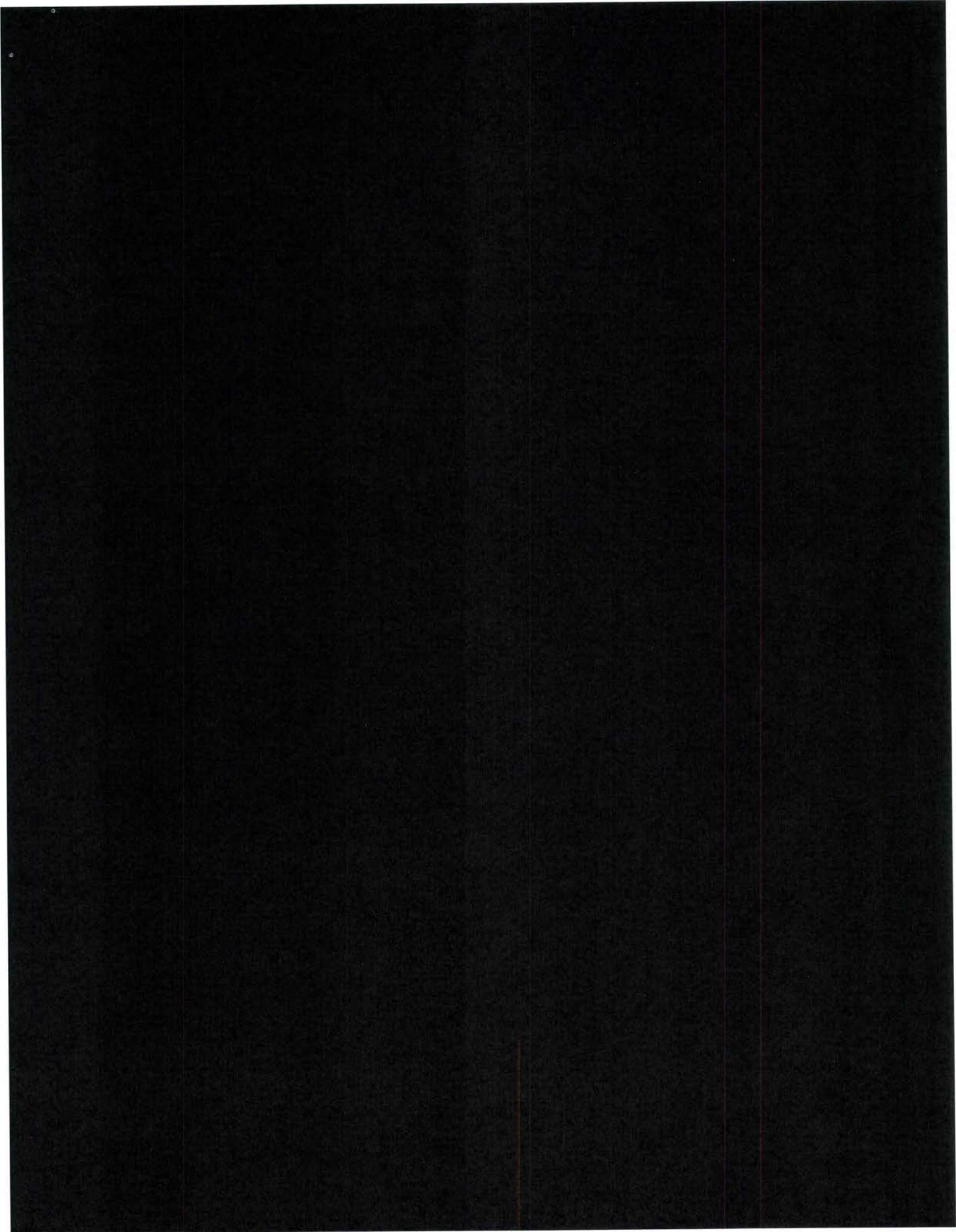


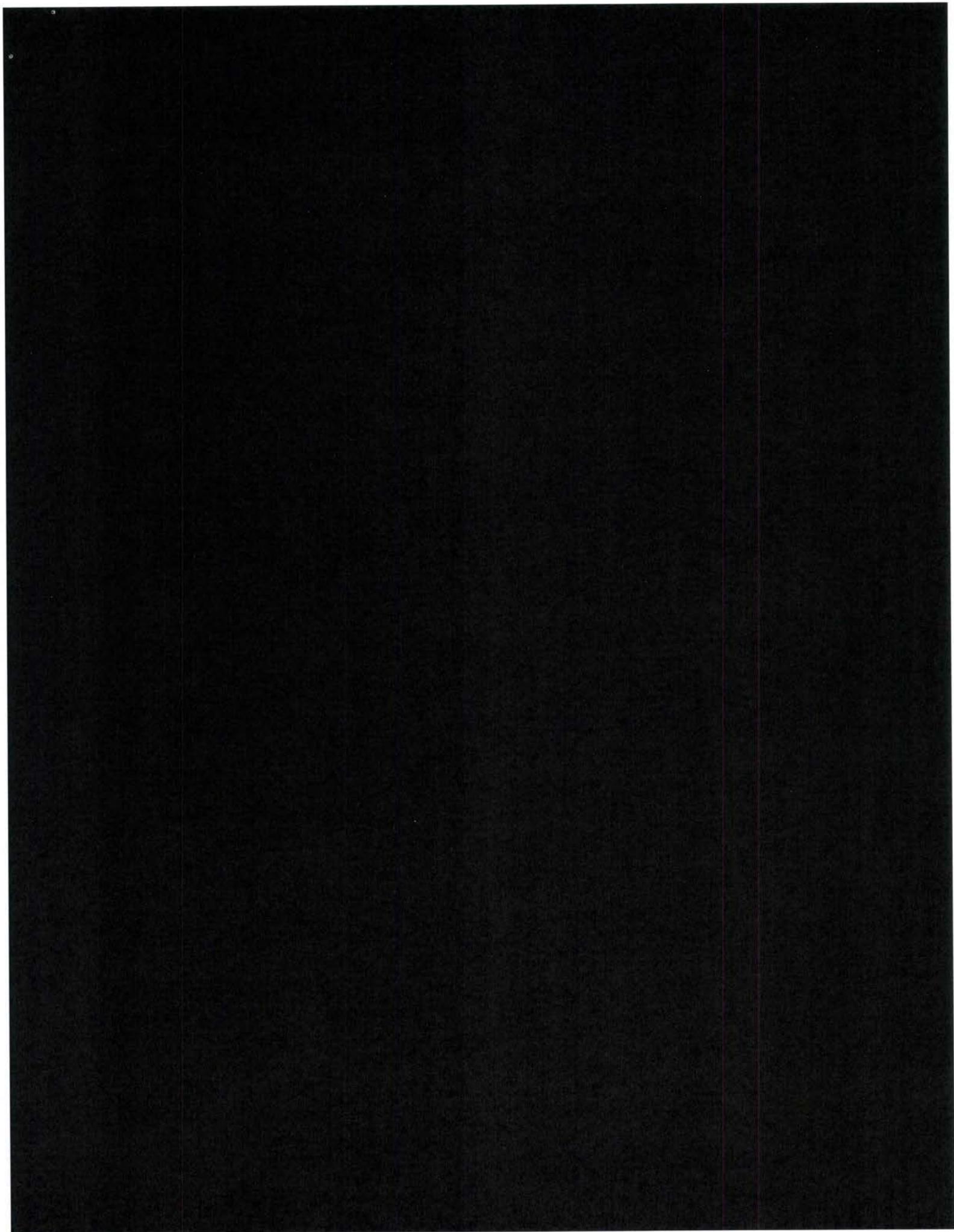


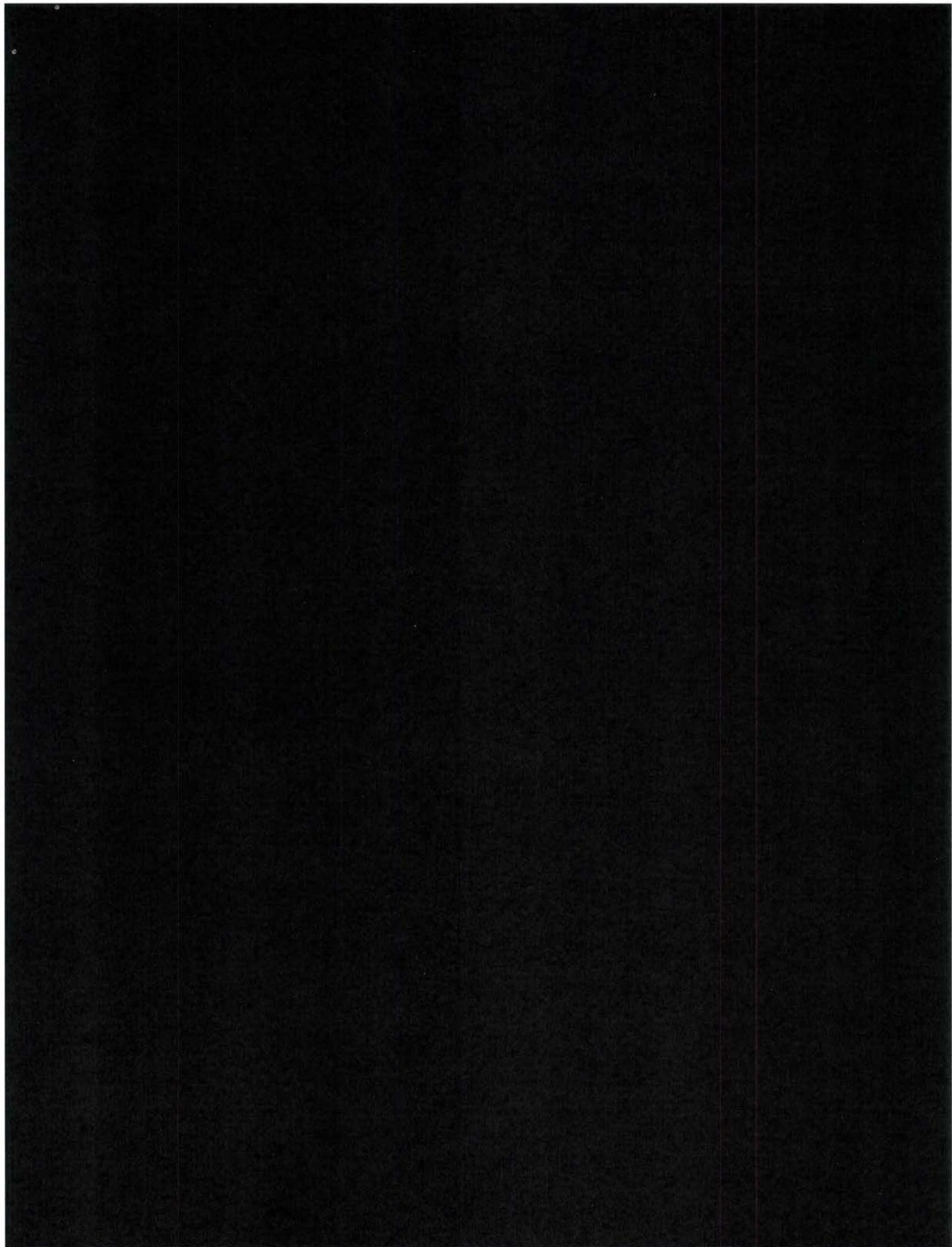


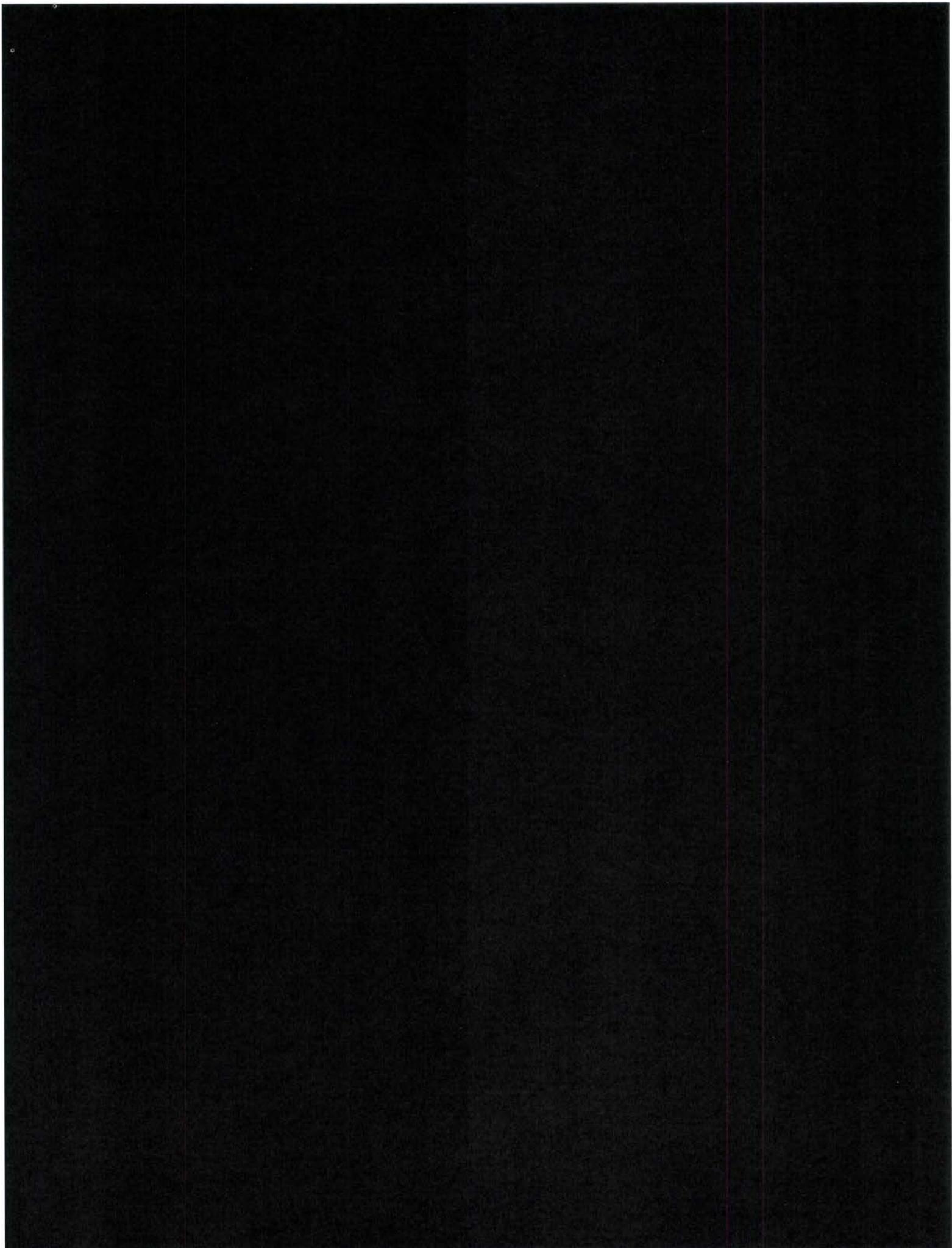


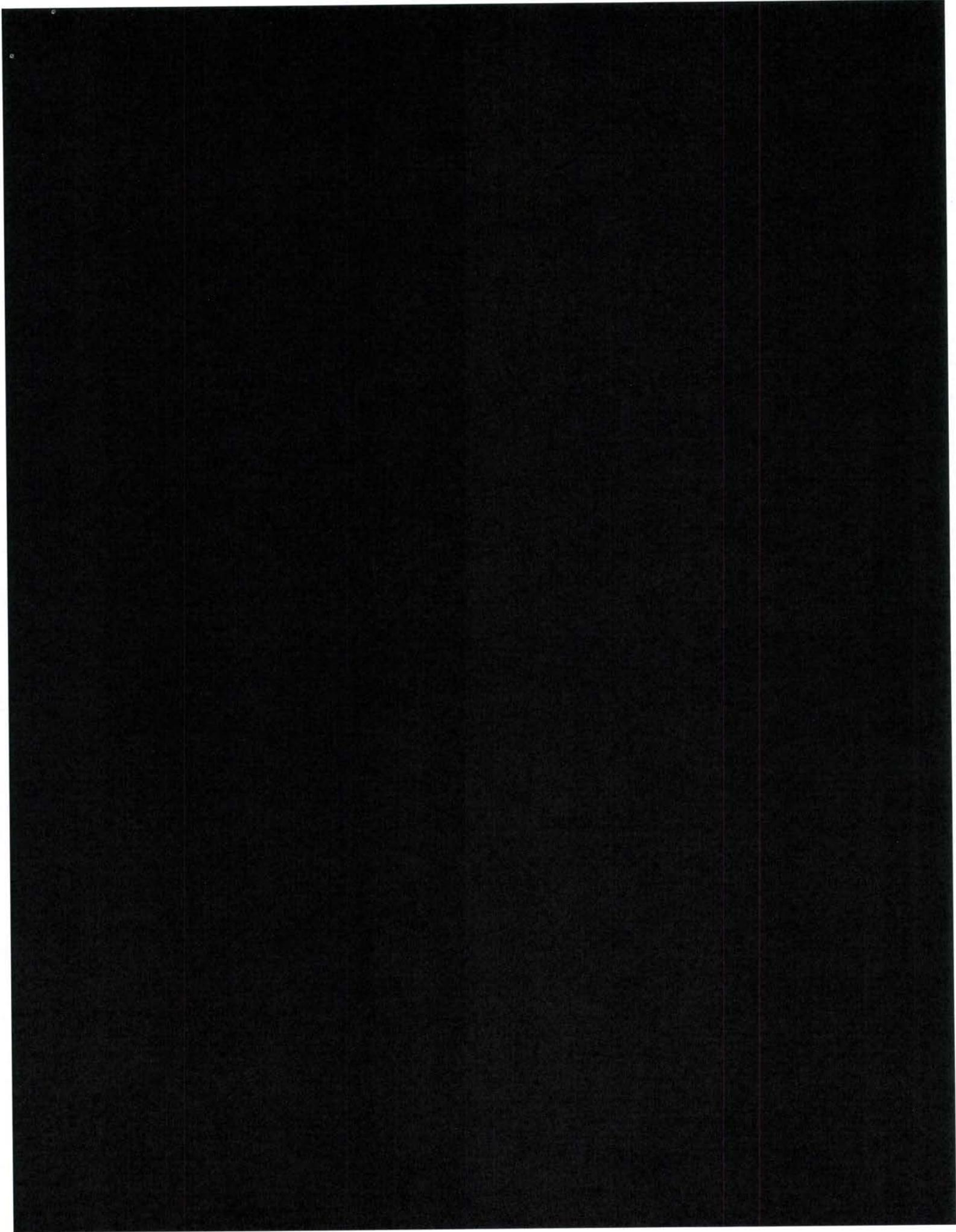


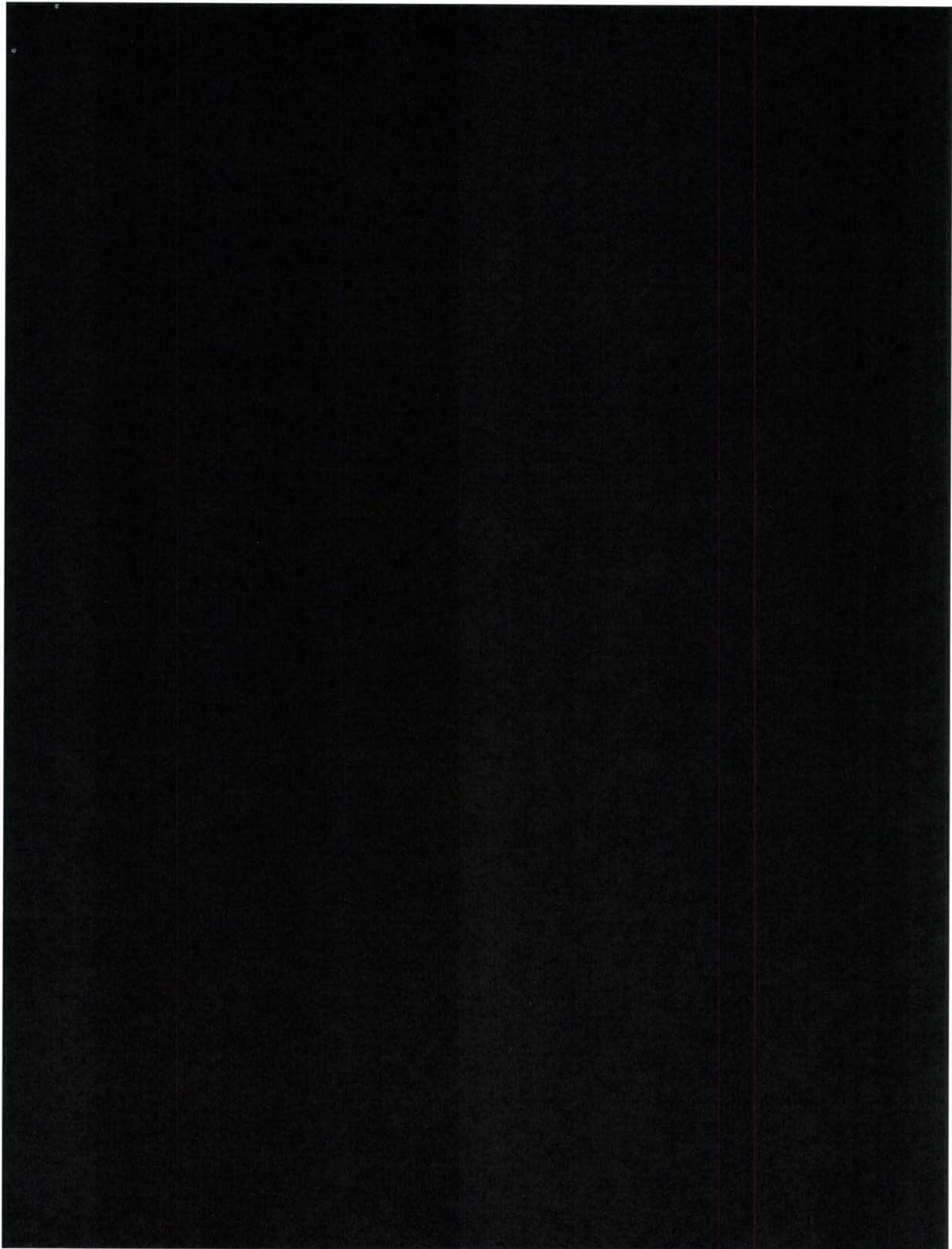


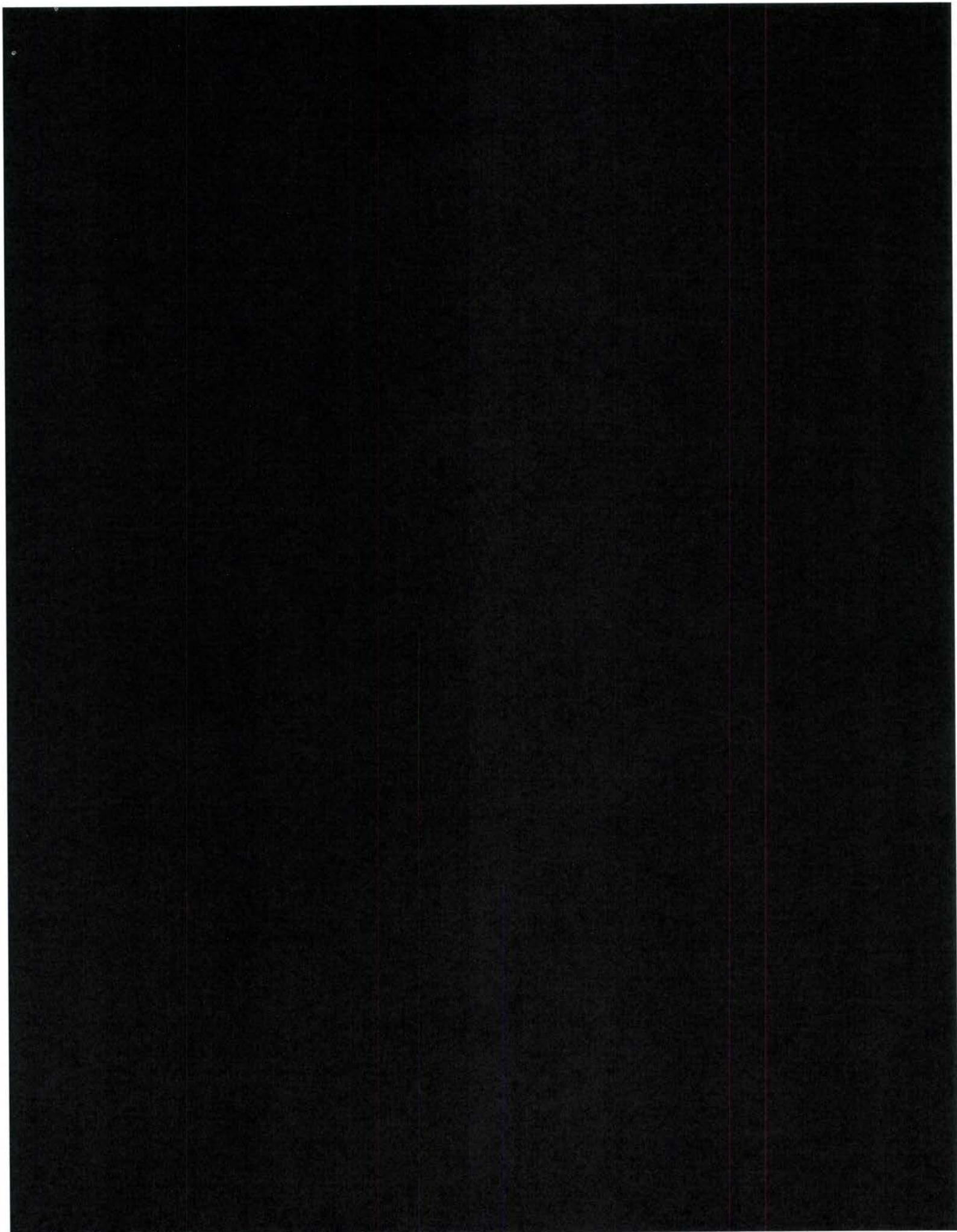


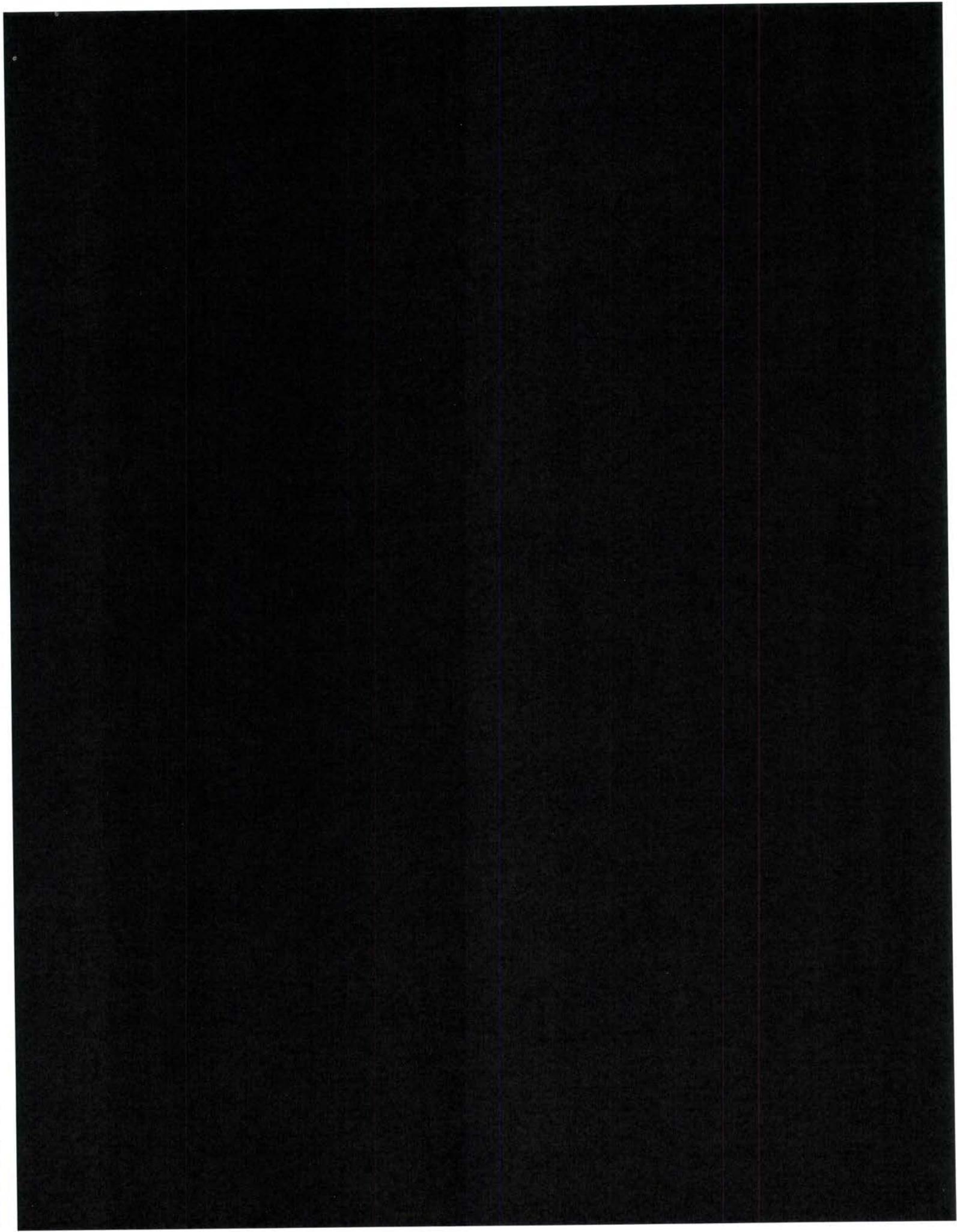


