



THOMAS, NIESEN & THOMAS, LLC

Attorneys and Counsellors at Law

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August 29, 2014

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, PA 17105-3265

In Re: Joint General Rule Application of Cavalier Telephone Mid-Atlantic, LLC, Intellifiber Networks, Inc., LDMI Telecommunications, Inc., McLeodUSA Telecommunications Services, LLC, PAETEC Communications, Inc., Talk America, Inc., US LEC of Pennsylvania, LLC, Windstream Communications, Inc., Windstream D&E Systems, Inc., Windstream KDL, Inc., Windstream Norlight, Inc. and Windstream NTI, Inc. for Approval of the Transfer of Telephone System Assets

Dear Secretary Chiavetta:

We are counsel to Cavalier Telephone Mid-Atlantic, LLC, Intellifiber Networks, Inc., LDMI Telecommunications, Inc., McLeodUSA Telecommunications Services, LLC, PAETEC Communications, Inc., Talk America, Inc., US LEC of Pennsylvania, LLC, Windstream Communications, Inc., Windstream D&E Systems, Inc., Windstream KDL, Inc., Windstream Norlight, Inc. and Windstream NTI, Inc. and are enclosing for filing their Joint General Rule Application pursuant to the Abbreviated Procedures for Review and Approval of Transfer of Control of Telecommunications Public Utilities, 52 Pa. Code Section 63.321, *et seq.* The Joint General Rule Application seeks those approvals necessary for a proposed transfer of competitive telecommunications assets as presented therein. Our check in the amount of \$350.00 in payment of the filing fee will be delivered to the Filing Office later today. Please contact me with any questions concerning this matter.

Very truly yours,

THOMAS, NIESEN & THOMAS, LLC

By

Thomas T. Niesen

Enclosure

cc: Certificate of Service (w/encl.)
Cesar Caballero, Esq. (w/encl.)
Jeanne Shearer (w/encl.)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint General Rule Application of	:	Docket No.
Cavalier Telephone Mid-Atlantic, LLC,	:	
Intellifiber Networks, Inc., LDMI	:	
Telecommunications, Inc., McLeodUSA	:	
Telecommunications Services, LLC,	:	
PAETEC Communications, Inc., Talk	:	
America, Inc., US LEC of Pennsylvania,	:	
LLC, Windstream Communications, Inc.,	:	
Windstream D&E Systems, Inc.,	:	
Windstream KDL, Inc., Windstream	:	
Norlight, Inc. and Windstream NTI, Inc.	:	
(hereinafter referred to, collectively, as	:	
“Transferors”) for approval of the	:	
transfer of telephone system assets of	:	
Transferors to Communications Sales and	:	
Leasing, Inc. (hereinafter referred to as	:	
“Transferee”)	:	

JOINT GENERAL RULE APPLICATION OF CAVALIER TELEPHONE MID-ATLANTIC, LLC, INTELLIFIBER NETWORKS, INC., LDMI TELECOMMUNICATIONS, INC., MCLEODUSA TELECOMMUNICATIONS SERVICES, LLC, PAETEC COMMUNICATIONS, INC., TALK AMERICA, INC., US LEC OF PENNSYLVANIA, LLC, WINDSTREAM COMMUNICATIONS, INC., WINDSTREAM D&E SYSTEMS, INC., WINDSTREAM KDL, INC., WINDSTREAM NORLIGHT, INC. AND WINDSTREAM NTI, INC.

TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

THIS JOINT GENERAL RULE APPLICATION (“Joint Application”) is filed by Cavalier Telephone Mid-Atlantic, LLC, Intellifiber Networks, Inc., LDMI Telecommunications, Inc., McLeodUSA Telecommunications Services, LLC, PAETEC Communications, Inc., Talk

America, Inc., US LEC of Pennsylvania, LLC, Windstream Communications, Inc., Windstream D&E Systems, Inc., Windstream KDL, Inc., Windstream Norlight, Inc. and Windstream NTI, Inc. (“Transferors” are sometimes referred to herein, collectively, as the “Joint Applicants”) pursuant to Subchapter O – Abbreviated Procedures for Review and Approval of Transfer of Control for Telecommunications Public Utilities, 52 Pa. Code § 63.321, *et seq.*

Joint Applicants seek the issuance of Certificate[s] of Public Convenience pursuant to Sections 1102 and 1103 of the Pennsylvania Public Utility Code, 66 Pa.C.S. §§1102 and 1103, and the Abbreviated Procedures for Review and Approval of Transfer of Control For Telecommunications Public Utilities, 52 Pa. Code § 63.324, and all other approvals, certificates, registrations and relief of the Public Utility Commission (“Commission”), if any, approving the transfer of telecommunications system assets of Transferors to Transferee as presented herein.

The transfer of assets presented herein is *solely* a transfer of competitive telecommunications assets. Transferee is not seeking nor will it require telecommunications service authority as the Transferee of assets from Transferors. Transferors will not abandon any of their respective Pennsylvania telecommunications service authority. No change in Pennsylvania rates, service or tariffs will occur as a result of the transaction presented herein.

Joint Applicants desire regulatory approval as soon as practicable and request that the Commission grant the relief sought herein as expeditiously as possible.

