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BOARD OF PUBLIC UTILITIES
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September 10, 2019

VIA FEDEX OVERNIGHT

State of New Jersey Board of Public Utilities
Board Secretary
Irene Kim Asbury
44 S. Clinton Ave., 3rd Floor
P.O. Box 350
Trenton, NJ 08625-0350

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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

TF19091206

Re: **Manhattan Telecommunications Corporation of New Jersey**

Dear Ms. Asbury:

Enclosed for filing please find an original and twelve (12) copies of the Verified Petition of Manhattan Telecommunications Corporation of New Jersey for Approval to Participate in Certain Financing Arrangements. Also enclosed is a check in the amount of \$25.00 to satisfy the filing fee. Manhattan Telecommunications of New Jersey respectfully requests expedited processing of the Petition.

Kindly file the original and return a stamped copy to my attention in the self-addressed stamped envelope. Please contact me should you have any questions regarding the above.

Respectfully,



Amy J. Blumenthal

Enclosures

CMS
Legal
DAG
RPA
L. Gilbert
Economist (2)
TELECO (3)

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

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SEP 11 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

Verified Petition of

**Manhattan Telecommunications
Corporation of New Jersey**

for Approval to Participate in Certain Financing
Arrangements

Docket No. TF19 091206

**TO THE HONORABLE COMMISSIONERS OF THE NEW JERSEY BOARD OF PUBLIC
UTILITIES:**

Manhattan Telecommunications Corporation of New Jersey ("Manhattan Telecommunications" or the "Petitioner"), to the extent necessary pursuant to N.J.S.A. 48:3-7 and N.J.S.A. 48:3-9, requests Board approval to participate in a financing transaction whereby it will guarantee debt in an amount of up to approximately \$130 million. Approval of the transactions necessary for the financing (the "Proposed Transaction") will serve the public interest. The Board approved a similar Manhattan Telecommunications financing in 2017 in Docket No. TF17010002. Manhattan Telecommunications seeks to consummate the transactions necessary for the financing as soon as practicable. Therefore it respectfully requests expedited processing of the Petition.

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

I. BACKGROUND

Manhattan Telecommunications is a privately held corporation organized pursuant to the laws of Delaware whose principal business is telecommunications. Manhattan Telecommunications is a wholly owned subsidiary of Manhattan Telecommunications Corporation and indirect subsidiary of Metropolitan Telecommunications Holding Company ("MetTel Holding"), a privately held Delaware holding company.

MetTel Holding, through its subsidiaries, is a strategic partner providing a comprehensive suite of voice and data solutions as well as telecommunications consulting services to leading businesses

nationwide. From traditional voice services to MPLS networks and Voice over IP technologies, MetTel Holding offers a complete portfolio of products. Manhattan Telecommunications was authorized by the Board to provide local exchange telecommunications services on June 22, 2000, in Docket No. TE99120922 (the "NJ CPCN").

In addition to the services provided by Manhattan Telecommunications to New Jersey consumers, Manhattan Telecommunications' affiliates are authorized by the various state public service commissions to provide facilities-based and/or resold interexchange telecommunications services, and competitive local exchange services in 49 other states, the District of Columbia, Puerto Rico, and Canada, pursuant to certification, registration or tariff requirements, or on a deregulated basis.

Further information regarding Manhattan Telecommunications' legal, technical, financial and managerial qualifications to provide telecommunications service to consumers in New Jersey may be found in Manhattan Telecommunications' initial application for the NJ CPCN as a matter of public record. Manhattan Telecommunications respectfully requests that the Board take official notice of the information contained in the New Jersey application and incorporate it herein for reference.

II. DESIGNATED CONTACTS

Questions, correspondence or other communications concerning this filing should be directed to:

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with a copy for Manhattan Telecommunications:

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and:

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III. DESCRIPTION OF THE FINANCING ARRANGEMENTS

MetTel Holding, and all of its direct and indirect subsidiaries, including Manhattan Telecommunications, will enter into a Third Amended and Restated Credit Agreement (the "Agreement") with certain of such subsidiaries (other than Manhattan Telecommunications) (collectively, the "Borrowers") also entering into a related Security Agreement with JPMorgan Chase Bank, N.A. ("JP Morgan"). JP Morgan shall serve as the Administrative Agent under the Agreement for a series of lenders. MetTel Holding chose JP Morgan as Administrative Agent due to the company's well known and longstanding reputation and ability to provide favorable terms to Manhattan Telecommunications. Pursuant to the Agreement, MetTel Holding will receive a revolving credit facility of \$60,000,000 (with the ability to increase by up to an additional \$30,000,000, to \$90,000,000) and additional term loan capacity of up to \$40,000,000 under a Senior Secured Term Loan.

The obligations of the revolving credit facility and the additional term loan capacity shall be secured by a security interest in all of the assets of the Borrowers. While Manhattan Telecommunications will not be a Borrower under the Agreement, it will act as a Guarantor of MetTel Holding and the other Borrowers. As such, Manhattan Telecommunications will be jointly and severally

liable for the full amount of the proceeds of the credit facility and term loan. The proceeds of the credit facility will be used for general corporate purposes, dividends and/or acquisitions.

Manhattan Telecommunications' assets, including the NJ CPCN, will not be collateralized to secure the debt until the Board approves this Petition.

The Agreement is intended to sustain Manhattan Telecommunications' provisioning of competitive services and to enable Manhattan Telecommunications and its owners to improve the operational and cost efficiencies of its business. The transaction will directly benefit New Jersey consumers by facilitating the continued provision of innovative, high-quality telecommunications services to the public and thereby promoting competition in the New Jersey telecommunications market.

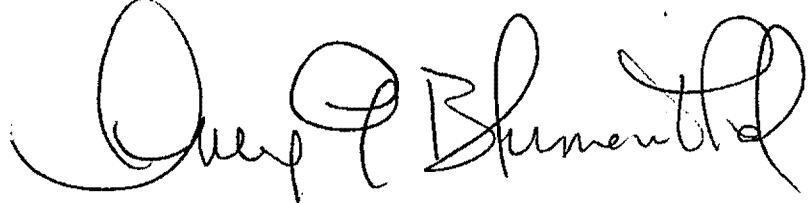
IV. PUBLIC INTEREST CONSIDERATIONS

Consummation of the Proposed Transaction will serve the public interest in promoting competition among telecommunications carriers by providing Manhattan Telecommunications with the opportunity to strengthen its competitive position by providing additional working capital and the ability to finance acquisitions to enhance the company's services. The financing arrangements are necessary and appropriate, will not impair Manhattan Telecommunications' ability to perform such services to the public, and will promote the corporate purposes of Petitioner. The Proposed Transaction will not involve an assignment of the NJ CPCN or a change in the day-to-day operations of the certificated company. In addition, there will be no change in the services offered to Manhattan Telecommunications' customers or the rates for Manhattan Telecommunications' regulated services. The transaction will be completely transparent to Manhattan Telecommunications' customers.

V. CONCLUSION

For the foregoing reasons, Petitioner submits that the public interest, convenience, and necessity would be furthered by grant of this Petition.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Amy J. Blumenthal". The signature is fluid and cursive, with a large initial "A" and "B".

Amy J. Blumenthal
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Counsel for Manhattan Telecommunications
Corporation of New Jersey

Dated: September 10, 2019