

March 4, 2024

**VIA ELECTRONIC FILING**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Docket No. A-2024-3045207**  
Joint Application of DQE Communications LLC and GI DI Vertigo Acquisition LLC  
for All Necessary Authority, Approvals and Certificates of Public Convenience  
Authorizing the Transfer and Change in Control of DQE Communications LLC from  
Duquesne Light Holdings, Inc. to GI DI Vertigo Acquisition LLC

Dear Ms. Chiavetta:

This letter updates the Pennsylvania Public Utility Commission (“Commission”) with regard to approvals or consents of other jurisdictions in connection with the above-referenced Joint Application. On February 23, 2024, the Federal Communications Commission (“FCC”) granted the application for consent to transfer control of DQE Communications LLC to GI DI Vertigo Acquisition LLC (*see Attachment 1*). On February 15, 2024, the Ohio Public Utilities Commission determined that prior consent for the transfer of control of DQE Communications was not required (*see Attachment 2*). On February 14, 2024, the Public Service Commission of West Virginia adopted a recommended decision granting the application to transfer control of DQE Communications LLC to GI DI Vertigo Acquisition LLC, subject to a 15-day exceptions period which expired on February 29, 2024, with no exceptions filed. Accordingly, the consent of the Public Service Commission of West Virginia will become effective as of March 5, 2024 (*see Attachment 3*).

With these actions, the approval of this Commission to the Joint Application, and the approval of the related Securities Certificate pending in Docket No. S-2024-3045946, are the only remaining regulatory approvals required for the consummation of the proposed transfer of control. The applicants therefore respectfully request that the Commission expedite its review of the Joint Application and Securities Certificate and grant its approval thereof on or before the next scheduled Meeting on April 4, 2024.

Respectfully submitted,

/s/ Henry Shi

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Attachments

**ATTACHMENT 1**



# PUBLIC NOTICE

Federal Communications Commission  
45 L St., N.E.  
Washington, D.C. 20554

News Media Information 202 / 418-0500  
Internet: <http://www.fcc.gov>

DA 24-165  
Released: February 23, 2024

## NOTICE OF DOMESTIC SECTION 214 AUTHORIZATION GRANTED

### WC Docket No. 24-3

The Wireline Competition Bureau (Bureau) grants the application listed in this Public Notice pursuant to the Commission's streamlined procedures for domestic section 214 transfer of control applications, 47 CFR § 63.03. The Bureau determined that a grant of this application serves the public interest.<sup>1</sup> For the purposes of computation of time when filing a petition for reconsideration or application for review, or for judicial review of the Commission's decision, the date of "public notice" shall be the release date of this Public Notice.<sup>2</sup> Should no petition for reconsideration, application for review, or petition for judicial review be timely filed, the proceeding listed in this Public Notice shall be terminated, and the docket will be closed.

Domestic Section 214 Application Filed for the Transfer Of Control of  
DQE Communications LLC to GI DI Vertigo Acquisition LLC  
WC Docket No. 24-3, Public Notice, DA 24-69 (WCB 2024).

**Effective Grant Date: February 23, 2024**

For further information, please contact Tracey Wilson at (202) 418-1394 or Dennis Johnson at (202) 418-0809, Competition Policy Division, Wireline Competition Bureau.

-FCC-

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<sup>1</sup> *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517, 5529, para. 22 (2002).

<sup>2</sup> *Id.*; see 47 CFR § 1.4 (Computation of time).

**ATTACHMENT 2**

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of DQE To Complete a Change     )  
in Operations.   )  
Case No. 24-0040-TP-CIO

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**STAFF REVIEW**  
SUBMITTED ON BEHALF OF THE STAFF OF  
THE PUBLIC UTILITIES COMMISSION OF OHIO

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On January 16, 2024, DQE Communications, LLC (DQE) filed a notice application advising the Commission of a transfer of direct control of DQE from Duquesne Light Holdings, Inc. (DLH) to GI DI Vertigo Acquisition LLC (Vertigo). In Ohio, DQE is authorized to provide data transport pursuant to Certificate No. 90-6421 granted in Case No. 16-2328-TP-ACE.

Currently, DLH owns 100% of the equity of DQE. Pursuant to the terms of a Membership Interest Purchase Agreement, between DLH and Vertigo, DHL will sell one hundred percent of the issued and outstanding membership interests of DQE to Vertigo. As a result of the transaction, DQE will become a direct, wholly owned subsidiary of Vertigo. Following the transaction, DQE will continue to provide service under the same name, rates, terms, and conditions and without any interruption of service and the transaction will be transparent to customers of DQE.

This application is being filed pursuant to Ohio Adm.Code 4901:1-6-29(C)(1)(a), which allows for a zero-day notice filing for a change in ownership of a telecommunications company not providing BLES that is transparent to customers. The Applicants also filed an application with the FCC on January 23, 2024, and provided a link to the docket (<https://www.fcc.gov/ecfs/document/122908670863/1>).

The Staff has reviewed all documents filed with the application and has determined that the application has satisfied the requirements set forth in the rule.

