

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

I/M/O Verified Joint Petition of
PEG Bandwidth NJ, LLC, Seller
and
Everstream Solutions LLC, Purchaser,
For Approval for Seller to Transfer Certain
Assets to Purchasers

Docket No. _____

JOINT PETITION

PEG Bandwidth NJ, LLC (the “Seller”) and Everstream Solutions LLC (“Everstream”) (the “Purchaser”) (together with Seller, “Petitioners”) respectfully request approval by the Board of Public Utilities (“Board”), to the extent required pursuant to N.J.S.A. 48:3-7, for Seller to transfer certain fiber optic assets to Purchasers (the “Transaction”).

Seller and the Purchaser entered into an Asset Purchase Agreement on October 20, 2020 (the “Agreement”). Pursuant to the Agreement, Purchaser will acquire from Seller discrete customer contracts and the telecommunications equipment associated with such customer contracts in a number of states including New Jersey. Upon consummation of the Transaction, Everstream will hold the customer contracts and the associated telecommunications equipment used to serve customers in New Jersey. Everstream currently has a Petition for Approval to Provide Local Exchange and Interexchange Telecommunications Services throughout the State of New Jersey pending before the Board.¹

¹ See, Docket No. TE20100653, *I/M/O of the Petition for Everstream Solutions LLC for Approval to Provide Local Exchange and Interexchange Telecommunications Services throughout the State of New Jersey*.

In support of this filing, Petitioners provide the following information:

I. DESCRIPTION OF THE PETITIONERS

A. Seller

PEG Bandwidth NJ, LLC is a Delaware limited liability company headquartered at 107 St. Francis Street, Suite 1800, Mobile, Alabama 36602, and is a subsidiary of Uniti Group Inc. (“Uniti Group” and together with its subsidiaries, “Uniti”), a Maryland corporation headquartered at 10802 Executive Center Drive, Suite 300, Little Rock, Arkansas 72211. Uniti Group is a publicly traded real estate investment trust (NASDAQ: UNIT) that engages in the acquisition and construction of infrastructure utilized by the communications industry. Uniti Group does not provide telecommunications services in its own right. It owns and operates a number of licensed telecommunications providers in the District of Columbia and a number of states. The Board authorized PEG Bandwidth NJ, LLC to provide facilities-based and resold telephone service with authority to provide local exchange service in the State of New Jersey.²

B. Purchasers

Everstream is an Ohio limited liability company headquartered at 1228 Euclid Ave, #250, Cleveland, OH 44115. Everstream holds domestic and international Section 214 authorization as well as certificates to provide intrastate telecommunications services in Ohio and Missouri and has applications pending for authorization to provide intrastate telecommunications services in Delaware, Maryland, New Jersey, New York, Pennsylvania, and West Virginia. Everstream is affiliated with (i) Everstream GLC Holding Company LLC (“Everstream GLC”), which holds domestic and international Section 214 authorizations (File Nos. ITC-214-19970116-00027 as

² The Board authorized PEG Bandwidth NJ, LLC to provide facilities-based and resold telephone service with authority to provide local exchange service 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).

assigned in IB File No. ITC-ASG-20160426-00157) and holds certificates to provide intrastate telecommunications services in Illinois, Indiana, Michigan, and Wisconsin, (ii) Lynx Network Group, Inc. (“Lynx”), which holds domestic Section 214 authority and holds a certificate to provide intrastate telecommunications services in Michigan, and (iii) HRS Internet, LLC (“HRS Internet”), which holds domestic and international Section 214 authorizations (File No. ITC-214-20080612-00268) and holds a certificate to provide intrastate telecommunications services in Indiana.

Everstream Solutions is a wholly owned subsidiary of Midwest Fiber Acquisition LLC (“Midwest”), a Delaware limited liability company. Midwest, through Everstream Solutions and its affiliates, is a super-regional network service provider bringing fiber-based Ethernet, internet and data center solutions to businesses throughout the Midwest. The company has more than 10,000 route miles and comprehensive data center connectivity at 100 Gbps. Its network allows businesses to operate a converged IP network capable of delivering robust voice and data services at speeds from 10 Mbps to 100 Gbps.

Midwest is owned by Midwest Fiber Holdings LP, and is ultimately indirectly owned by four limited partnerships organized in Luxembourg (AMP Capital Global Infrastructure Fund II A LP, AMP Capital Global Infrastructure Fund II B LP, AMP Capital Global Infrastructure Fund II C LP, and AMP Capital Global Infrastructure Fund II E LP), collectively referred to as GIF II. Between Midwest Fiber Holdings LP and GIF II, there are a number of intervening entities in the ownership chain (Midwest Fiber Intermediate US LP, Midwest Fiber Midco LP and GIF II US Aggregator LP). For each of the limited partnership entities in this chain, as well as for the four Luxembourg limited partnerships referenced above, the general partner is AMP Capital Investors (GIF II GP) S.à.r.l., a Luxembourg company.

AMP Capital Investors (GIF II GP) S.à.r.l. is indirectly owned by AMP Capital Holdings Limited (“AMP Capital”) which is a global investment manager headquartered in Australia, with a growing international presence, including in North America. AMP Capital has a heritage and strength in infrastructure and real estate, and specialist expertise in fixed income, equities and multi-asset solutions. AMP Capital is a downstream subsidiary of AMP Limited, one of Australia’s largest retail and corporate pension providers.