I. REQUIRED INFORMATION FOR GENERAL RULE APPLICATION PURSUANT TO 52 PA. CODE § 63.324(d)

1. The Name, address and telephone number of each party or applicant to the transaction.

Cavalier Telephone Mid-Atlantic, LLC
Intellifiber Networks, Inc
LDMI Telecommunications, Inc.
McLeodUSA Telecommunications Services, LLC
PAETEC Communications, Inc.
Talk America, Inc.
US LEC of Pennsylvania, LLC
Windstream Communications, Inc.
Windstream D&E Systems, Inc.
Windstream KDL, Inc.
Windstream Norlight, Inc.
Windstream NTI, Inc.
4001 Rodney Parham Road
Little Rock, AR 72212
Tel.: (501) 748-7000

2. The Government, state or territory under the laws of which each corporate or partnership applicant to the transaction is organized.

Cavalier Telephone Mid-Atlantic, LLC is a Delaware limited liability company.
Intellifiber Networks, Inc is a Virginia corporation.
LDMI Telecommunications, Inc. is a Michigan corporation.
McLeodUSA Telecommunications Services, LLC is an Iowa limited liability company.
PAETEC Communications, Inc. is a Delaware corporation.
Talk America, Inc. is a Pennsylvania corporation.
US LEC of Pennsylvania, LLC is a North Carolina limited liability company.
Windstream Communications, Inc. is a Delaware corporation.
Windstream D&E Systems, Inc. is a Delaware corporation.
Windstream KDL, Inc. is a Kentucky corporation.
Windstream Norlight, Inc. is a Kentucky corporation.
Windstream NTI, Inc. is a Wisconsin corporation.

3. The name, title, post office address and telephone number of the officer or contact point, including legal counsel in this Commonwealth, to whom correspondence concerning the transaction is to be addressed.

Thomas T. Niesen, Esquire
Charles E. Thomas, III, Esquire
Thomas, Niesen & Thomas, LLC
Suite 600, 212 Locust Street
Harrisburg, PA 17101
Tel.: 717-255-7600
tniesen@tntlawfirm.com
cet3@tntlawfirm.com

With a copy to:

Cesar Caballero, Esquire
Senior Regulatory Counsel
4001 Rodney Parham Road
Little Rock, AR 72212
Tel.: (501) 748-7142
cesar.caballero@windstream

4. The name, address, citizenship and principal place of business of any person, party or entity that directly or indirectly owns more than 20% of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest 1%).

Each of the Transferors is a direct or indirect subsidiary of Windstream Holdings, Inc. (“Holdings”), a publicly owned corporation. No person, party or entity owns directly or indirectly more than 20% of the equity of Holdings. Transferee is a business entity newly formed for the purpose of accomplishing the transaction described herein.

5. A summary description of the transaction.

The telecommunications industry continues to change dramatically due to rapidly increasing customer and business data needs and the entry of competition and technological advancements. Wireless, cable and over-the-top VoIP providers continue to expand their telecommunications offerings in today’s competitive environment. To address these changes and meet competitive challenges, Holdings, through its operating subsidiaries, has transformed over time from primarily a rural voice provider to an advanced communications and technology services company and continues to make strategic investments to provide enhanced services to its residential and business customers. To accelerate this ongoing transformation, further improve competitive position and anticipate customer needs, Transferors will participate in the multi-state transaction summarized herein (the “Transaction”).

The Transaction is a spin-off of certain telecommunications network assets into an independent, publicly traded real estate investment trust (“REIT”). In regard to Pennsylvania operations, the Transaction provides that certain fixed assets of the Transferors, including copper, fiber, real estate and other network assets (“Subject Assets”), will be transferred to Transferee, a newly established corporation.¹ Transferee will lease the transferred assets back to Holdings for the exclusive use and benefit of the Transferors under a long-term master lease that, at Holdings option, will be in effect for thirty-five years. Transferee will elect to operate as a REIT, and both Transferee and Holdings will thereafter be independent publicly traded companies.

Under the terms of the exclusive lease from Transferee, Transferors will be responsible for the operation and maintenance of the Subject Assets and will continue to have responsibility for quality of service standards and fulfillment of all regulatory obligations. Transferors will not abandon any of their existing operating authority. They will continue to offer telecommunications services in Pennsylvania.

Through the transfer and leaseback of assets summarized above, Holdings and its operating subsidiaries, including Transferors, will retire approximately \$3.2 billion in corporate debt. The enhanced leverage profile and improved discretionary free cash flow will enable Holdings and its operating subsidiaries, including Transferors, to invest more capital in strategic initiatives, better positioning them for long-term growth.

Exhibit 1 included with this Joint Application presents the steps of the Transaction in corporate diagram form.

6. A summary of the services and the service territories in this Commonwealth that will be affected by the transaction.

Transferors are competitive local exchange and/or interexchange carriers in the Commonwealth. The Transaction will be seamless for customers. No change in rates, scope or terms of service is proposed as a result of the Transaction.

7. A verified statement as to how the transaction fits into one or more of the categories subject to the general rule for notification.

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

¹ Transferors will not transfer other tangible assets, including central office switches, electronics, equipment used for maintenance and repair, and backend systems, such as routing, provisioning and billing systems.

8. Identification of other transactions related to the transaction.

In a transaction related to this Transaction, Transferors will transfer their residential customer base to a newly formed subsidiary of Transferee. Transferors will submit a separate Joint Application to the Commission in regard to the customer transfer.

9. A verified statement whether the transaction warrants special consideration because either party to the transaction is facing imminent business failure.

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

10. Identification of a separately filed waiver request sought in conjunction with the transaction.

No waiver is sought in conjunction with the Transaction.

