

WINDSTREAM SERVICES II, LLC

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Carol Keith
Deputy General Counsel



October 21, 2020

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Joint Application of Windstream Holdings, Inc.; Windstream Services, LLC; Windstream Pennsylvania LLC; Windstream Buffalo Valley, Inc.; Windstream Conestoga, Inc.; Windstream D&E Inc.; Windstream Communications, Inc.; Windstream D&E Systems, Inc.; Windstream KDL, Inc.; Intellifiber Networks Inc.; US LEC of Pennsylvania, LLC; Talk America, LLC; PAETEC Communications, Inc.; Choice One Communications of Pennsylvania, Inc. d/b/a EarthLink Business; Cavalier Telephone Mid-Atlantic, LLC; CTC Communications Corp. d/b/a EarthLink Business; MassComm, LLC; Lightship Telecom d/b/a EarthLink Business, LLC; Eureka Telecom, Inc.; Earthlink Business, LLC; ATX Licensing, Inc.; Broadview NP Acquisition Corp.; Broadview Networks, Inc.; BridgeCom International, Inc.; Business Telecom LLC d/b/a EarthLink Business III; American Telephone Company, LLC; A.R.C. Networks, Inc.; Windstream Norlight, Inc.; Windstream NTI, Inc.; McLeodUSA Telecommunications Services, LLC; LDMI Telecommunications Services, LLC; and DeltaCom, LLC for Approval of a General Rule Indirect Transfer of Control

Docket Nos.: A-2020-3020132; A-2020-3020133; A-2020-3020134; A-2020-3020135; A-2020-3020136; A-2020-3020137; A-2020-3020138; A-2020-3020139; A-2020-3020140; A-2020-3020141; A-2020-3020142; A-2020-3020143; A-2020-3020145; A-2020-3020146; A-2020-3020147; A-2020-3020148; A-2020-3020149; A-2020-3020151; A-2020-3020152; A-2020-3020153; A-2020-3020154; A-2020-3020155; A-2020-3020156; A-2020-3020157; A-2020-3020158; A-2020-3020159; A-2020-3020160; A-2020-3020161; A-2020-3020162; A-2020-3020164

Dear Secretary Chiavetta:

Windstream Holdings, Inc., Windstream Services, LLC, and its operating companies Windstream Pennsylvania LLC; Windstream Buffalo Valley, Inc.; Windstream Conestoga, Inc.; Windstream D&E Inc.; Windstream Communications, Inc.; Windstream D&E Systems, Inc.; Windstream KDL, Inc.; Intellifiber Networks Inc.; US LEC of Pennsylvania, LLC; Talk America, LLC; PAETEC Communications, Inc.; Choice One Communications of Pennsylvania, Inc. d/b/a EarthLink Business; Cavalier Telephone Mid-Atlantic, LLC; CTC Communications Corp. d/b/a

EarthLink Business; MassComm, LLC; Lightship Telecom d/b/a EarthLink Business, LLC; Eureka Telecom, Inc.; Earthlink Business, LLC; ATX Licensing, Inc.; Broadview NP Acquisition Corp.; Broadview Networks, Inc.; BridgeCom International, Inc.; Business Telecom LLC d/b/a EarthLink Business III; American Telephone Company, LLC; A.R.C. Networks, Inc.; Windstream Norlight, Inc.; Windstream NTI, Inc.; McLeodUSA Telecommunications Services, LLC; LDMI Telecommunications Services, LLC; and DeltaCom, LLC (collectively “Windstream Licensees”) (and with Windstream Holdings, Inc., and Windstream Services, LLC collectively “Applicants”) hereby provide notice of the completion of the proposed Transaction as described in the Application filed in the above referenced docket on May 21, 2020, and approved by the Pennsylvania Public Utilities Commission (“Commission”).