II. CONTACTS

Questions or any correspondence, orders, or other materials pertaining to this filing should be directed to the following.

On behalf of Joint Petitioners:

James H. Laskey
Norris McLaughlin, PA
400 Crossing Blvd, 8th Floor
Bridgewater, New Jersey 08807-5933
908-252-4221 (tel)
908-722-0755 (fax)
jlasky@norris-law.com

With copies to:

Ronald W. Del Sesto, Jr.
Danielle Burt
Stephany Fan
Morgan Lewis & Bockius LLP
1111 Pennsylvania Ave., N.W.
Washington, DC 20004
202-739-3000 (tel)
202-739-3001 (fax)
ronald.delsesto@morganlewis.com
danielle.burt@morganlewis.com
stephany.fan@morganlewis.com

With a copy to Seller:

Jeffrey R. Strenkowski
Vice President, Deputy General
Counsel of Governmental Affairs
Uniti Group Inc.
10802 Executive Center Drive,
Benton Building, Suite 300,
Little Rock, Arkansas 72211
301-774-0461 (tel)
jeffrey.strenkowski@uniti.com

With a copy to Purchaser:

Brett Lindsey
Everstream Solutions LLC
1228 Euclid Ave #250
Cleveland, OH 44115
brett.lindsey@everstream.net

III. BACKGROUND AND DESCRIPTION OF THE TRANSACTION

Seller and Purchaser entered into the Agreement whereby Purchaser will acquire, along with other things, certain customer contracts and the associated telecommunications equipment used to provision the services or facilities to the affected customers (the “Acquired Assets”). The Acquired Assets include certain customers and assets of Seller located in New Jersey. None of the affected customers are residential end users; instead, all customers are either other carriers or enterprises. The Acquired Assets also include certain unregulated assets that Purchaser will acquire from Seller.

The Transaction will not interfere with the ability of PEG Bandwidth NJ, LLC to continue to provide services to its other customers in New Jersey. PEG Bandwidth NJ, LLC will retain significant assets including those used to provide communications services to other customers in New Jersey. Further, the Transaction will allow Uniti to realize operational and other efficiencies and to obtain additional capital in support of its remaining operations further strengthening PEG Bandwidth NJ, LLC’s position in the marketplace.

As referenced above, all of the transferring customer contracts are either other carriers or enterprises that currently receive services from PEG Bandwidth NJ, LLC. These carrier and enterprise customers are sophisticated consumers of high-capacity telecommunications services with contracts that dictate the assignment or transfer of services to other telecommunications service providers. Customers will be advised (and in some cases consent will be requested) prior to the transfer of services from Seller to Everstream. All customers will continue to receive their services over the same facilities as they do today, and will not suffer any adverse consequences as a result of the Transaction.

IV. PUBLIC INTEREST CONSIDERATIONS

Petitioners respectfully submit that the proposed Transaction serves the public interest. PEG Bandwidth NJ, LLC, Uniti Group and Uniti will gain important operational efficiencies and enhance their capital position as a result of the Transaction. Everstream will obtain valuable assets in New Jersey allowing it to provide robust, facilities-based services on a competitive basis to New Jersey consumers enhancing consumer welfare. Customers affected by the Transaction will continue to receive services over the same facilities as they do today. Thus, the Transaction will enhance, and not diminish, customers' welfare.

V. CONCLUSION

WHEREFORE, for the reasons set forth above, Petitioners request the Board grant all authority necessary for Seller to transfer certain fiber assets to Purchasers as described herein.

Respectfully submitted,

James H. Laskey
Norris McLaughlin, PA
400 Crossing Blvd, 8th Floor
Bridgewater, New Jersey 08807-5933
908-252-4221 (tel)
908-722-0755 (fax)
jlasky@norris-law.com

Counsel for Joint Petitioners

Dated: November 4, 2020

VERIFICATIONS

VERIFICATION

I, Brett Lindsey, state that I am the Chief Executive Officer of Everstream Solutions LLC (“Everstream”); that I am authorized to make this Verification on behalf of Everstream; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Everstream 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 30 day of October, 2020.

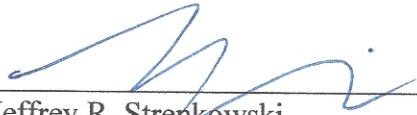

Brett Lindsey
Chief Executive Officer
Everstream Solutions LLC

STATE OF MARYLAND
COUNTY OF MONTGOMERY

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VERIFICATION

I, Jeffrey R. Strenkowski, hereby declare that I am the Vice President, Deputy General Counsel of Governmental Affairs of Uniti Group, Inc.; that I am authorized to make this Verification on behalf of Uniti Group, Inc. and its subsidiaries, including PEG Bandwidth NJ, LLC; that the foregoing filing was prepared under my direction and supervision; and that the contents 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 26th day of October, 2020.



Notary Public

My commission expires 07/27/2024

SERGIO LEMUS
NOTARY PUBLIC
MONTGOMERY COUNTY
MARYLAND
MY COMMISSION EXPIRES 07/27/2024