11. A verified statement containing facts and allegations establishing:

(i) For a merger or similar transaction, how the transaction will affirmatively promote the service, accommodation, convenience, or safety of the public in some substantial way as required by State law.

(ii) Findings that approval for a transaction subject to 66 Pa.C.S. 1103(a) (relating to procedure to obtain certificates of public convenience) is necessary or proper for the service, accommodation, convenience, or safety of the public.

(iii) The impact of the transaction on competition.

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

12. A verified statement affirming that the applicant is in compliance with Commission obligations and filings and a listing of all State and Federal proceedings when:

(i) Within the 3-year period prior to filing the application, the applicant was found to have violated either State or Federal requirements.

(ii) Within the 3-year period prior to filing the application, the applicant is alleged to have violated either State or Federal requirements.

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 13. A verified statement affirming that customers received prior notice. Notice shall be accomplished using a notice approved by the Commission's Bureau of Consumer Services (BCS). Any disagreement between the applicant and BCS shall be addressed by an appeal from an action of staff mirroring the process in 5.44 (relating to petitions for appeal from actions of the staff) of the Commission's rules of practice and procedure.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 14. A verified statement containing a copy of any Commonwealth utility certificates held by the applicant.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 15. A verified statement on the effect of the transaction on existing Commonwealth tariffs. If applicable or in response to a request from staff, an applicant shall provide a red-line document identifying changes in existing Commonwealth tariffs before and after the transaction for which the applicant seeks approval from the Commission.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 16. A verified statement on the transaction's effect on the existing affiliate interest agreements of the applicant.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 17. A verified statement establishing that no State or Federal regulatory agency is expected to undertake an informal or formal investigation, complaint or proceeding relating to the transaction.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 18. Organizational charts showing the effect on the applicant's organization before and after the transaction.**

Pre – and Post – Transaction organizational charts are included as part of Exhibit 1.

- 19. A copy of the application filed at the FCC or a notice filed with the U.S. DOJ, if any, including the electronic location on the agency's web site.**

The Transaction does not require FCC approval or a notice to the U.S. DOJ. No FCC application or U.S. DOJ notice will be filed.

- 20. A verified statement setting forth the expected public effect of the transaction on the capital structure of the applicant over the next 5 years.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 21. For an applicant subject to a broadband deployment commitment under Federal or State law, a verified statement affirming that the applicant is in compliance with that commitment.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 22. For an applicant with eligible telecommunications carrier status under Federal and State law, a verified statement affirming that the applicant is in compliance with the law and that the applicant will continue to be in compliance with the law.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

- 23. A verified statement affirming that the transaction complies with the prohibition against cross-subsidization imposed under Federal and State law.**

See the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application.

II. PUBLIC INTEREST SUPPORT FOR THE JOINT APPLICATION

As addressed in the verified statement of Robert Gunderman included as Exhibit 2 to this Joint Application, the Transaction will affirmatively promote the service accommodation, convenience, or safety of the public in a substantial way and is necessary or proper for the service, accommodation, convenience or safety of the public. The Transaction, accordingly, should be approved consistent with the provisions of the Public Utility Code.

CONCLUSION AND REQUEST FOR RELIEF

For the reasons stated above, Joint Applicants request that the Public Utility Commission approve this Joint Application and:

- (1) Issue to Joint Applicants Certificate[s] of Public Convenience approving the transfer of telecommunications system assets of Transferors to Transferee; and
- (2) Issue such other approvals, certificates, registrations and relief, if any, under the Pennsylvania Public Utility Code that may be required with respect to the transaction described above.

Respectfully submitted,

By: 

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*Counsel for Cavalier Telephone Mid-Atlantic, LLC,
Intellifiber Networks, Inc., LDMI
Telecommunications, Inc., McLeodUSA
Telecommunications Services, LLC, PAETEC
Communications, Inc., Talk America, Inc., US LEC
of Pennsylvania, LLC, Windstream
Communications, Inc., Windstream D&E Systems,
Inc., Windstream KDL, Inc., Windstream Norlight,
Inc. and Windstream NTI, Inc.*

Dated: August 29, 2014

LIST OF EXHIBITS

- Exhibit 1 Corporate Diagram of Transaction Steps Including Pre – and Post – Transaction Organization Charts
- Exhibit 2 Verified Statement of Robert Gunderman

