

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

Verified Amended Petition of

**PEG Bandwidth NJ, LLC**  
and  
**Uniti National LLC**

for Approval to Participate in Certain Financing  
Arrangements

Docket No. TF23030156

**AMENDED VERIFIED PETITION**

PEG Bandwidth NJ, LLC (“PEG NJ”) and Uniti National LLC (“Uniti National”) (together, the Petitioners”), 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 new Financing Arrangements and the 2023 Modified Revolving Credit Facilities (both as defined below).

In support of this Amended Petition, Petitioners provide the following information:

**I. DESCRIPTION OF THE PETITIONERS**

PEG NJ and Uniti National are Delaware limited liability companies and indirect subsidiaries of Uniti Group Inc., a publicly traded Maryland real estate investment trust (NASDAQ: UNIT). Uniti Group is a publicly traded real estate investment trust that engages in the acquisition and construction of infrastructure utilized by the communications industry. PEG NJ’s and Uniti National’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), and Uniti National is authorized to provide competitive local exchange and interexchange telecommunications services pursuant to authority granted in *I/M/O Petition of Uniti National LLC for Approval to Provide Competitive Local Exchange and Interexchange Telecommunications Services throughout the State of New Jersey*, Docket No. TE20100663 (Order of Approval January 27, 2021). PEG NJ is also authorized by the Federal Communications Board (“FCC”) to provide interstate telecommunications services.

Additional information concerning Petitioners’ technical, managerial and financial qualifications have been submitted to the Board as part of Uniti National’s certification application in Docket No. TE20100663, 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)  
[jlaskey@norris-law.com](mailto:jaskey@norris-law.com)

with a copy to:

Ronald W. Del Sesto, Jr.  
Stephany Fan  
Morgan, Lewis & Bockius LLP  
1111 Pennsylvania Avenue, N.W.  
Washington, DC 20004  
202-739-3000 (tel)  
202-739-3001 (fax)  
[ronald.delsesto@morganlewis.com](mailto:ronald.delsesto@morganlewis.com)  
[stephany.fan@morganlewis.com](mailto:stephany.fan@morganlewis.com)

and:

Jeffrey R. Strenkowski  
Vice President, Deputy General Counsel of  
Governmental Affairs  
Uniti Group Inc.  
2101 Riverfront Drive, Suite A  
Little Rock, AR 72202.  
[jeffrey.strenkowski@uniti.com](mailto:jeffrey.strenkowski@uniti.com)

### **III. DESCRIPTION OF THE FINANCING ARRANGEMENTS**

Petitioners seek Board approval to participate as guarantors or co-guarantors and to pledge their assets as security for certain new financing arrangements of their corporate parent and affiliates. Specifically, Uniti Group’s subsidiaries Uniti Group LP, Uniti Fiber Holdings Inc., Uniti Group Finance 2019 Inc, and CSL Capital, LLC (together, the “Issuers”) have completed an offering of \$2.6 billion aggregate principal amount of 10.50% senior secured notes due 2028 (the “Financing Arrangements”).<sup>1</sup> The Issuers used the net proceeds from Financing Arrangements to fund the redemption in full of the existing 7.875% senior secured notes due 2025, including related premiums, fees and expenses in connection with the foregoing.

The Financing Arrangements will be guaranteed on a senior unsecured basis by Uniti Group, and on a senior secured basis by each of Uniti Group LP’s subsidiaries, including Petitioners, that is an issuer, obligor or guarantor under Uniti Group’s senior secured credit facilities and existing secured notes.<sup>2</sup> As such, Petitioners seek approval to enter into or participate

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<sup>1</sup> These Financing Arrangements did not replace or affect the separate financing arrangements for \$306.5 million aggregate principal amount of 7.50% convertible senior notes due 2027 described in Petitioners’ pending Petition in Docket No. TF23010054.

<sup>2</sup> Uniti Group Inc., Uniti Group LP, Uniti Group Finance 2019 Inc., and CSL Capital, LLC are not telecommunications carriers, do not provide telecommunications services, and do not hold telecommunications licenses in any jurisdiction.

in Financing Arrangements in support of their corporate parents and affiliates consistent with the terms outlined below.

**Aggregate Principal Amount:** \$2.6 billion (the “Aggregate Amount”).

**Debt Instruments:** Senior unsecured notes.

**Maturity:** The notes will mature on February 15, 2028.

**Interest Rate:** 10.50%.

**Guarantees and Security:** Petitioners seek authority to participate as guarantor or co-guarantor in Financing Arrangements up to the Aggregate Amount, and to pledge their assets as security of the Financing Arrangements.

**Purpose:** The Issuers used the net proceeds to fund the redemption in full of the existing 7.875% senior secured notes due 2025, including related premiums, fees and expenses in connection with the foregoing. The remaining net proceeds may be used for general corporate purposes, which may include the repurchase or repayment of other outstanding debt.

Accordingly, Petitioners request Board authorization to participate as guarantors or co-guarantors and to pledge their assets as security for the Financing Arrangements with terms materially consistent with those outlined above.