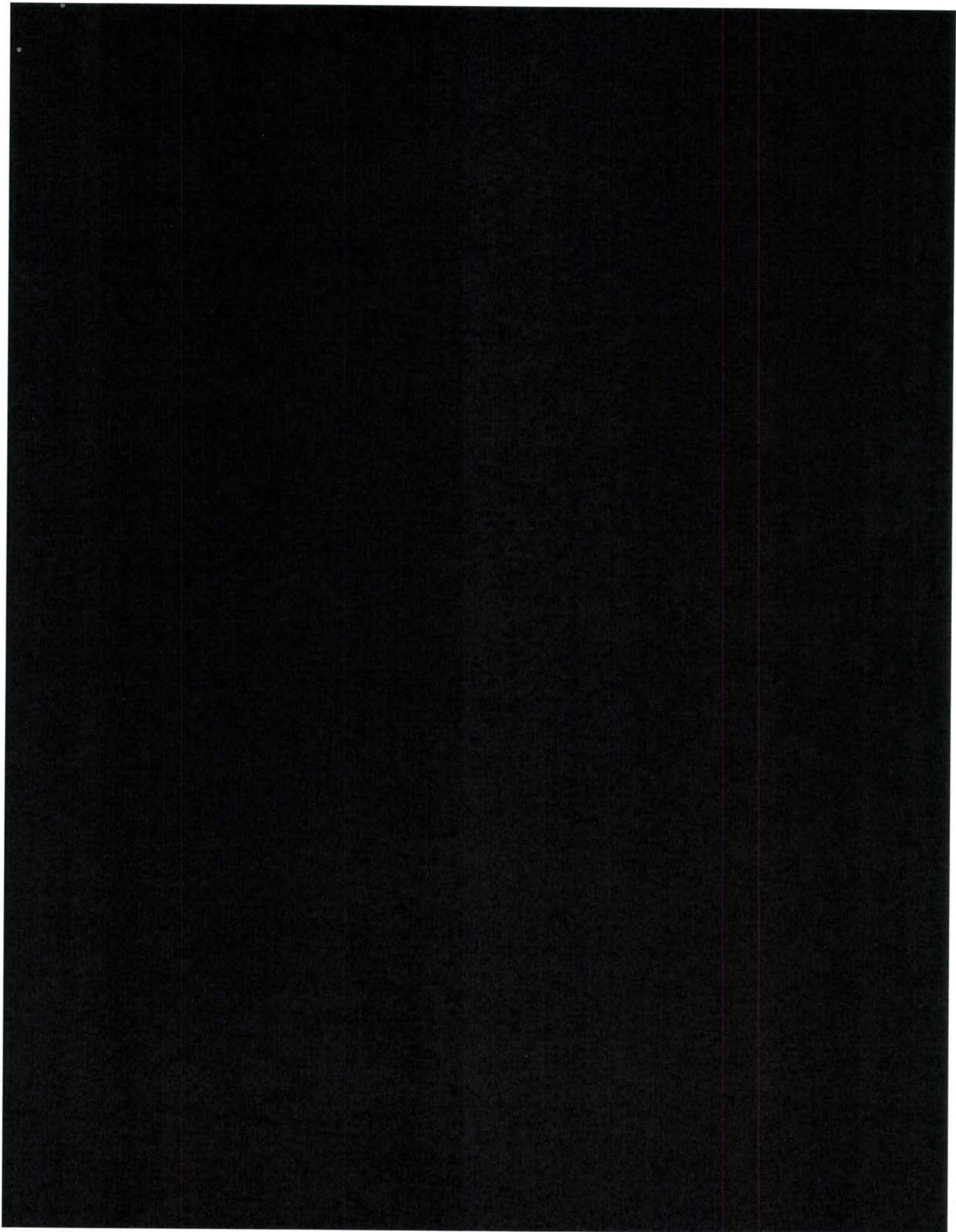


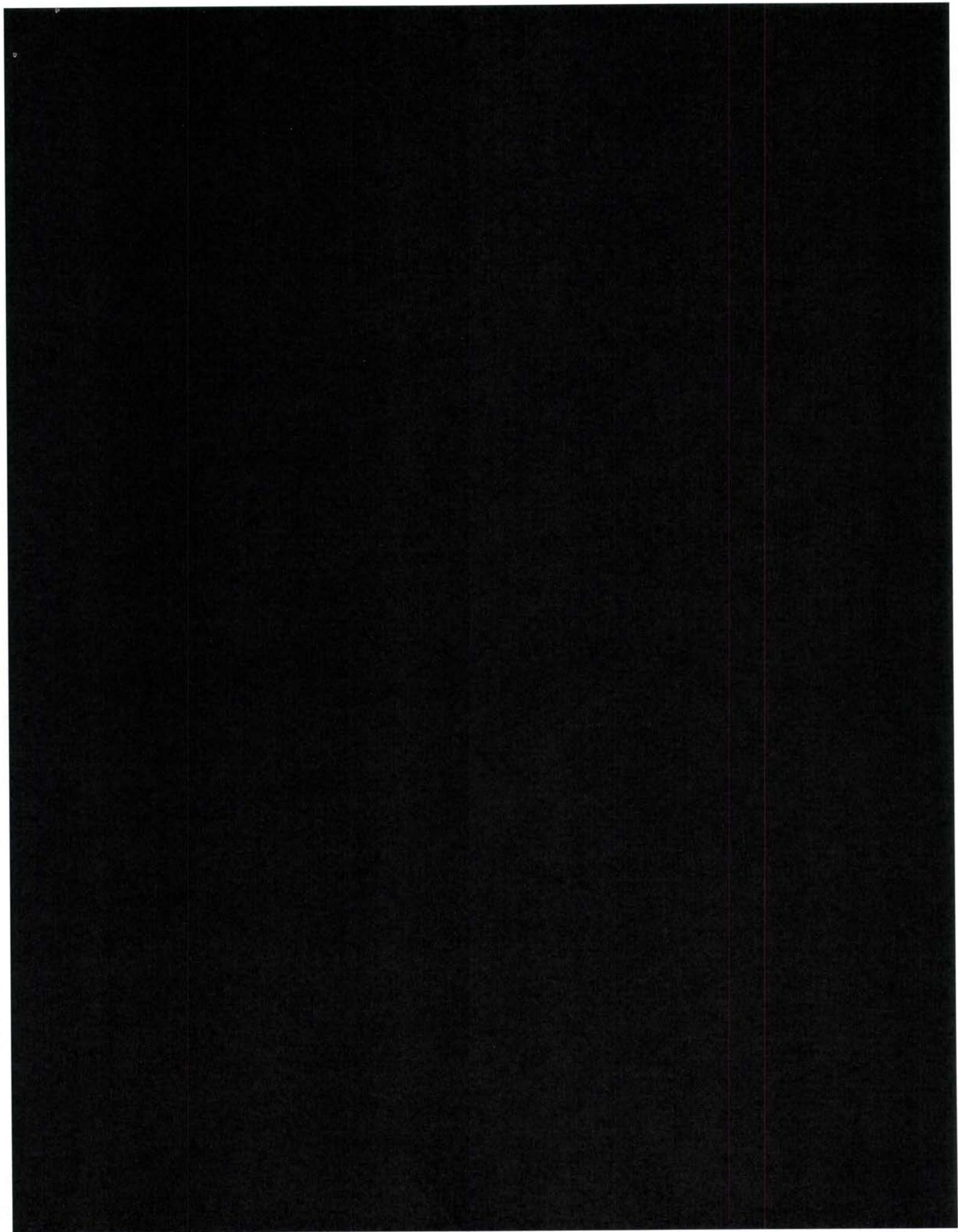


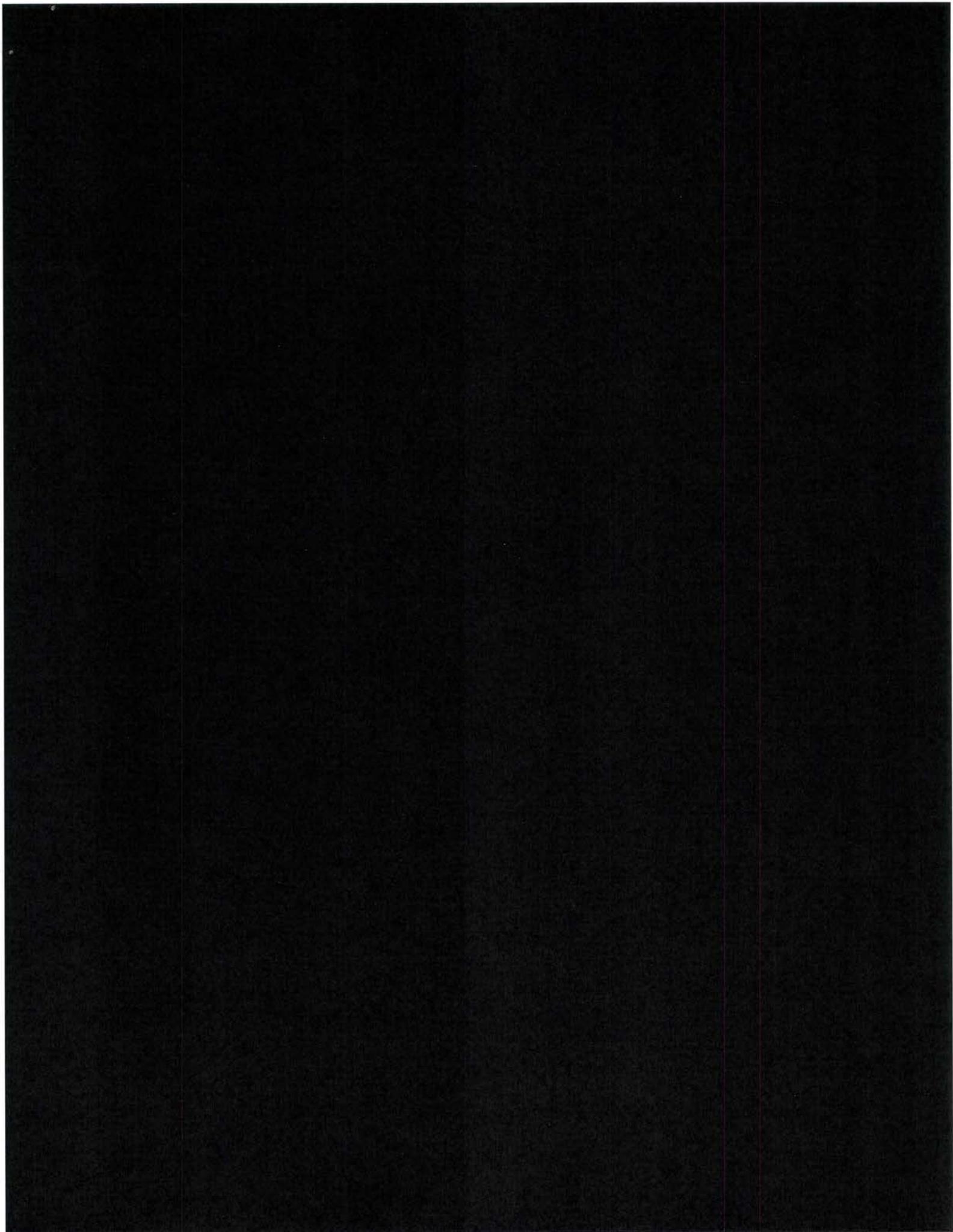


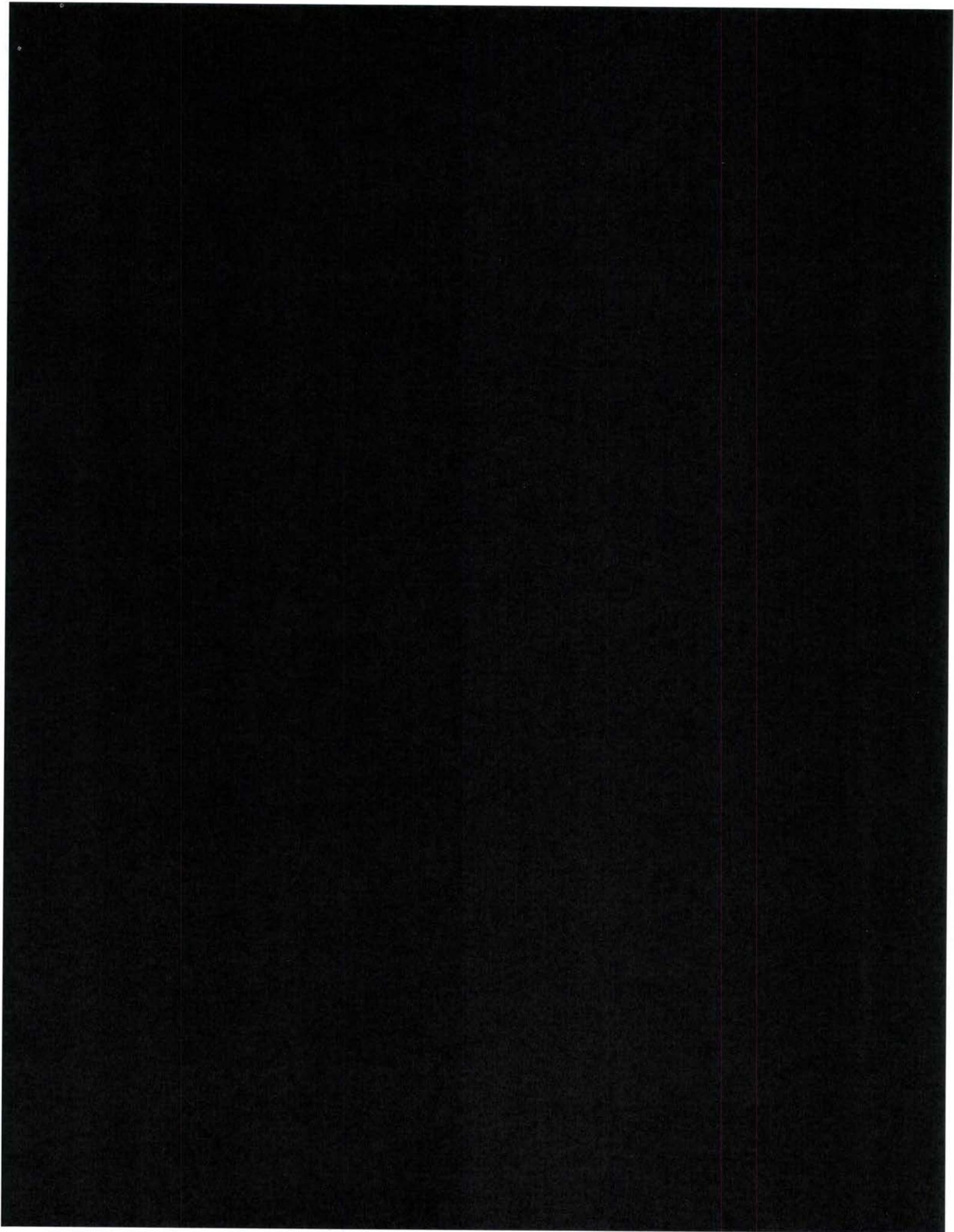


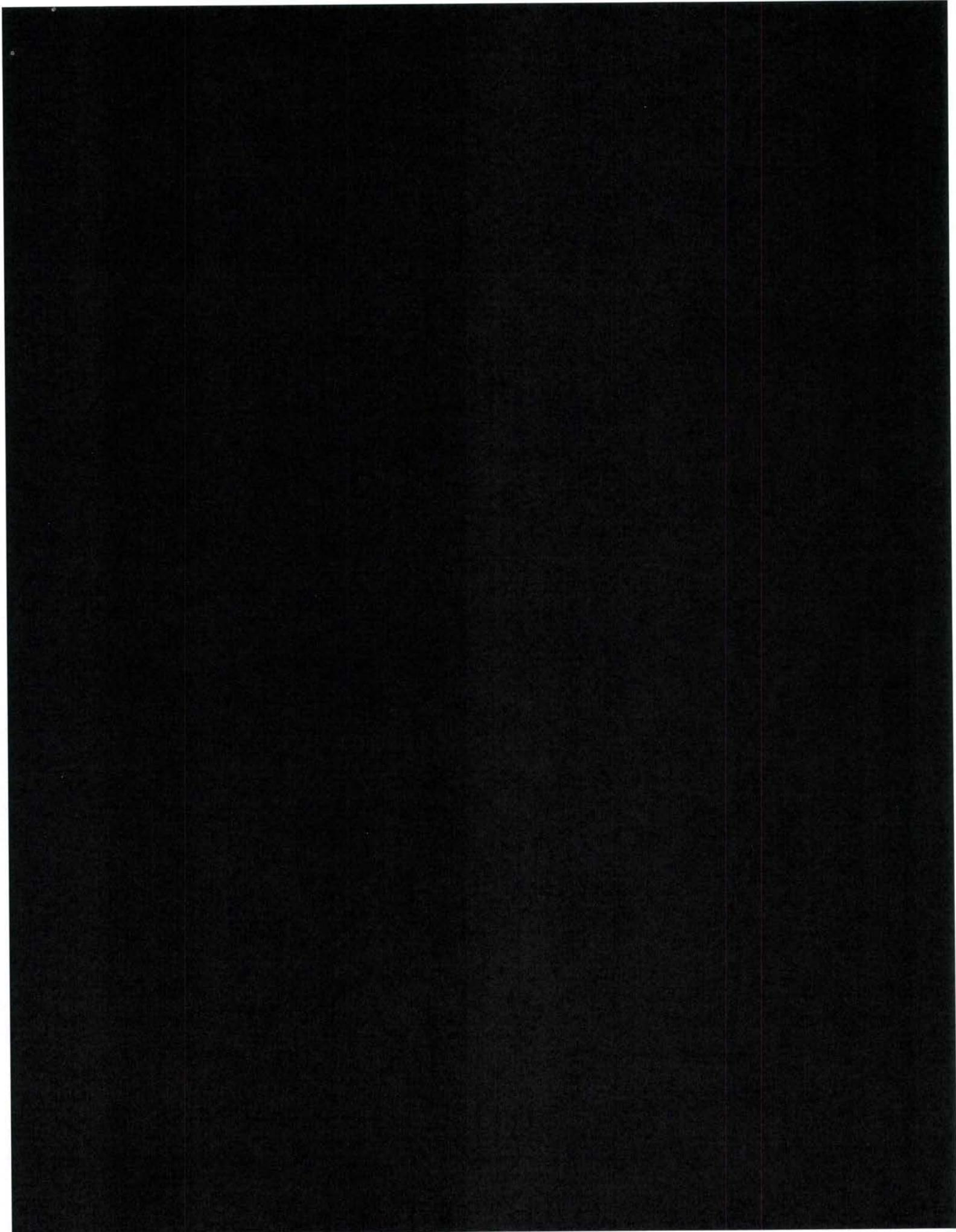


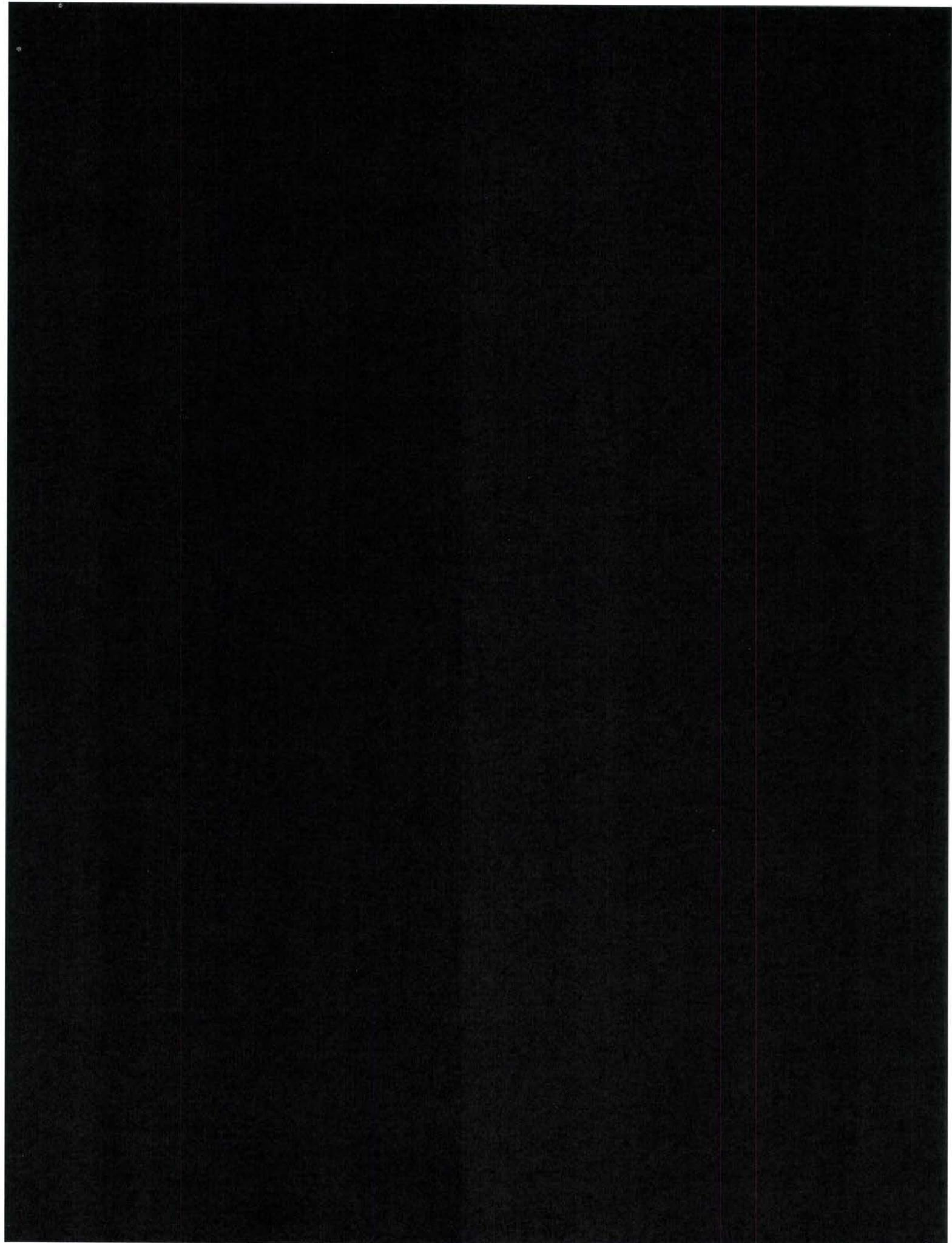


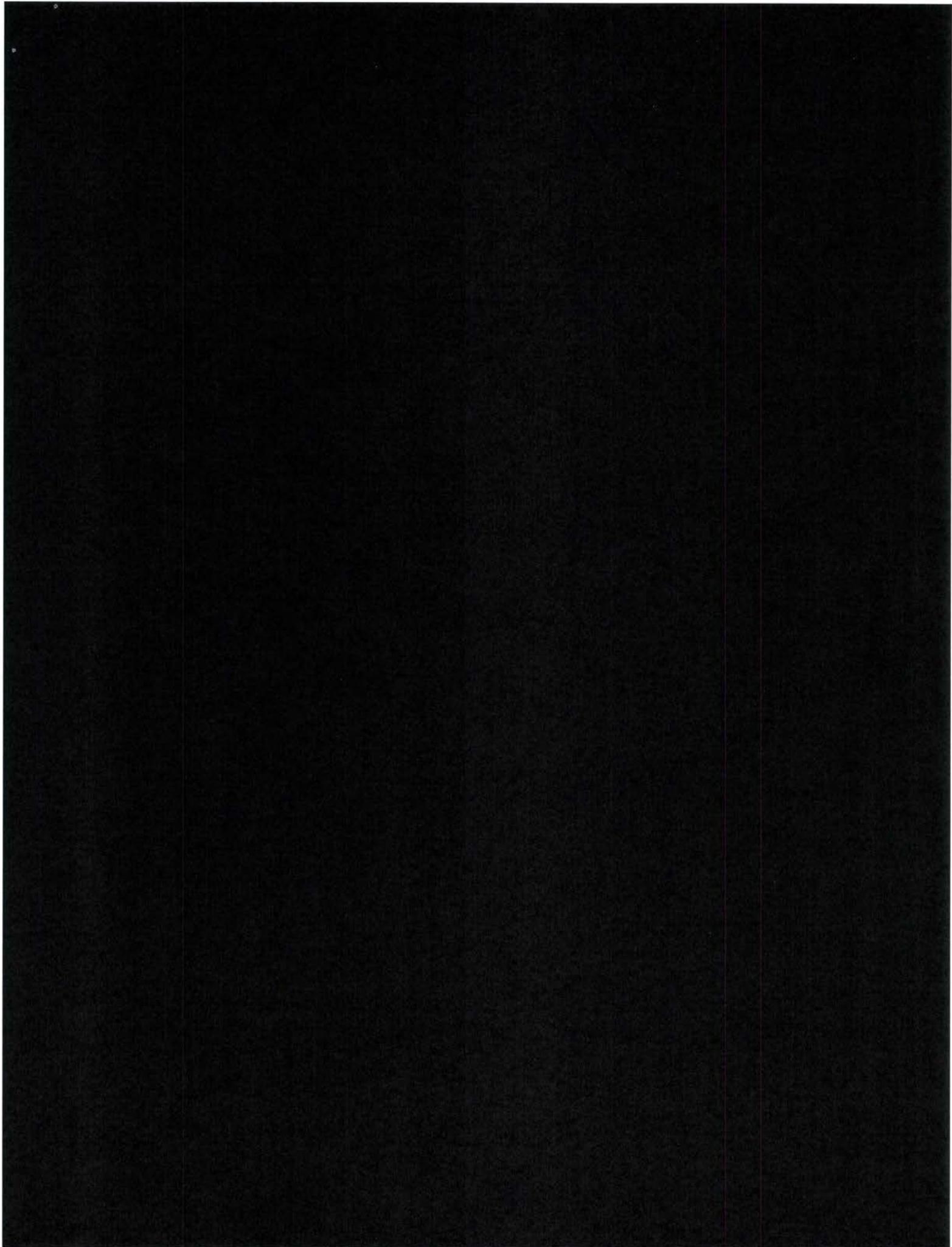


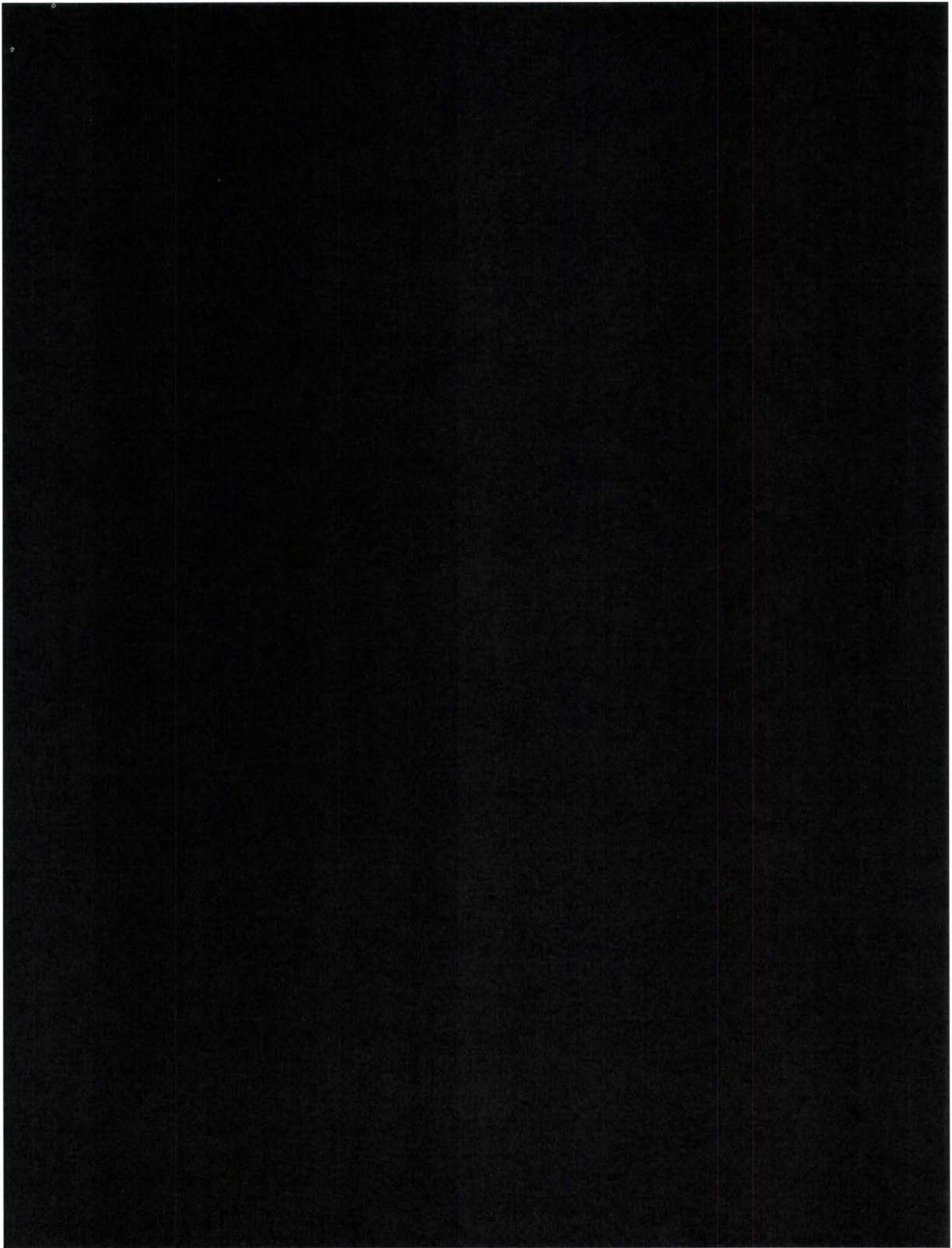


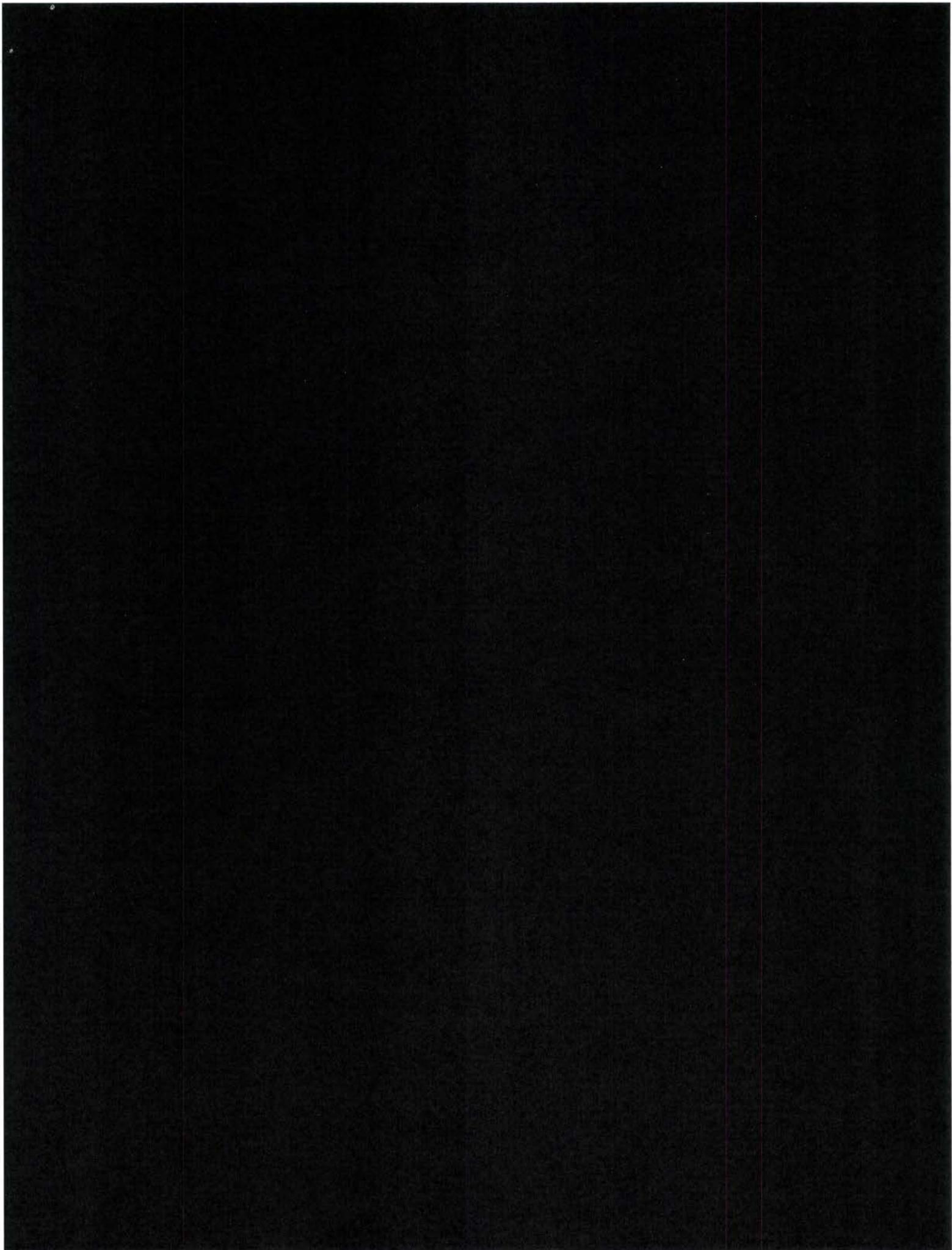