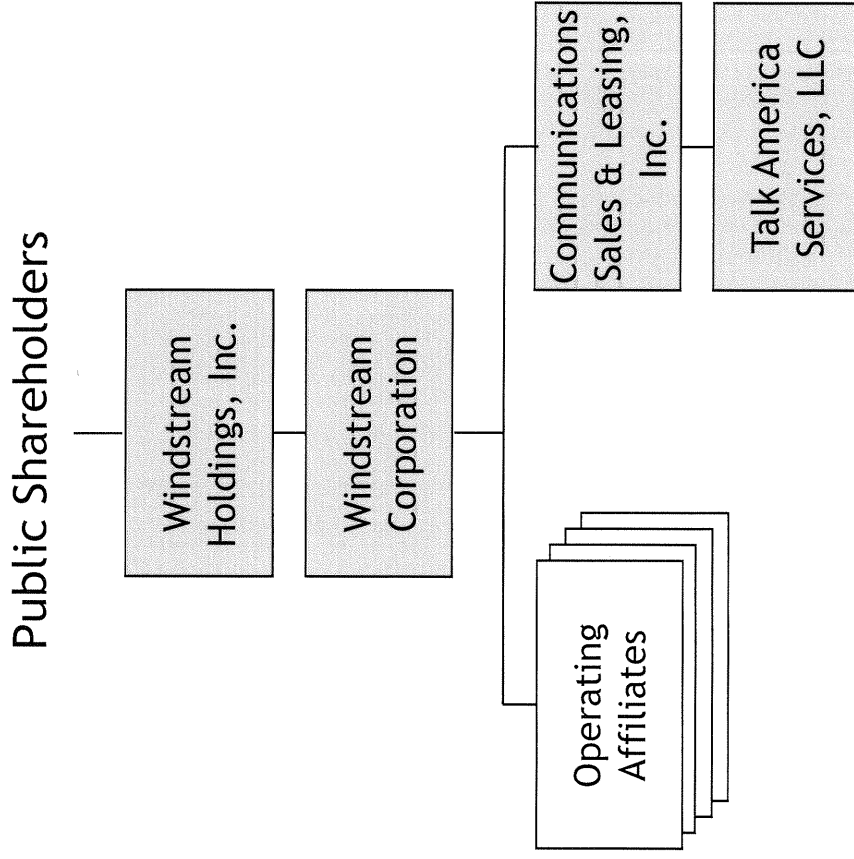
EXHIBIT 1

windstream

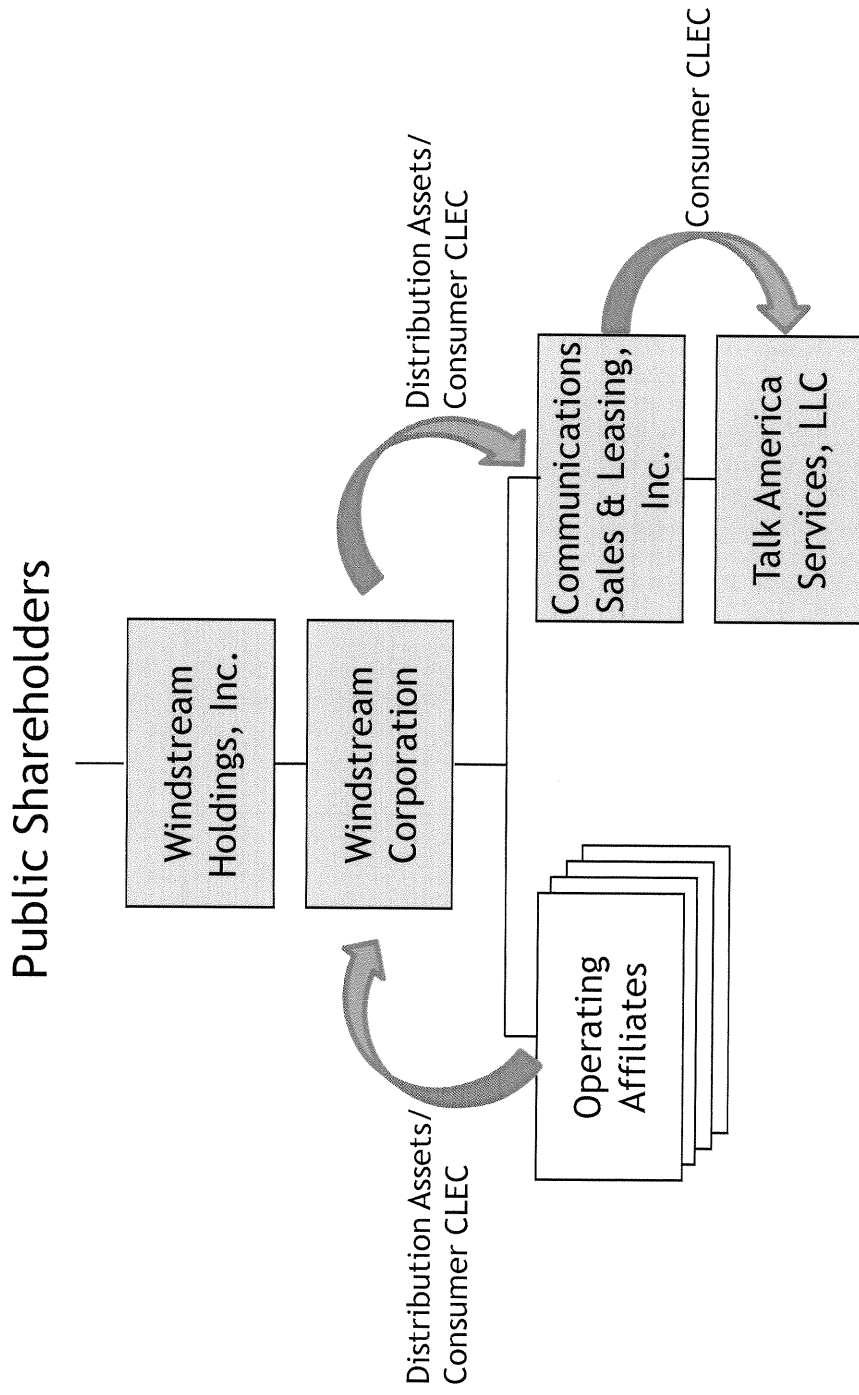


