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October 19, 2011

Via Electronic Filing

Ms. Patty Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501-5070

RE: Notification of IntelPeer, Inc. of *Pro Forma* Intra-Corporate Transactions

Dear Ms. Van Gerpen:

IntelPeer, Inc. ("IntelPeer"), by undersigned counsel, hereby notifies the South Dakota Public Utilities Commission ("Commission") of IntelPeer's intention to undertake one or more *pro forma* intra-corporate transactions whereby IntelPeer intends to: (1) insert one or more holding companies between IntelPeer and its current direct shareholders;¹ (2) move IntelPeer's subsidiary, IntelPeer Virginia, Inc.,² under the new holding company, making IntelPeer Virginia, Inc. an affiliate of IntelPeer, Inc., rather than a subsidiary of IntelPeer, Inc.; and (3) assign certain assets into one or more affiliates of IntelPeer (the "Transactions").³ The Transactions are being undertaken in order to allow the company to more expediently and efficiently undertake debt and equity financing transactions in the future, and to separate its various core operations into component parts for better operational management.

It is IntelPeer's understanding that Commission approval is not required to complete the transactions described herein. Accordingly, IntelPeer submits this letter for informational purposes only to ensure the continuing accuracy of the Commission's records. In support, IntelPeer provides the following information:

¹ Although IntelPeer currently intends to insert only one holding company above IntelPeer in the ownership chain, IntelPeer is still reviewing the operational, administrative and tax benefits of various types of company structures and therefore may insert two or more such entities in the ownership chain.

² IntelPeer Virginia, Inc. only holds a certificate of authority in Virginia.

³ Although IntelPeer currently intends to undertake the *pro forma* asset transfer transactions with an affiliate of the company, IntelPeer is still reviewing the operational, administrative and tax benefits of various types of company structures, and as such, may, in the alternative, transfer assets into one or more parent companies, subsidiaries, or affiliates, or a combination thereof.

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Description of IntelPeer, Inc.

IntelPeer, Inc. is organized under the laws of the State of Delaware and formed on October 31, 2008, with principal offices located at 2855 Campus Drive, Suite 200, San Mateo, CA, 94403. IntelPeer provides communications services using fully managed, hosted, on-demand peering infrastructure to directly exchange voice traffic over IP or legacy TDM net-works between any application and any telephony device. In Illinois, IntelPeer is authorized to provide facilities-based and resold telecommunications services pursuant to an Order issued in Docket No. TC10-001 on February 12, 2010. IntelPeer is also authorized by the Federal Communications Commission ("FCC") to provide international and domestic interstate telecommunications services as a non-dominant carrier.

Contact Information

Questions or inquiries concerning this filing may be directed to:

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Description of the *Pro Forma* Intra-Corporate Transactions

IntelPeer intends to complete a series of *pro forma* intra-corporate transactions. First, one or more holding companies will be inserted between IntelPeer and its current direct shareholders.⁴ Second, IntelPeer may move its subsidiary, IntelPeer Virginia, Inc., under the new holding company, making IntelPeer Virginia, Inc. an affiliate of IntelPeer Inc., rather than a subsidiary of IntelPeer, Inc. Finally, IntelPeer intends to assign the legal title of certain assets to one or more affiliates.⁵ While IntelPeer continues to review the operational, administrative, and tax benefits of various types of company structures, an organizational chart demonstrating the insertion of a single

⁴ Although IntelPeer currently intends to insert only one holding company above IntelPeer in the ownership chain, IntelPeer is still reviewing the operational, administrative and tax benefits of various types of company structures and therefore may insert one or more such entities in the ownership chain.

⁵ Although IntelPeer currently intends to undertake the asset transfer transactions with an affiliate of the company, IntelPeer is still reviewing the operational, administrative and tax benefits of various types of company structures, and as such, may, in the alternative, transfer assets to one or more parent companies, subsidiaries, or affiliates, or a combination thereof.

holding company and transfer of assets to an affiliate, as is currently contemplated by IntelPeer, is attached hereto as Exhibit A.

IntelPeer emphasizes that the insertion of the holding company(ies) in the ownership chain will not affect the ultimate ownership of IntelPeer. The current ultimate owners of IntelPeer will remain the same following the insertion of the holding company(ies). As such, the insertion of the holding company(ies) above IntelPeer is purely a *pro forma* transaction, will not affect the day-to-day operations of IntelPeer, and will not affect the ultimate ownership of IntelPeer.