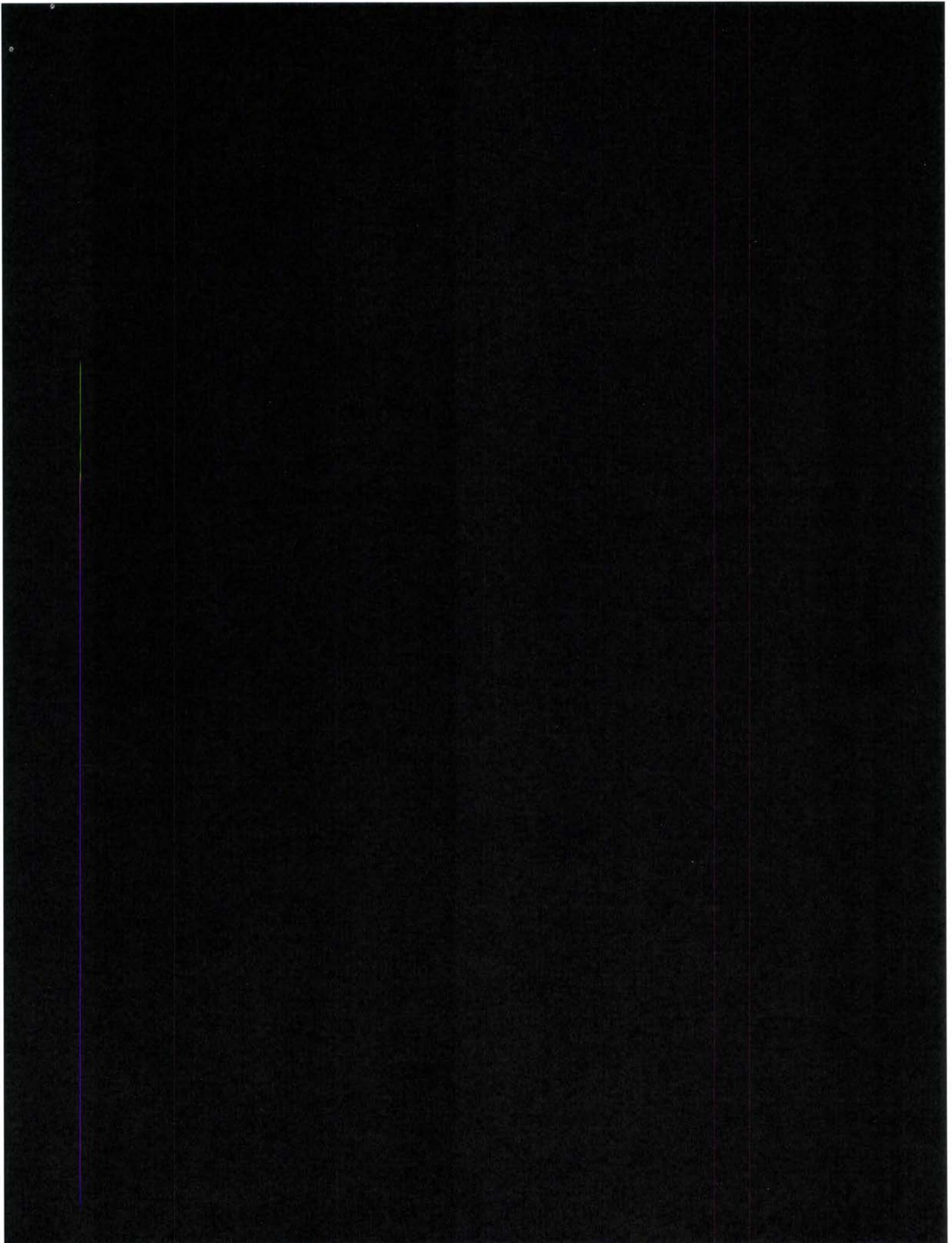


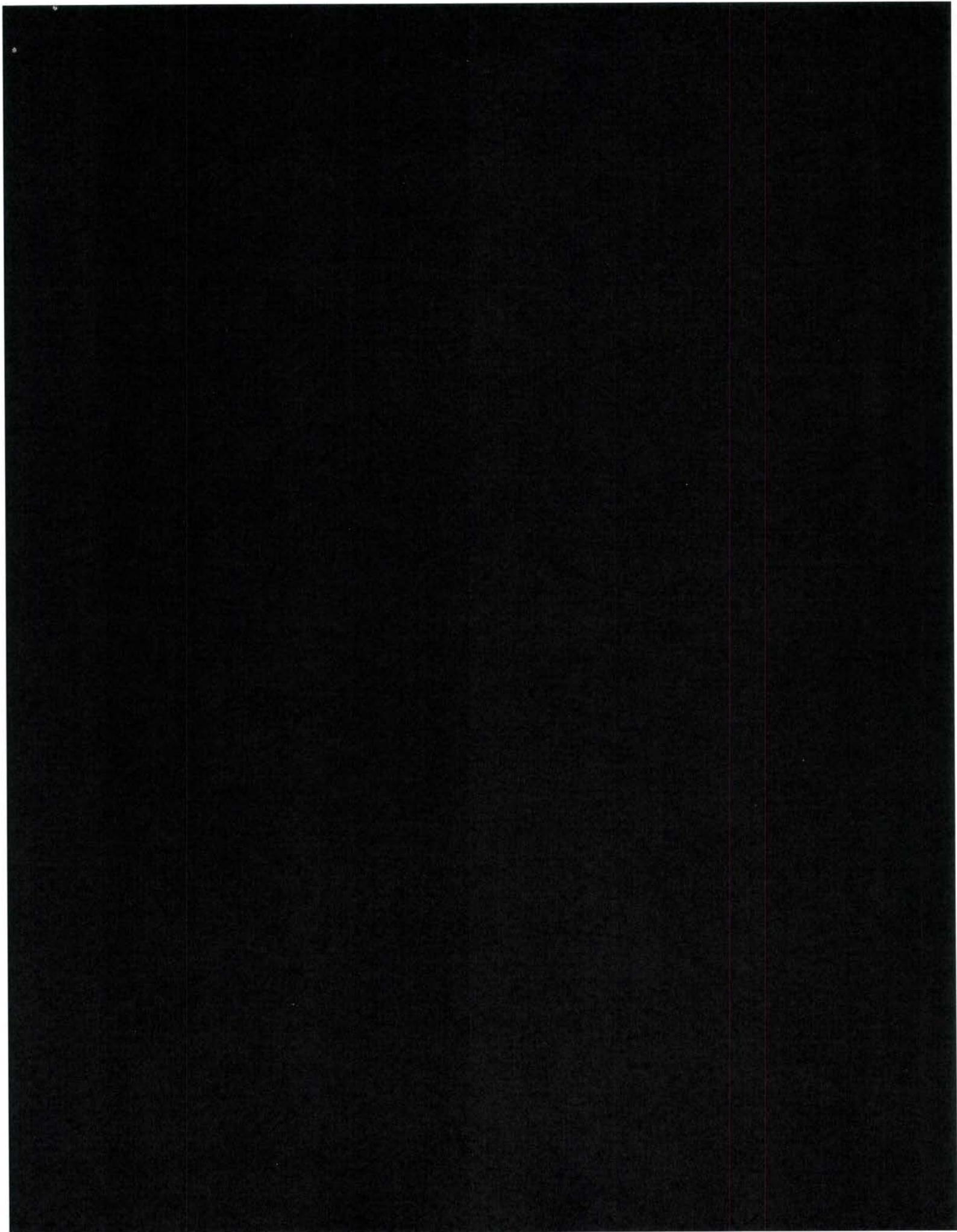


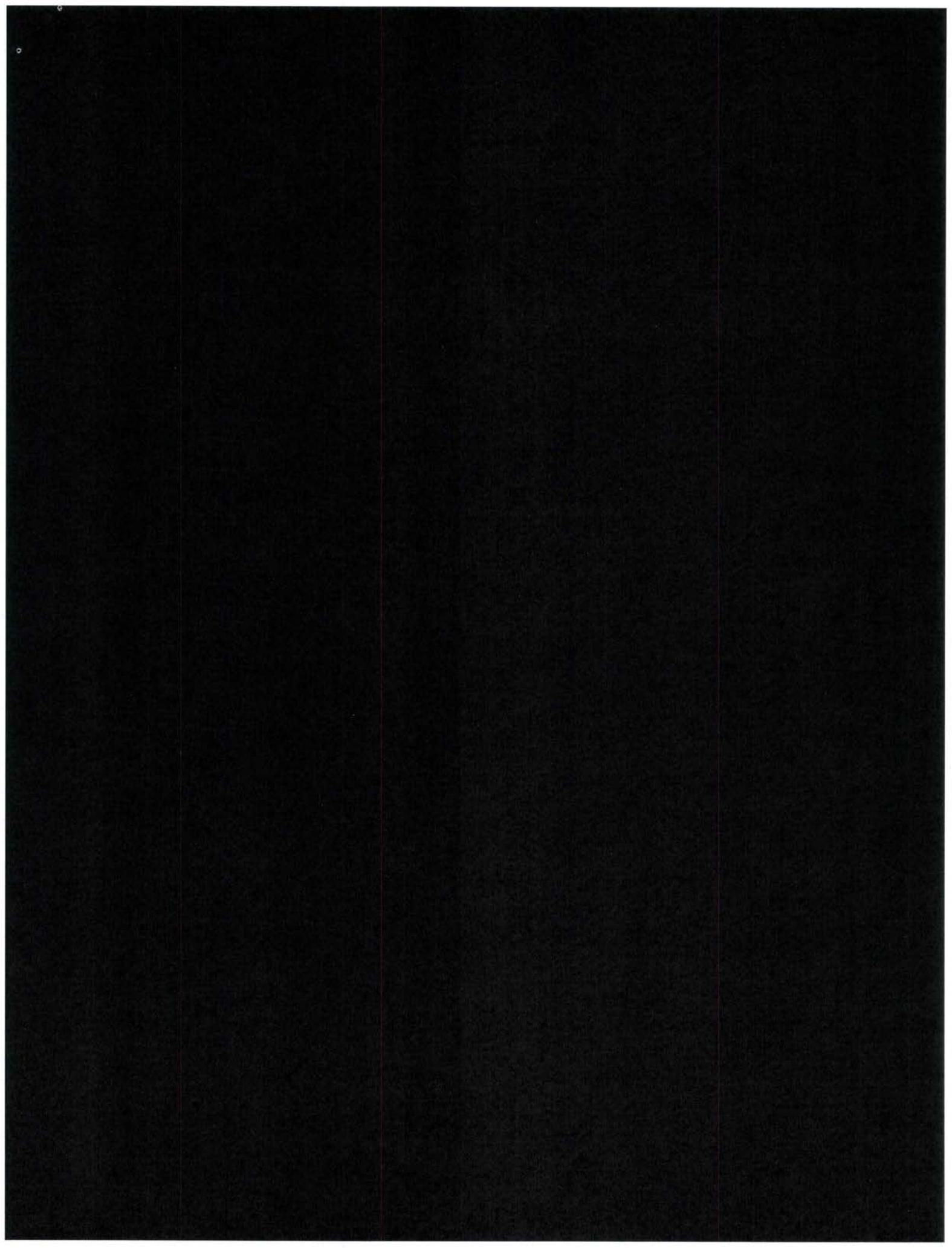


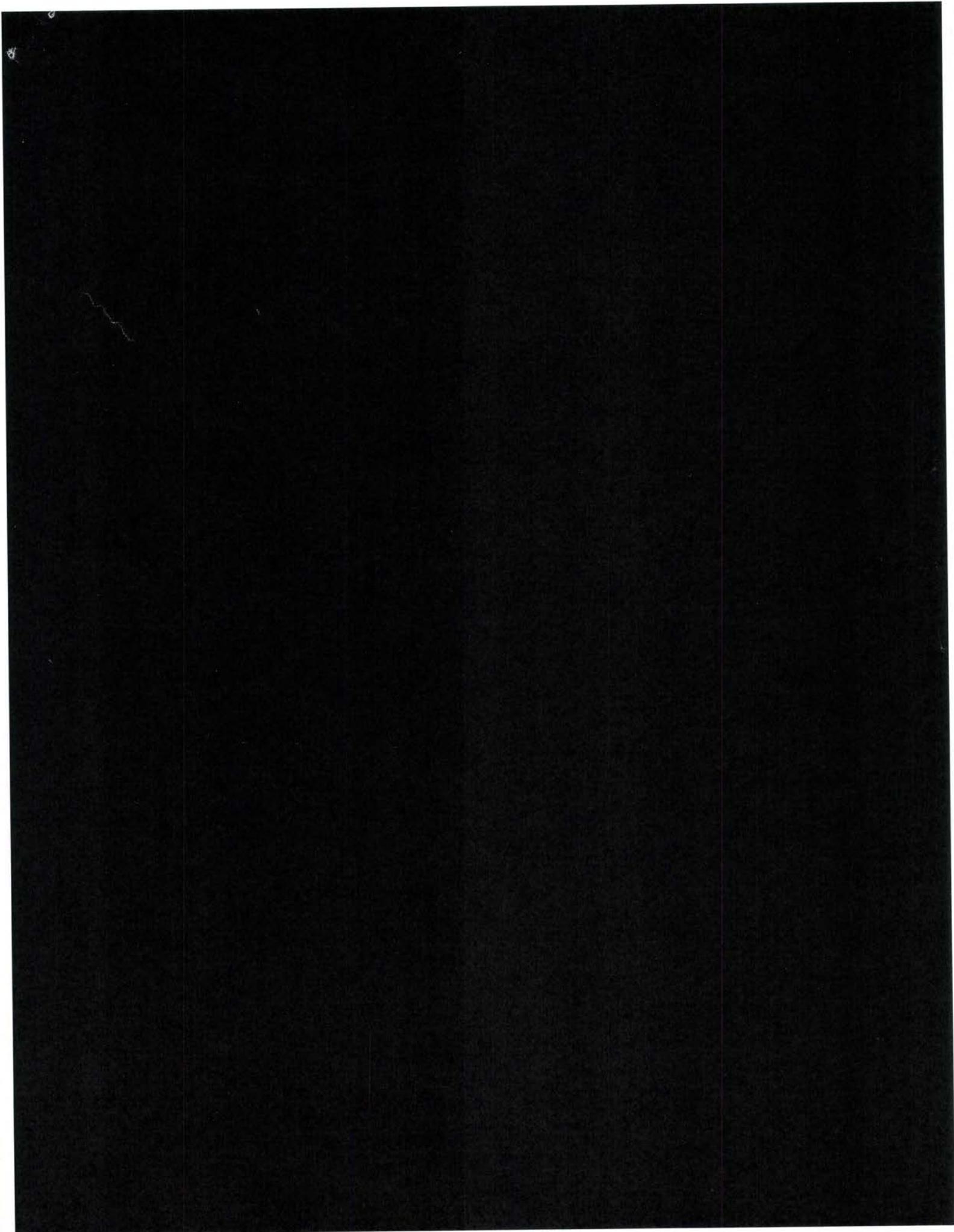












Consolidated Financial Statements and Report of Independent  
Certified Public Accountants

**Hargray Intermediate Holdings LLC and Subsidiaries**

Years Ended September 30, 2018 and 2017

