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BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

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April 26, 2018

**VIA FEDERAL EXPRESS**

Aida Camacho, Secretary  
Board of Public Utilities  
44 South Clinton Avenue, 3<sup>rd</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350

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CASE MANAGEMENT

APR 27 2018

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

7118040470

Re: Verified Petition of PEG Bandwidth NJ, LLC, for approval of a  
*Pro Forma* Change in Intermediate Ownership and Control  
Docket No. \_\_\_\_\_

Dear Secretary Camacho:

Enclosed for filing on behalf of PEG Bandwidth NJ, LLC, please find an original and 11 copies of the Verified Petition for approval of a *pro forma* change in indirect ownership and control.

Please return a copy of the filed petition with the assigned docket number in the enclosed self-addressed, stamped envelope.

Very truly yours,

NORRIS, McLAUGHLIN & MARCUS, P.A.



James H. Laskey

JHL/lis  
Enclosures

cc: Rocco Della Serra  
Stefanie A. Brand, Esq.

CMS  
LEGAL  
DAG  
RPA  
L. Gilbert  
H. Bond  
TELE(5)



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CASE MANAGEMENT

APR 27 2018

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

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APR 27 2018

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

I/M/O of the Verified Petition of )  
)  
PEG Bandwidth NJ, LLC )  
)  
for Approval of a *Pro Forma* Change in )  
Intermediate Ownership and Control )  
)

Docket No. TM18040470

**VERIFIED PETITION**

PEG Bandwidth NJ, LLC (“PEG NJ” or “Petitioner”), by undersigned counsel and pursuant to N.J.S.A. 48:2-51.1 and the regulations of the Board of Public Utilities (“Board”), respectfully request Board approval, to the extent required, to complete a *pro forma* change in indirect ownership that will result in a change in its intermediate ownership and control structure with no change to its ultimate owner (the “*Pro Forma* Change”). Petitioner emphasizes that its customers will not be impacted by these changes.

In support of this filing, Petitioner provides the following information:

**I. DESCRIPTION OF PETITION**

PEG NJ is a Delaware limited liability company and wholly owned, direct subsidiary of Uniti Fiber LLC, a Delaware limited liability company, which in turn is a wholly owned, direct subsidiary of Uniti Fiber Holdings Inc. (“Fiber Holdings”), a Delaware corporation. Fiber Holdings, Uniti Fiber LLC and Petitioner is an indirect subsidiary of Uniti Group Inc. (“Parent” and together with its subsidiaries, “Uniti”), a publicly-traded traded company (NASDAQ: UNIT).<sup>1</sup> PEG NJ’s principal offices are located at 107 St. Francis Street, Suite 1800, Mobile, AL 36602.

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<sup>1</sup> Parent was known as Communications Sales & Leasing, Inc. until February 2017, when it changed its name to Uniti Group Inc. In addition, Uniti Fiber LLC was formerly known as Uniti Fiber-PEG LLC.

PEG NJ is principally a carrier's carrier and provides telecommunications services to providers of wireless telecommunications as well as other carriers. PEG NJ is authorized by the Federal Communications Commission ("FCC") to provide interstate telecommunications services. In New Jersey, PEG NJ is authorized to provide facilities-based and resold telephone service with authority to provide local exchange service pursuant to authority granted by the Board in Docket No. TE12040317 on August 15, 2012.

Additional information concerning PEG NJ's technical, managerial and financial qualifications have been submitted to the Board as part of PEG NJ's certification application in Docket No. TE12040317 and is therefore already a matter of public record. After the *Pro Forma* Change is completed, Petitioner will remain well-qualified to provide service to its customers, and its operations will continue to be overseen by the same well-qualified management team with substantial telecommunications experience and technical expertise.

## II. DESIGNATED CONTACTS

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

James H. Laskey  
Norris McLaughlin & Marcus, PA  
400 Crossing Blvd, 8th Floor  
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908-252-4221 (tel)  
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[jlaskey@nmmlaw.com](mailto:jaskey@nmmlaw.com)

With a copy to:

Ronald W. Del Sesto, Jr.  
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### **III. DESCRIPTION OF THE *PRO FORMA* CHANGE**

The proposed *Pro Forma* Change will involve the removal two intermediate companies (*i.e.*, Uniti Holdings LP and Uniti Holdings GP LLC) from the ownership and control chain between Uniti Group LP and Fiber Holdings. Upon completion of the *Pro Forma* Change, Fiber Holdings will be a direct subsidiary of Uniti Group LP and will no longer be a subsidiary of Uniti Holdings LP, which is controlled by its non-economic general partner, Uniti Holdings GP LLC. As a result of the *Pro Forma* Change, Uniti Holdings LP and Uniti Holdings GP LLC will no longer be in the ownership and control chain of PEG NJ. Since PEG NJ will remain wholly owned, indirect subsidiaries of Parent, the *Pro Forma* Change is *pro forma* in nature. Appended hereto as **Exhibit A** is a chart illustrating the current and post-*Pro Forma* Change in corporate ownership structure of Petitioner.

Thus, the *Pro Forma* Change will not result in any changes to the ultimate ownership of Petitioner, which will remain with Parent and its shareholders. Rather, Petitioner will have fewer intermediary entities between it and Parent. After the *Pro Forma* Change is completed, Petitioner will continue to conduct all of its operations as they are currently conducted.

### **IV. PUBLIC INTEREST CONSIDERATIONS**

The proposed changes in Uniti's corporate ownership and control structure will provide Uniti additional financial flexibility with respect to its status as a real estate investment trust ("REIT"). Given that the *Pro Forma* Change only involves the reorganization of entities from Uniti's corporate structure, it is purely *pro forma* in nature, it will not result in any new owners of Petitioner other than those in existence immediately before the *Pro Forma* Change takes place, and it will not directly involve Petitioner or its operations.

The net effect of the *Pro Forma* Change will be simply to remove entities from Petitioner's ownership and control chain. There will be no change in actual working control of Petitioner. Petitioner will remain well-qualified to provide service to customers, and its operations will continue to be overseen by its existing management teams. The telecommunications services provided by Petitioner and the rates, terms and conditions of those services will not change as a result of the *Pro Forma* Change, and Petitioner's New Jersey customers will not be affected in any way by the *Pro Forma* Change. Additionally, because the *Pro Forma* Change only involves removal of holding companies from PEG NJ's ownership chain there will be no effect on the number of PEG NJ's existing employees in New Jersey.

In sum, the *Pro Forma* Change will provide Uniti additional flexibility under its REIT status. Petitioner will continue to have the same requisite managerial, technical and financial capabilities to provide quality communications services. Petitioner's New Jersey customers will receive the same full range of products and services that they received prior to the *Pro Forma* Change at the same prices and under the same terms and conditions. All of these facts demonstrate that the *Pro Forma* Change is in the public interest.

V. **CONCLUSION**

WHEREFORE, for the reasons set forth above, Petitioner requests the Board approve this Petition and grant all authority necessary for the *Pro Forma* Change as described herein.

Respectfully submitted,



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*Counsel for Petitioner*

Dated: April 26, 2018