Windstream Holdings, Inc. Spin/REIT

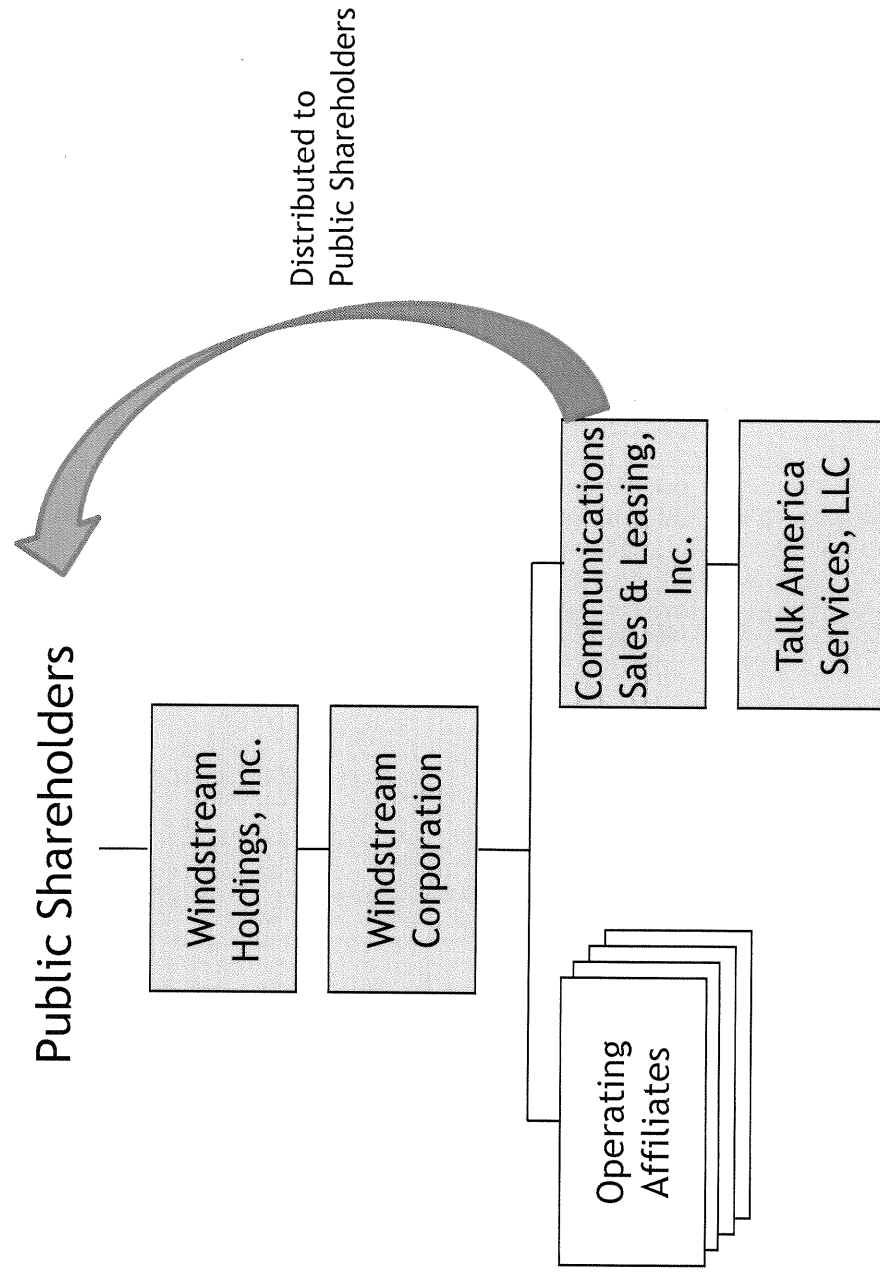
Windstream Holdings, Inc. Pre-Transaction



