

June 1, 2020

VIA E-FILING

Aida Camacho-Welch, Secretary
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, New Jersey 08625

Re: In the Matter of Verified Joint Petition of PEG Bandwidth NJ, LLC for
Approval to Participate in Certain Financing Arrangements
Docket No. Docket No. TF20030257

Dear Secretary Camacho-Welch:

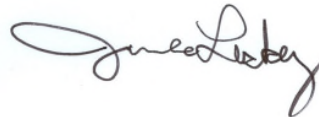
Enclosed for filing on behalf of the Petitioner is a Motion to amend the approval granted by the Board on May 20, 2020.

Should Staff conclude that a new petition is preferable to this motion, Petitioner will refile the motion as a Petition. However, for the reasons explained in the motion, Petitioner has concluded that this motion was the best way to bring the matter to the Board's attention.

Please acknowledge receipt of this cover letter and motion in accordance with the e-filing procedures approved by the Board on March 19, 2020.

Very truly yours,

NORRIS McLAUGHLIN, P.A.



James H. Laskey

Enclosures

cc: Lawanda Gilbert, Esq.
Rocco Della Serra
Christine Lin
Stefanie A. Brand, Esq.
Maria Novas-Ruiz, Esq.

Pamela Owen, 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. TF20030257

MOTION TO AMEND APPROVAL

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 that the Board amend its approval for Petitioner to participate in the 2025 Notes (as defined below), which was approved by the Board’s May 20, 2020 order in Docket No. TF20030257 (the “*May 2020 Approval*”), to include approval to participate in Additional Financing Arrangements (as defined below).

In support, 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 Board (“FCC”) to provide interstate telecommunications services.

Additional information concerning PEG NJ's technical, managerial and financial qualifications has 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:

James H. Laskey
Norris McLaughlin, PA
400 Crossing Blvd, 8th Floor
Bridgewater, New Jersey 08807-5933
908-252-4221 (tel)
908-722-0755 (fax)
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with a copy to:

Ronald W. Del Sesto, Jr.
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stephany.fan@morganlewis.com

and:

Jeffrey R. Strenkowski
Vice President, Deputy General Counsel of
Governmental Affairs
Uniti Group Inc.
10802 Executive Center Drive, Suite 300
Little Rock, AR 72211
jeffrey.strenkowski@uniti.com

III. DESCRIPTION OF THE FINANCING ARRANGEMENTS

Effective May 30, 2020, Petitioner's Petition to be a guarantor or co-guarantor for \$2.25 billion aggregate principal amount 7.875% senior secured notes due 2025 (the "2025 Notes") and to pledge its assets as security for the 2025 Notes was approved in the *May 2020 Approval*. This approval directed Petitioner to notify the Board, within five business days, of any material changes in the proposed financing and to provide complete details of such transactions, including

any anticipated effects upon service in New Jersey. By this Motion, Petitioner provides the required notice and requests that the Board amend the *May 2020 Approval* to authorize Petitioner also to be a guarantor or co-guarantor, and to pledge its assets as security, for the following additional existing financing arrangements of its corporate parent and affiliates in an aggregate principal amount of \$3.180 billion (collectively, the “Additional Financing Arrangements”):¹

Borrower/Issuer: Uniti Group LP, Uniti Group Finance 2019 Inc. & CSL Capital, LLC
Principal Amount: Up to \$575 million
Debt Instruments: Revolving Credit Facilities
Maturity: April 24, 2022
Interest Rate: LIBOR + Applicable Rate (4.75% - 5.25%)

Borrower/Issuer: Uniti Group LP, Uniti Group Finance 2019 Inc. & CSL Capital, LLC
Principal Amount: \$550 million
Debt Instruments: Senior Secured Notes
Maturity: April 15, 2023
Interest Rate: 6.00%

Borrower/Issuer: Uniti Group LP, Uniti Group Finance 2019 Inc. & CSL Capital, LLC
Principal Amount: \$1,110 million
Debt Instruments: Senior Unsecured Notes
Maturity: October 15, 2023
Interest Rate: 8.25%

Borrower/Issuer: Uniti Group LP, Uniti Fiber Holdings Inc. & CSL Capital, LLC
Principal Amount: \$600 million
Debt Instruments: Senior Unsecured Notes
Maturity: October 15, 2023
Interest Rate: 7.125%

Borrower/Issuer: Uniti Fiber Holdings Inc.
Principal Amount: \$345 million
Debt Instruments: Senior Unsecured Notes
Maturity: June 15, 2024
Interest Rate: 4.0%

¹ The Additional Financing Arrangements and 2025 Notes did not replace or affect the intercompany financing arrangements for which Petitioner previously obtained authority from the Board. See Docket No. TF19091212.

The 2025 Notes and Additional Financing Arrangements (together, the “Financing Arrangements”) were, or may be, used to repay 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 that the Board amend its *May 2020 Approval* to allow Petitioner to participate, as a guarantor or co-guarantor and by pledging its assets as security for the Additional Financing Arrangements.

IV. PUBLIC INTEREST CONSIDERATIONS

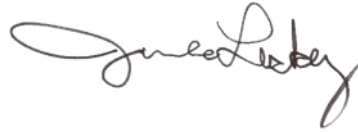
Amending the *May 2020 Approval* to allow Petitioner also to participate in Additional Financing Arrangements will serve the public interest. Among other things, the Additional Financing Arrangements were used, in part, to repay existing debt, and may otherwise be used to fund some, or all, of the purchase price from future acquisitions, to support strategic growth initiatives, to provide for ongoing working capital, and for other corporate purposes. The Additional Financing Arrangements provide access to financial resources that will allow Uniti Group Inc. and its current and future subsidiaries, including Petitioner, to become more effective competitors in the communications industry. Petitioner’s participation in the Additional Financing Arrangements is necessary and appropriate, will not impair Petitioner’s ability to provide its services, and will promote its corporate purposes. Petitioner’s participation in the Additional Financing Arrangements will be transparent to Petitioner’s customers and will not disrupt service or cause customer confusion or inconvenience.

V. CONCLUSION

For the foregoing reasons, Petitioner submits that the public interest, convenience and necessity would be furthered by grant of this Motion and for the Board to amend its *May 2020*

Approval and permit the Petitioner also to participate in the Additional Financing Arrangements described above.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James Laskey". The signature is fluid and cursive, with the first name "James" being more prominent than the last name "Laskey".

James Laskey
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jlasky@norris-law.com

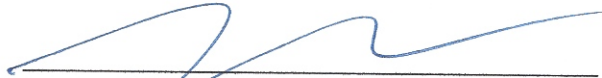
Dated: June 1, 2020

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.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Executed this 28th day of May, 2020.



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