# Table of contents

Report of Independent Certified Public Accountants	1-2
Consolidated financial statements:	
Consolidated balance sheets	3-4
Consolidated statements of comprehensive (loss) income	5
Statements of members' capital (deficit)	6
Consolidated statements of cash flows	7
Notes to consolidated financial statements	8-48

---

**GRANT THORNTON LLP**

4140 Park Lake Avenue  
Suite 130  
Raleigh, NC 27612

**D** +1 919 881 2700

**F** +1 919 881 2795

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Board of Directors

Hargray Intermediate Holdings LLC and Subsidiaries:

We have audited the accompanying consolidated financial statements of **Hargray Intermediate Holdings LLC** (a Delaware corporation) and **Subsidiaries**, which comprise the consolidated balance sheets as of September 30, 2018 and 2017, and the related consolidated statements of comprehensive (loss) income, members' capital (deficit), and cash flows for the year ended September 30, 2018 (Successor Company), the period from May 9, 2017 to September 30, 2017 (Successor Company), the period from October 1, 2016 to May 15, 2017 (Predecessor Company), and the related notes to the financial statements.

**Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.



In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hargray Intermediate Holdings LLC and Subsidiaries as of September 30, 2018 and 2017, and the results of their operations and their cash flows for the year ended September 30, 2018 (Successor Company), the period from May 9, 2017 to September 30, 2017 (Successor Company), and for the period from October 1, 2016 to May 15, 2017 (Predecessor Company) in accordance with accounting principles generally accepted in the United States of America.

*Grant Thornton LLP*

Raleigh, North Carolina  
January 16, 2019