Windstream Holdings, Inc. Transaction Steps



Windstream Holdings, Inc. Transaction Steps



Windstream Holdings, Inc. Post-Transaction

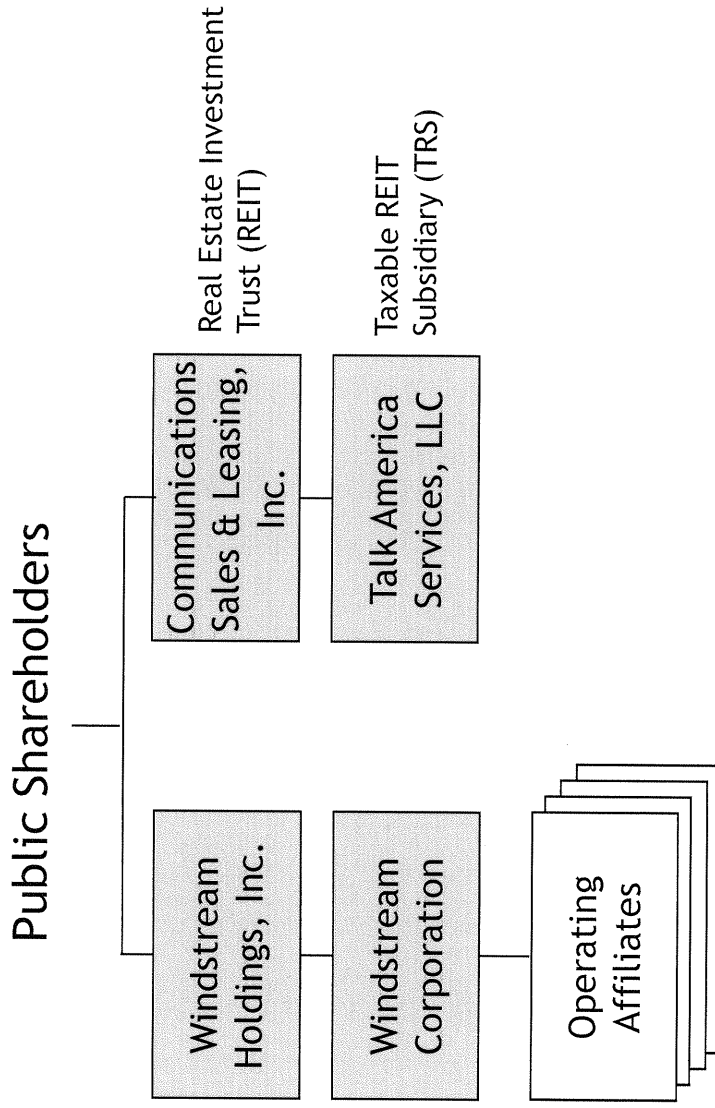


EXHIBIT 2

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint General Rule Application of	:	Docket No.
Cavalier Telephone Mid-Atlantic, LLC,	:	
Intellifiber Networks, Inc., LDMI	:	
Telecommunications, Inc., McLeodUSA	:	
Telecommunications Services, LLC,	:	
PAETEC Communications, Inc., Talk	:	
America, Inc., US LEC of Pennsylvania,	:	
LLC, Windstream Communications, Inc.,	:	
Windstream D&E Systems, Inc.,	:	
Windstream KDL, Inc., Windstream	:	
Norlight, Inc. and Windstream NTI, Inc.	:	
(hereinafter referred to, collectively, as	:	
“Transferors”) for approval of the	:	
transfer of telephone system assets of	:	
Transferors to Communications Sales and	:	
Leasing, Inc. (hereinafter referred to as	:	
“Transferee”)	:	

VERIFIED STATEMENT OF ROBERT GUNDERMAN

I, Robert Gunderman, Senior Vice President - Treasurer of Windstream Holdings, Inc. and its applicant subsidiaries, present this Verified Statement in connection with and in support of the Joint General Rule Application of Cavalier Telephone Mid-Atlantic, LLC, Intellifiber Networks, Inc., LDMI Telecommunications, Inc., McLeodUSA Telecommunications Services, LLC, PAETEC Communications, Inc., Talk America, Inc., US LEC of Pennsylvania, LLC, Windstream Communications, Inc., Windstream D&E Systems, Inc., Windstream KDL, Inc., Windstream Norlight, Inc. and Windstream NTI, Inc. (“Joint Application”) and state that the facts set forth below are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. §4904 (relating to unsworn falsification to authorities).

1. My name is Robert Gunderman and my business address is 4001 Rodney Parham Road, Little Rock, AR 72212.

2. I am Senior Vice President - Treasurer of Windstream Holdings, Inc. and have executive responsibility for its management and operation.

3. As part of my job responsibilities, I am aware of and familiar with the proposed transfer of telecommunications assets and the Joint General Rule Application being submitted by Cavalier Telephone Mid-Atlantic, LLC, Intellifiber Networks, Inc., LDMI Telecommunications, Inc., McLeodUSA Telecommunications Services, LLC, PAETEC Communications, Inc., Talk America, Inc., US LEC of Pennsylvania, LLC, Windstream Communications, Inc., Windstream D&E Systems, Inc., Windstream KDL, Inc., Windstream Norlight, Inc. and Windstream NTI, Inc. ("Joint Applicants") to the Pennsylvania Public Utility Commission ("PaPUC") for the approvals necessary under the Pennsylvania Public Utility Code to accomplish the Transaction.

4. I have been advised by Counsel that the Rules of Practice and Procedure of the PaPUC concerning General Rule Transactions, 52 Pa. Code Section 63.324, require the submission of a verified statement addressing certain information. As required by Section 63.324, I submit the following:

A verified statement as to how the transaction fits into one or more of the categories subject to the general rule for notification.

The Transaction is a transfer of more than 20% of the assets of Transferors. I have been advised by Counsel that, as such, the Transaction falls into the general rule transaction category under 52 Pa. Code §§ 63.324(a)(1) and (3) as a transfer of more than 20% of the assets of Transferors and as a transaction requiring a certificate of public convenience issued under Section 1102(a) of the Pennsylvania Public Utility Code.

A verified statement whether the transaction warrants special consideration because either party to the transaction is facing imminent business failure.

None of the Joint Applicants is facing imminent business failure.

A verified statement containing facts and allegations establishing:

(i) **For a merger or similar transaction, how the transaction will affirmatively promote the service, accommodation, convenience, or safety of the public in some substantial way as required by State law.**

(ii) Findings that approval for a transaction subject to 66 Pa.C.S. 1103(a) (relating to procedure to obtain certificates of public convenience) is necessary or proper for the service, accommodation, convenience, or safety of the public.

(iii) The impact of the transaction on competition.

Windstream Holdings, Inc. (“Holdings”) and its operating subsidiaries, including Transferors, operate in an industry that has been and continues to be subject to rapid technological advances, evolving consumer preferences, and dynamic change. Joint Applicants increase their financial flexibility by means of efforts like the Transaction so that they can further invest in network improvements and upgrades that will enable them to continue to provide and enhance the full range of high-quality services they provide to residential and business customers. If Joint Applicants do nothing, Holdings and its operating subsidiaries, including Transferors, will be under growing pressure to increase revenue per line, as line counts are generally declining but many fixed costs remain stable or are growing.