Pursuant to the Commission’s Secretarial Letter issued on September 3, 2020, the Applicants hereby provide notice of completion of the Transaction. On September 21, 2020, Windstream finalized its financial restructuring process, resulting in successful emergence from Chapter 11 proceedings. The process has allowed Windstream to reduce its debt by two-thirds or more than \$4 billion. With its enhanced balance sheet, Windstream has a robust capital investment program to expand 1 Gig Internet service in rural America and maintain its product and software leadership in SD-WAN and UCaaS for Enterprise customers.

In addition, the Applicants averred to provide updated information post-emergence:

In their Application, the Applicants provided approximate ownership percentages for each of the new owners. As described in the Application, these percentages have changed.

1. Nexus Aggregator, L.P. an investment fund affiliated with Elliott Management Corporation, holds 46.06% of reorganized Windstream’s equity.
2. Franklin Resources, Inc. holds 27.96% of reorganized Windstream’s equity.
3. Upon emergence PIMCO holds 0% equity in reorganized Windstream, and has taken warrants in reorganized Windstream.

All other owners hold warrants in reorganized Windstream as described in the Application. No other material ownership changes occurred.

Also, in the Application there was a reference to *pro forma* transactions that would occur. The *pro forma* transactions that occurred involved the insertion of two new holding companies Windstream Holdings II, LLC and Windstream Services II, LLC in the ownership chain above the Windstream Licensees. The transaction occurred in six (6) steps. In Step 1, Windstream Holdings II, LLC and Windstream Services II, LLC were formed. In Step 2, Windstream Holdings, Inc. contributed its assets to Windstream Services, LLC. In Step 3, Windstream Holdings, Inc. contributes Windstream Services II, LLC to Windstream Services, LLC. In Step 4, Windstream Services, LLC contributed its assets to Windstream Services II, LLC. In Step 5, Windstream Services, LLC contributes the equity of Windstream Services II, LLC to Windstream Holding II, LLC. In Step 6, Windstream Holdings, Inc. and Windstream Services, LLC will be dissolved, leaving Windstream Holdings II, LLC and Windstream Services II, LLC as the ultimate parent companies of the Windstream Licensees. (Please see Exhibit A for organizational charts illustrating the steps of the transaction.)

The *pro forma* transaction did not affect any of the operations or managerial or technical qualifications of the Windstream Licensees. All customer-facing operations such as ordering, service installation, customer service, and billing, continue to operate unchanged. Overall, emergence and the *pro forma* changes have been transparent to Windstream's Pennsylvania customers.

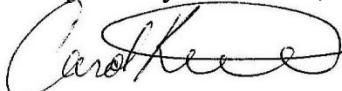
The Applicants also wish to advise the Commission as of the date of this filing, the Applicants have not agreed to accept any conditions or commitments related to its emergence from any additional jurisdictions.

If there are any questions regarding this notice, please do not hesitate to contact:

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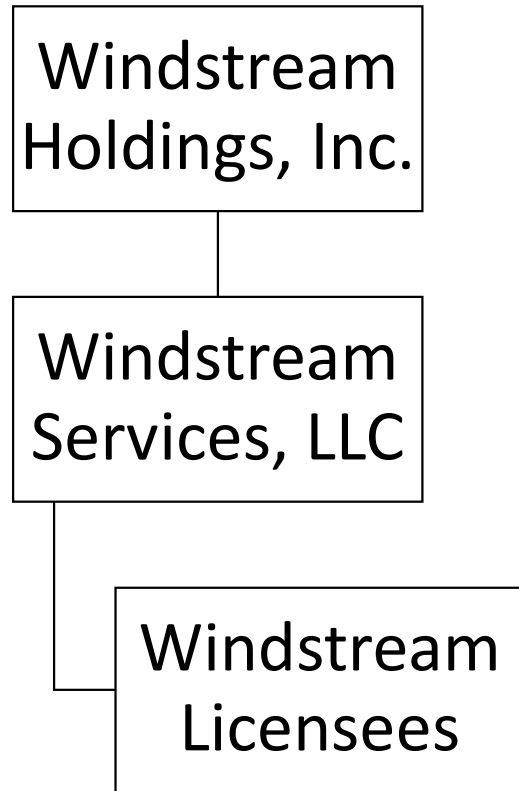
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Respectfully Submitted,



