

March 18, 2020

VIA FEDERAL EXPRESS

Aida Camacho, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350

Re: I/M/O Verified Petition of PEG Bandwidth NJ, LLC for Approval to
Participate in Certain Financing Arrangements
Docket No. _____

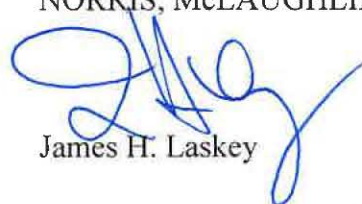
Dear Secretary Camacho:

Enclosed for filing on behalf of PEG Bandwidth NJ, LLC please find an original and 11 copies of a Verified Petition for approval for PEG Bandwidth NJ, LLC to participate in certain financing arrangements.

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, P.A.



James H. Laskey

JHL/lis
Enclosures

cc: Ben Witherell, Ph.D., Chief Economist
Lawanda Gilbert, Esq.
Stefanie A. Brand, Esq.

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

Verified Petition of

PEG Bandwidth NJ, LLC

for Approval to Participate in Certain Financing
Arrangements

Docket No. _____

VERIFIED PETITION

PEG Bandwidth NJ, LLC (“PEG NJ” or “Petitioner”), by undersigned counsel and pursuant to N.J.S.A. 48:3-7, N.J.S.A. 48:3-9, and the regulations of the Board of Public Utilities (“Board”), requests Board approval to participate in certain Financing Arrangements (as defined below).

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

I. DESCRIPTION OF THE PETITIONER

PEG NJ is a Delaware limited liability company and an indirect subsidiary of Uniti Group Inc., a publicly traded Maryland real estate investment trust (NASDAQ: UNIT). PEG NJ’s principal offices are located at 107 St. Francis Street, Suite 1800, Mobile, AL 36602.

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 *I/M/O Petition of PEG Bandwidth NJ, LLC for Approval to Provide Local Exchange and Interexchange Telecommunications Services throughout the State of New Jersey*, Docket No. TE12040317 (Order of Approval August 15, 2012). PEG NJ is also authorized by the Federal Communications Commission (“FCC”) to provide interstate telecommunications services.

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 various transactions including in Docket Nos. TM19050575, TF19091212 and TM19121534 and is therefore already a matter of public record.

II. DESIGNATED CONTACTS

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

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and:

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III. DESCRIPTION OF THE FINANCING ARRANGEMENTS

Petitioner seeks Board approval to be guarantors of certain financing arrangements of its corporate parent and affiliates and to pledge its assets as security of those financing arrangements. Specifically, Uniti Group Inc.'s subsidiaries Uniti Group LP, Uniti Fiber Holdings Inc., and CSL Capital, LLC (together, the "Issuers") have undertaken an offering of \$2.25 billion aggregate principal amount 7.875% senior secured notes due 2025 (the "Financing Arrangements"). The issuers are using the net proceeds of the Financing Arrangements to repay \$2.05 billion of outstanding borrowings. The Financing Arrangements are to be guaranteed on a

senior unsecured basis by Uniti Group Inc., and on a senior secured basis by each of Uniti Group Inc.'s subsidiaries, including Petitioner.¹ As such, Petitioner seeks approval to enter into or participate in Financing Arrangements in support of its corporate parents and affiliates consistent with the terms outlined below.

Aggregate Amount: Up to \$2.25 billion (the "Aggregate Amount").

Debt Instruments: Senior secured notes.

Maturity: The Financing Arrangements are intended to mature in 2025.

Interest Rate: 7.875%.

Guarantees and Security: Petitioner seeks authority to participate as guarantor or co-guarantor in Financing Arrangements up to the Aggregate Amount, and to pledge its assets as security of the Financing Arrangements.

Purpose: The Financing Arrangements will be used to repay \$2.05 billion of outstanding debt, and for other purposes such as acquisitions, working capital requirements (including the development and expansion of distributed network systems), and general corporate purposes of Petitioner and its affiliates and subsidiaries.

Accordingly, Petitioner requests Board authorization to participate in Financing Arrangements, as a borrower, co-borrower, guarantor or co-guarantor and by pledging its assets as security for Financing Arrangements with terms materially consistent with those outlined above. These Financing Arrangements that are the subject of this Petition do not replace or affect the intercompany financing arrangements for which Petitioner previously obtained authority from the Board.²

IV. PUBLIC INTEREST CONSIDERATIONS

Approval for Petitioner to participate in Financing Arrangements will serve the public interest. Among other things, the Financing Arrangements will be used to repay existing debt,

¹ Uniti Group Inc., Uniti Group LP, Uniti Fiber Holdings Inc. or CSL Capital, LLC are not telecommunications carriers, do not provide telecommunications services, and do not hold telecommunications licenses in any jurisdiction.

² See Docket No. TF19091212.

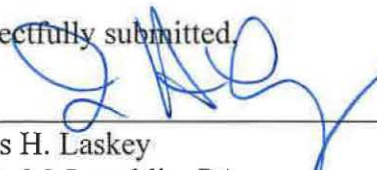
and may otherwise be used to fund some or all of the purchase price from future acquisitions, to support strategic growth initiatives, to provide for ongoing working capital, and for other corporate purposes. The Financing Arrangements will also provide access to greater financial resources that will allow Uniti Group Inc. and its current and future subsidiaries, including PEG NJ, to become more effective competitors in the communications industry. The Financing Arrangements are necessary and appropriate, will not impair PEG NJ's ability to provide its services, and will promote its corporate purposes. The Financing Arrangements will be transparent to PEG NJ's customers and will not disrupt service or cause customer confusion or inconvenience.

Petitioner recognizes that Board consideration of matters coming before it has been affected by the measures being taken to counter the spread of the COVID-19 virus. Petitioner will cooperate with the Board and Rate Counsel to facilitate the review of this petition in the most expeditious means possible, taking into account the extraordinary circumstances at the present time.

V. CONCLUSION

For the foregoing reasons, Petitioner submits that the public interest, convenience and necessity would be furthered by grant of this Petition permitting the Petitioner to participate in the Financing Arrangements described above.

Respectfully submitted,



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Dated: March 18, 2020

VERIFICATION

STATE OF MARYLAND
COUNTY OF MONTGOMERY

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VERIFICATION

I, Jeffrey R. Strenkowski, state that I am the Vice President and Deputy General Counsel of Governmental Affairs of Uniti Group Inc. ("Uniti"); that I am authorized to make this Verification on behalf of Uniti and its subsidiaries (collectively, the "Company"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.



Jeffrey R. Strenkowski
Vice President, Deputy General Counsel of
Governmental Affairs
Uniti Group Inc.

Sworn and subscribed before me this 28 day of February, 2020.


Notary Public

My commission expires 07/27/2020