Through the Transaction, Holdings and its operating subsidiaries, including Transferors, will retire approximately \$3.2 billion in corporate debt, resulting in increased free cash flow for additional investment and the opportunity to further deleverage over time with greater strategic and financial flexibility. This will enable the operating subsidiaries, including Transferors, to improve their financial condition and invest incremental capital – capital expenditures are targeted to increase from 11-13% to 13-15% of total revenue – to enhance broadband capabilities, accelerate their transition to an IP network and pursue additional opportunities to strengthen their infrastructure and provide enhanced services to customers. These changes will transform the operating subsidiaries, including Transferors, into more nimble competitors without any reduction in competition and without removing any customer choices from the marketplace.

The Transaction will facilitate efforts of Holdings and its operating subsidiaries, including Transferors, to effectively compete and offer the latest technology at levels that meet or exceed that of their competitors and meet and exceed the data and content needs of consumers and businesses, which are increasing and changing in scope rapidly and significantly. Intermodal competition between wireline and wireless telecommunications services is widespread. Many wireless competitors have already accomplished restructurings similar to the proposed Transaction. Specifically, many wireless companies transferred certain telecommunications assets (e.g. towers) to REITs and are leasing the towers back from the REIT. In addition, wireless companies generally lease rather than own the fiber optic cable used by them to connect towers to their switches or to connect to other carriers’ networks. Approval of this Application will allow Holdings and its operating subsidiaries, including Transferors, to update their corporate structure as have some of their competitors and as is necessary to further level the playing field among these competitors and enhance competition.

Additionally, by virtue of increased capital expenditures made possible by this Transaction, services will improve over time as the operating subsidiaries, including Transferors, make incremental strategic investments to strengthen the infrastructure and

accelerate their shared goal of expanding and enhancing broadband services. The Transaction will allow the operating subsidiaries, including Transferors, to adapt to the new ways residential and business customers use content with a faster transition to an IP network. It also will accelerate transformation and growth of Holdings and its operating subsidiaries, including Transferors, as an enterprise-focused company with advanced capabilities.

Transferors remain committed to providing high quality services to their customers and the Transaction will be seamless to customers. No change in rates, scope or terms of service is proposed as a result of the Transaction. Transferors will continue to have sole responsibility for meeting their regulatory obligations and the Transaction protects the public interest by ensuring Transferors continue to have long term access to and control over the facilities used to provide regulated services.

Finally, the proposed Transaction does not present any anticompetitive issues. No Transferor is leaving the competitive market or abandoning its Pennsylvania telecommunications service authority. The Transaction, thus, will not harm the public interest. To the contrary, inasmuch as Transferors expect to preserve and increase competition in Pennsylvania markets, the public interest will be furthered as a result of the Transaction.

Joint Applicants believe and submit, based on all of the foregoing, that the Transaction will affirmatively promote the service accommodation, convenience, or safety of the public in a substantial way and that the Transaction is necessary or proper for the service, accommodation, convenience or safety of the public.¹

A verified statement affirming that the applicant is in compliance with Commission obligations and filings and a listing of all State and Federal proceedings when:

(i) Within the 3-year period prior to filing the application, the applicant was found to have violated either State or Federal requirements.

(ii) Within the 3-year period prior to filing the application, the applicant is alleged to have violated either State or Federal requirements.

Joint Applicants are in compliance with PaPUC obligations and filings. Joint Applicants have not been found to have violated either State or Federal requirements within the 3-year period prior to the filing of the Joint Application. Windstream Corporation and its affiliates (“Windstream”), including the Joint Applicants, were subject to a Federal Communications Commission (“FCC”) investigation regarding rural call completion practices in 2012. On February 20, 2014, Windstream and the FCC entered into a consent decree that terminated the investigation. Over the last two (2) years, Windstream has also been the subject of state Attorneys General investigations in certain states related to DSL / broadband services. All have been resolved satisfactorily.

¹ I have been advised by counsel that the Transaction is not a merger or merger-type transaction and, thus, the “affirmative public benefit” standard does not apply to it. I submit, nevertheless, that the Transaction will affirmatively promote the service, accommodation, convenience, or safety of the public in a substantial way.

A verified statement affirming that customers received prior notice. Notice shall be accomplished using a notice approved by the Commission's Bureau of Consumer Services (BCS). Any disagreement between the applicant and BCS shall be addressed by an appeal from an action of staff mirroring the process in 5.44 (relating to petitions for appeal from actions of the staff) of the Commission's rules of practice and procedure.

Customer notice is not required for the transfer of assets as it does not involve any change in conditions of service or rates. *See* 52 Pa. Code § 63.324(g)(1). A customer notice will be provided for the related transfer of residential customers, which is the subject of a separate Joint Application.

A verified statement containing a copy of any Commonwealth utility certificates held by the applicant.

Cavalier Telephone Mid-Atlantic, LLC is authorized to provide local exchange and switched access services, interexchange services, and competitive access services pursuant to Commission authority at Docket A-310838.

Intellifiber Networks, Inc. is authorized to provide local exchange service, interexchange service and competitive access service pursuant to Commission authority at Docket A-31112.

LDMI Telecommunications, Inc. is authorized to provide interexchange service pursuant to Commission authority at Docket A-310538.

McLeodUSA Telecommunications Services, LLC is authorized to provide interexchange service pursuant to Commission authority at Docket A-31 0456.

PAETEC Communications, Inc. is authorized to provide local exchange service, interexchange service and competitive access services pursuant to Commission authority at Docket A-310743.

Talk America, Inc. is authorized to provide local exchange service and interexchange service pursuant to Commission authority at Docket A-310018.