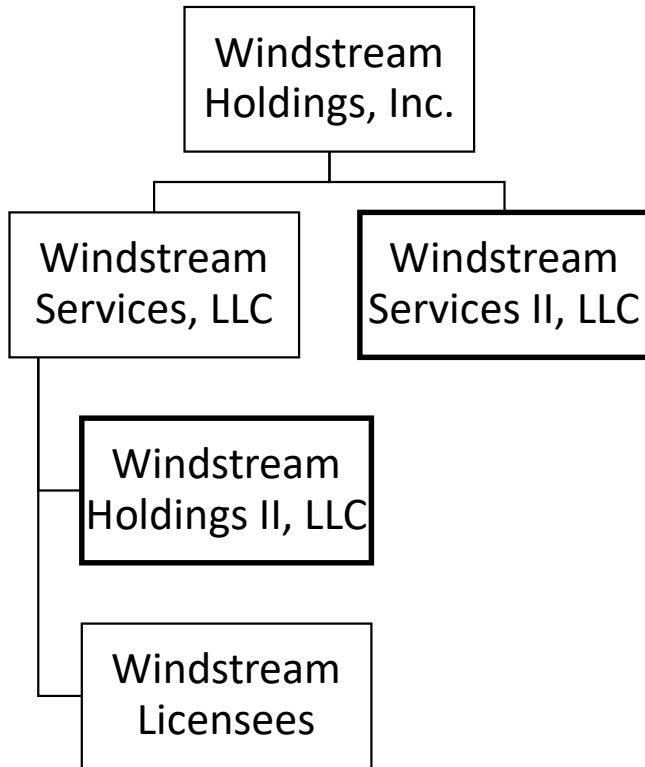
Carol Keith
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Windstream

EXHIBIT A
Pre-Emergence Organizational Chart



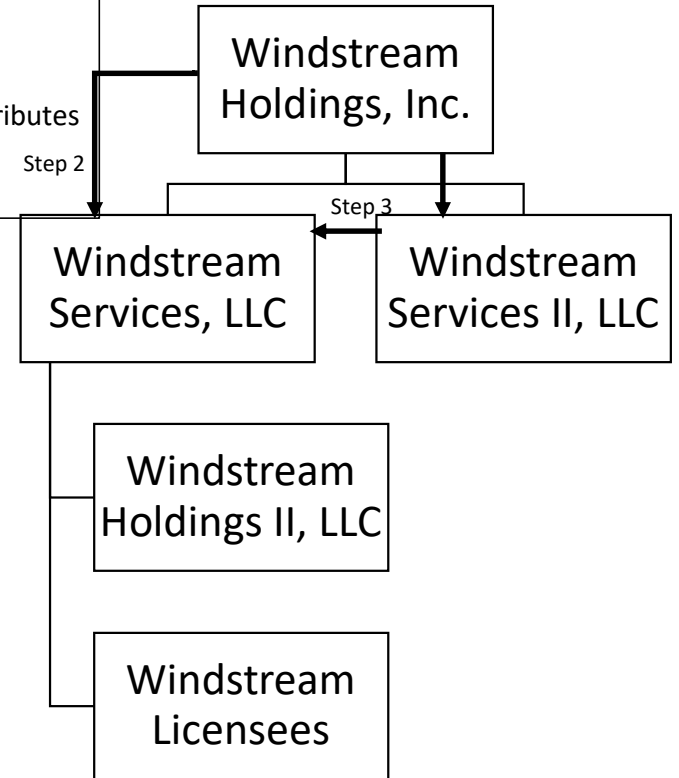
Pro Forma Transaction Steps

Step 1: Windstream Holdings II, LLC and Windstream II, LLC are formed.



Step 2: Windstream Holdings, Inc. contributed its assets to Windstream Services, LLC.