Likewise, the transfer of assets will not result in the transfer of customers or IntelPeer's authority to provide telecommunications services in South Dakota, and will be undertaken in a manner that is seamless to consumers. While IntelPeer will no longer have legal title to the assets being assigned, IntelPeer will continue to operate those assets through arrangements with the assignee(s) for the continued provision of services to its customers. IntelPeer's customers will continue to be served by IntelPeer following the Transactions. Because the rates, terms and conditions of the services being received by customers will not change as a result of the proposed Transactions, they will be virtually transparent to customers of IntelPeer in terms of the services that those customers receive. The ultimate beneficial ownership of IntelPeer and its assets will not change as a result of the Transactions, and as such, the Transactions are entirely *pro forma* in nature.

As a result of the Transactions, IntelPeer will remain well-qualified to provide service to its customers. IntelPeer's operations will continue to be overseen by the same well-qualified management team with substantial telecommunications experience and technical expertise.

Public Interest Considerations

The proposed Transactions described above will serve the public interest by ensuring that IntelPeer's customers enjoy continuity of high-quality services. In particular, the *pro forma* insertion of the holding company(ies) and the assignment of assets to one or more affiliates will better enable IntelPeer to undertake equity and debt financing transactions in the future, and will enable the company to allocate its assets into specialized segments to better focus its operations. Customers will continue to receive uninterrupted services, and the Transactions will not result in a transfer of customers or certificates of authority, nor will it change the ultimate ownership of IntelPeer or its assets. Customers will continue to be served by a carrier with significant technical, managerial and financial resources. The Transactions are intended to provide operational flexibility to IntelPeer, and to allow the company to better manage its operations.

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Conclusion

Should you have any questions regarding this filing, please do not hesitate to contact Jeffrey Strenkowski at 202-373-6002.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeffrey R. Strenkowski". The signature is written in a cursive style with a horizontal line at the end.

Ronald W. Del Sesto Jr.
Jeffrey R. Strenkowski

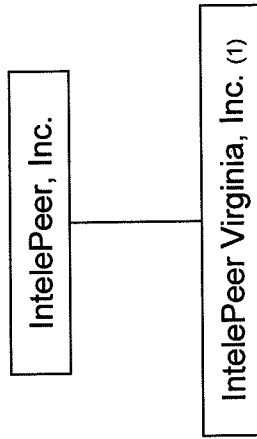
Counsel for IntelPeer, Inc.

Exhibit A

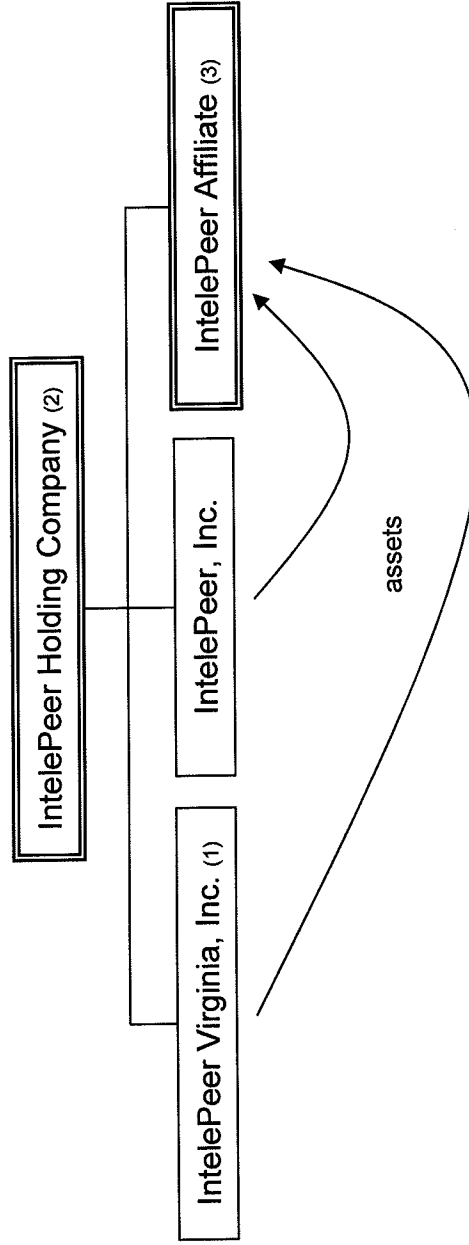
Corporate Organizational Charts

IntelePeer Organizational Chart

Pre-Transactions



Post Transactions



(1) Holds a CPCN in Virginia only

(2) May include one or more holding companies

(3) May include one or more affiliates


Verification

VERIFICATION

STATE OF CALIFORNIA
COUNTY OF SAN MATEO

§
§ ss:
§

Todd Smith, being duly sworn, deposes and say that I am the Vice President, Corporate Controller, of IntelPeer, Inc.; that I am authorized to make this Verification on behalf of IntelPeer, Inc.; that the foregoing document was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.



Todd Smith
Vice President, Corporate Controller
IntelPeer, Inc.

Sworn and subscribed before me this 10th day of October, 2011.



Notary Public

My commission expires: May 25, 2015