In addition, Petitioners request authority to modify the terms of its revolving credit facilities that are a component of the Additional Financing Arrangements (defined below) previously deemed approved by the Board. Effective May 30, 2020, PEG NJ’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 Board’s May 20, 2020 order in Docket No. TF20030257. Effective September 3, 2020, PEG NJ’s Petition to be a guarantor or co-guarantor, and to pledge its assets as security, for additional financing arrangements of its corporate parent and affiliates in an aggregate principal amount of \$3.180 billion at varying maturity and interest rates was approved in the Board’s August 24, 2020 order in Docket No. TF20070480 (the “Additional Financing Arrangements”). Effective April 17, 2021, the Petition to request that the Board authorize Petitioners to enter into certain

modifications to the revolving credit facilities that are one component of the Additional Financing Arrangements (the “2020 Modified Revolving Credit Facilities”) was approved in the Board’s April 17, 2021, order in Docket No. TF20120748.

By this Amended Petition, Petitioners request that the Board authorize Petitioners to enter into certain modifications to the 2020 Modified Revolving Credit Facilities (the “2023 Modified Revolving Credit Facilities”).<sup>3</sup> Specifically, Petitioners seek authority to modify the terms of its revolving credit facilities that are a component of the Additional Financing Arrangements previously deemed approved by the Board. Specifically, Petitioners seek to lengthen the maturity of the revolving credit facility.

The material terms of the modified revolving credit facilities previously approved are as follows:

<b>Borrower/Issuer:</b>	Uniti Group LP, Uniti Group Finance 2019 Inc. & CSL Capital, LLC
<b>Principal Amount:</b>	Up to \$500 million
<b>Debt Instruments:</b>	Revolving Credit Facilities
<b>Maturity:</b>	December 10, 2024
<b>Interest Rate:</b>	LIBOR + Applicable Rate (3.75% - 4.5%) for continuing loans and future drawdowns; and 0.40% to 0.50% for certain unused lines of credit

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<sup>3</sup> The 2023 Modified Revolving Credit Facilities did not replace or affect the separate financing arrangements for \$306.5 million aggregate principal amount of 7.50% convertible senior notes due 2027 described in Petitioners’ pending Petition in Docket No. TF23010054, or the separate financing arrangements for \$2.6 billion aggregate principal amount of 10.50% senior secured notes due 2028 described above.

By this Amended Petition, Petitioners seek authority to again modify the revolving credit facilities as follows:

<b>Borrower/Issuer:</b>	Uniti Group LP, Uniti Group Finance 2019 Inc. & CSL Capital, LLC
<b>Principal Amount:</b>	Up to \$500 million
<b>Debt Instruments:</b>	Revolving Credit Facilities
<b>Maturity:</b>	September 24, 2027
<b>Interest Rate:</b>	Secured Overnight Financing Rate (“SOFR”) plus 0.1% plus Applicable Rate (3.75% to 4.50%) for continuing loans and future drawdowns; and 0.40% to 0.50% for certain unused lines of credit

The remainder of the debt encumbrances deemed approved by operation of law on July 13, 2020, remain in place and are unaffected by this instant Amended Petition.

The purposes for, and uses of, the 2023 Modified Revolving Credit Facilities remain the same as previously identified when securing approval for the Additional Financing Arrangements and the 2020 Modified Revolving Credit Facilities. Petitioners will continue to use the 2023 Modified Revolving Credit Facilities 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 Petitioners and their affiliates and subsidiaries. Accordingly, Petitioners request that the Board authorize Petitioners to participate in the 2023 Modified Revolving Credit Facilities as described in this Amended Petition.

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

Approval for Petitioners to participate in Financing Arrangements will serve the public interest. The Financing Arrangements were used to repurchase a portion of outstanding debt and to pay related fees and expenses. The Financing Arrangements will benefit the financial condition of Uniti Group Inc. and its current and future subsidiaries, including PEG NJ and Uniti National, and allow them to become more effective competitors in the communications industry. The Petitioners’ participation in the Financing Arrangements are necessary and appropriate, will not

impair Petitioners' ability to provide their services, and will promote their corporate purposes. Their participation in the Financing Arrangements will be transparent to Petitioners' customers and will not disrupt service or cause customer confusion or inconvenience.

In addition, approving this Amended Petition to allow Petitioners to obtain more beneficial terms and participate in the 2023 Modified Revolving Credit Facilities will serve the public interest. Among other things, the 2023 Modified Revolving Credit Facilities will authorize Petitioners to continue to use such credit lines, in part, to repay existing debt, and otherwise to fund some, or all, of the purchase price of future acquisitions, to support strategic growth initiatives, to provide for ongoing working capital, and for other corporate purposes. The 2023 Modified Revolving Credit Facilities allow Petitioners to do so on more favorable terms providing access to financial resources that will allow Uniti Group Inc. and its current and future subsidiaries, including Petitioners, to become more effective competitors in the communications industry. Petitioners' participation in the 2023 Modified Revolving Credit Facilities is necessary and appropriate, will not impair Petitioners' ability to provide their services, and will promote their corporate purposes. Petitioners' participation in the 2023 Modified Revolving Credit Facilities will be transparent to their customers and will not disrupt service or cause customer confusion or inconvenience.

V. **CONCLUSION**

For the foregoing reasons, Petitioners submit that the public interest, convenience and necessity would be furthered by grant of this Amended Petition permitting the Petitioners to participate in the Financing Arrangements and the 2023 Modified Revolving Credit Facilities described above.

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](mailto:jlasky@norris-law.com)

Dated: April 12, 2023



## VERIFICATION

I, Jeffrey R. Strenkowski, state that I am the Vice President and Deputy General Counsel of Governmental Affairs of Uniti Group Inc. (“Uniti Group”); that I am authorized to make this Verification on behalf of Uniti Group 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 31<sup>st</sup> day of March, 2023.



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