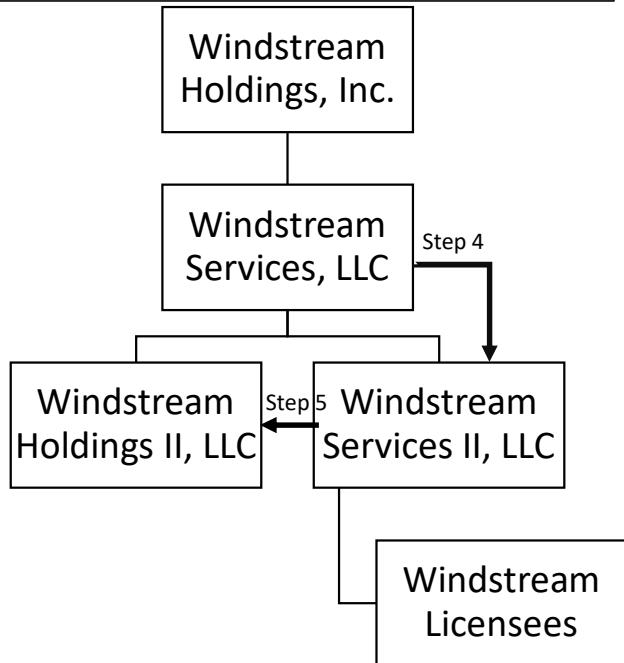
Step 3: Windstream Holdings, Inc. contributes Windstream Services II, LLC to Windstream Services, LLC



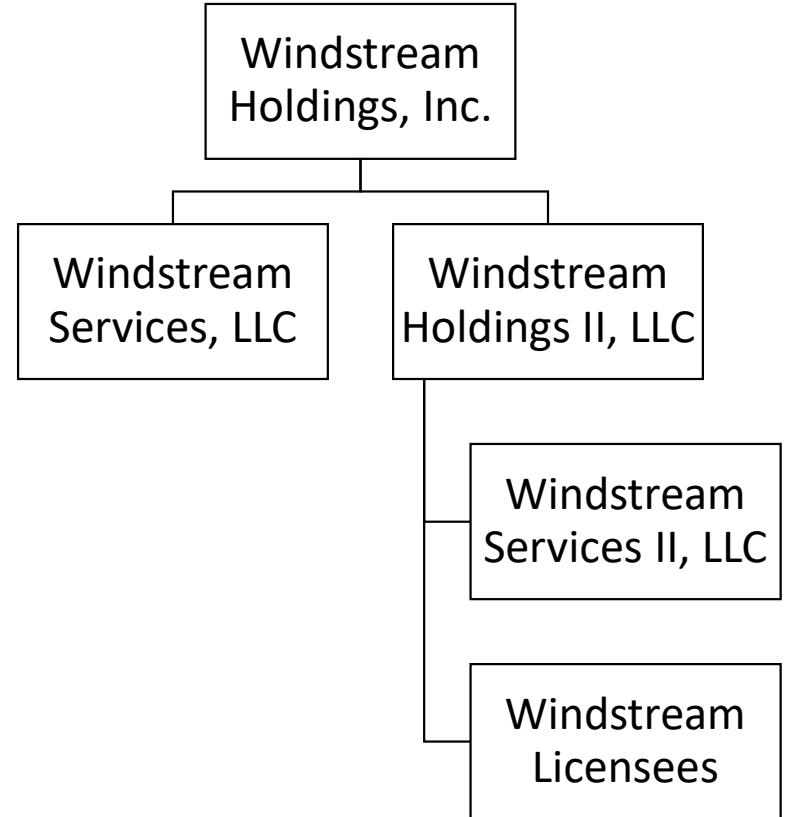
Pro Forma Transaction Steps

Step 4: Windstream Services, LLC contributes its assets to Windstream Services II, LLC

Step 5:
Windstream Services, LLC contributes the equity of Windstream Services II, LLC to Windstream Holdings II, LLC



Step 6: Windstream Holdings, Inc. and Windstream Services, LLC will be dissolved.



Post-Emergence Organizational Chart