US LEC of Pennsylvania, LLC is authorized to provide local exchange service and interexchange service pursuant to Commission authority at Docket A-310814.

Windstream Communications, Inc. is authorized to provide local exchange and interexchange service pursuant to Commission authority in Docket A-311402.

Windstream D&E Systems, Inc. is authorized to provide local exchange service and competitive access service pursuant to Commission authority at Docket A-310738.

Windstream KDL, Inc. is authorized to provide local exchange service, interexchange service and competitive access service pursuant to Commission authority at Docket A-311413.

Windstream Norlight, Inc. is authorized to provide interexchange service pursuant to Commission authority at Docket A-2008-2043652.

Windstream NTI, Inc. is authorized to provide interexchange service pursuant to Commission authority at Docket A-310573.

A verified statement on the effect of the transaction on existing Commonwealth tariffs. If applicable or in response to a request from staff, an applicant shall provide a red-line document identifying changes in existing Commonwealth tariffs before and after the transaction for which the applicant seeks approval from the Commission.

The Transaction will have no effect on existing Commonwealth Tariffs.

A verified statement on the transaction's effect on the existing affiliate interest agreements of the applicant.

The Transaction will not affect any existing affiliated interest agreements.

A verified statement establishing that no State or Federal regulatory agency is expected to undertake an informal or formal investigation, complaint or proceeding relating to the transaction.

No State or Federal regulatory agency is expected to undertake an informal or formal investigation, complaint or proceeding relating to the transaction other than application proceedings for those regulatory approvals as may be required to accomplish the Transaction such as this Joint Application proceeding.

A verified statement setting forth the expected public effect of the transaction on the capital structure of the applicant over the next 5 years.

The Transaction will reduce the corporate debt component of capital structure for Holdings and its operating subsidiaries, including Transferors, by approximately \$3.2 billion.

For an applicant subject to a broadband deployment commitment under Federal or State law, a verified statement affirming that the applicant is in compliance with that commitment.

Joint Applicants are not ILECs and, therefore, are not subject to the applicable broadband deployment commitments.

For an applicant with eligible telecommunications carrier status under Federal and State law, a verified statement affirming that the applicant is in compliance with the law and that the applicant will continue to be in compliance with the law.

Joint Applicants that have eligible telecommunications carrier status in Pennsylvania are in compliance with the law and will continue to be in compliance with the law.

A verified statement affirming that the transaction complies with the prohibition against cross-subsidization imposed under Federal and State law.

This item is not applicable, as none of the Joint Applicants is an ILEC in the Commonwealth of Pennsylvania.



Robert Gunderman
Senior Vice President – Treasurer
Windstream Holdings, Inc.

VERIFICATION

I, Robert Gunderman, state that I am Senior Vice President - Treasurer of Windstream Holdings, Inc. and its applicant subsidiaries. I am authorized to make this verification on their behalf and hereby state that the facts set forth in the foregoing Joint General Rule Application of Cavalier Telephone Mid-Atlantic, LLC, Intellifiber Networks, Inc., LDMI Telecommunications, Inc., McLeodUSA Telecommunications Services, LLC, PAETEC Communications, Inc., Talk America, Inc., US LEC of Pennsylvania, LLC, Windstream Communications, Inc., Windstream D&E Systems, Inc., Windstream KDL, Inc., Windstream Norlight, Inc. and Windstream NTI, Inc. are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Robert Gunderman
Senior Vice President – Treasurer
Windstream Holdings, Inc.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint General Rule Application of	:	Docket No.
Cavalier Telephone Mid-Atlantic, LLC,	:	
Intellifiber Networks, Inc., LDMI	:	
Telecommunications, Inc., McLeodUSA	:	
Telecommunications Services, LLC,	:	
PAETEC Communications, Inc., Talk	:	
America, Inc., US LEC of Pennsylvania,	:	
LLC, Windstream Communications, Inc.,	:	
Windstream D&E Systems, Inc.,	:	
Windstream KDL, Inc., Windstream	:	
Norlight, Inc. and Windstream NTI, Inc.	:	
(hereinafter referred to, collectively, as	:	
“Transferors”) for approval of the	:	
transfer of telephone system assets of	:	
Transferors to Communications Sales and	:	
Leasing, Inc. (hereinafter referred to as	:	
“Transferee”)	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this 29th day of August, 2014, served a true and correct copy of the foregoing Joint General Rule Application of Cavalier Telephone Mid-Atlantic, LLC, Intellifiber Networks, Inc., LDMI Telecommunications, Inc., McLEODUSA Telecommunications Services, LLC, PAETEC Communications, Inc., Talk America, Inc., US LEC of Pennsylvania, LLC, Windstream Communications, Inc., Windstream D&ESystems, Inc., Windstream KDL, Inc., Windstream Norlight, Inc. and Windstream NTI, Inc. upon the persons and in the manner set forth below:

Via First Class Mail, Postage Prepaid

Office of Consumer Advocate
555 Walnut Street
5th Floor Forum Place
Harrisburg PA 17101-1923

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Post Office Box 3265
Harrisburg, PA 17105-3265

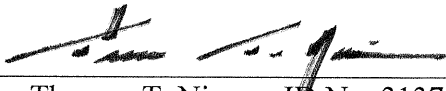
Office of Small Business Advocate
300 North 2nd Street, Suite 1102
Commerce Building
Harrisburg, PA 17101

Via Electronic Mail

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By: 
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