**This foregoing document was electronically filed with the Public Utilities  
Commission of Ohio Docketing Information System on**

**2/15/2024 12:18:03 PM**

**in**

**Case No(s). 24-0040-TP-CIO**

Summary: Staff Review and Recommendation electronically filed by Mrs. Tanika  
Hawkins on behalf of PUCO Staff.

**ATTACHMENT 3**

**PUBLIC SERVICE COMMISSION  
OF WEST VIRGINIA  
CHARLESTON**

Entered: February 14, 2024

CASE NO. 24-0031-T-PC

**DUQUESNE LIGHT HOLDINGS, INC., DQE  
COMMUNICATIONS, LLC and GI DI VERTIGO  
ACQUISITION LLC,**

Joint Application of Duquesne Light Holdings, Inc.,  
Transferor, DQE Communications, LLC, Licensee,  
And GI DI Vertigo Acquisition LLC, Transferee, for  
Approval to Transfer Control of Licensee to Transferee.

**RECOMMENDED DECISION**

This Recommended Decision consents to a transfer of control.

**BACKGROUND**

On January 16, 2024, Duquesne Light Holdings, Inc. (Holdings), DQE Communications LLC (DQE) and GI DI Vertigo Acquisition LLC (Vertigo) (together Petitioners) requested Commission consent to a transaction that will transfer control of DQE, from Holdings to Vertigo. Vertigo is held by private equity funds affiliated with GI Partners. GI Partners has raised a total of \$42 billion since its founding to invest in various enterprises including data infrastructure. It does not control any dominant carrier in areas served by DQE.

DQE is currently a subsidiary of Holdings providing dark fiber, private Ethernet and other data/internet services to businesses as well as other carriers. DQE customers include healthcare providers, educational institutions and other business entities. It holds authority from this Commission to provide regulated competitive non-switched facilities-based interexchange and dedicated access intrastate telecommunications services throughout West Virginia. (DQE Communications, LLC, Case No. 15-1961-T-CN (Recommended Decision Entered March 16, 2016, Final April 5, 2016).) DQE provides similar services in Ohio and Pennsylvania.

The Petitioners represented the transfer of control of DQE to Vertigo is consistent with the public interest. Vertigo has adequate financial strength and managerial ability through its affiliates to operate DQE. Further, existing DQE management will continue with the enterprise. The approval will not result in any transfer of licenses, assets or customers. Existing rates and terms of service will not adversely change as a result of the transfer of control.

KAC

On January 30, 2024, the Commission referred this matter to its Division of Administrative Law Judges for a Recommended Decision on or before August 13, 2024.

On February 12, 2024, Commission Staff recommended the Commission approve the transaction as it is consistent with W.Va. Code §24-2-12.

On February 14, 2024, the Petitioners filed a letter concurring with the final Staff recommendation.

### DISCUSSION

W.Va. Code §24-2-12 requires public utilities to obtain consent from the Commission before entering into certain transactions including a transfer of control, merger or affiliated agreements. Under the statute, the Commission is authorized to consent to the proposed transactions without approving the terms and conditions, if the proposal is reasonable, does not adversely affect the public and no party is given an undue advantage. The Commission may also determine if a hearing is necessary. Here, the Petitioners have shown the proposed transfer of control as set forth in the January 16, 2024 Filing meets the statutory test. Subject to the conditions set forth in this Order and the Petitioners obtaining all other necessary consents and approvals, it is reasonable to consent to the transfer of control as requested without hearing. Finally, the Petitioners will file a letter informing the Commission once the transaction is consummated.

The Petitioners are reminded that prior consent and approval from the Commission pursuant to W.Va. Code §24-2-12 is required before utility assets may be transferred or any direct or indirect change of ownership of a majority of the common stock of any public utility organized and doing business in this State may be consummated. Commission approval of a transfer of control of a regulated telephone company does not in any way authorize a change in the services provided to the public or the rates charged for those services. Separate prior consent from the Commission is required before any such regulated changes are made.

Commission consent pursuant to W.Va. Code §24-2-12 is limited to the changes described in the January 16, 2024 Filing. This grant of consent does not affect Commission authority to review the operations of regulated entities and nothing in this approval should be deemed to affect its jurisdiction. If any further change in the ownership of DQE, its subsidiaries or any underlying West Virginia assets is necessary as a result of a secured lien facility, revolving facility, pledges of the Petitioners, any other security instrument or any protections assumed incident to any financing arrangements, the Commission retains jurisdiction to examine any such conveyance prior to any change of ownership or disposition of assets. It expects additional filings to be promptly made regarding a proposed change in the operations, ownership or disposition of those assets.

## FINDINGS OF FACT

1. The Petitioners requested Commission consent to a transfer of control of DQE to Vertigo. (January 16, 2024 Filing.)
2. The proposed transaction will not result in an adverse change to the existing terms and conditions of service. (Id.)
3. Staff recommended approval of the proposed transfer of control. (February 12, 2024 Staff Memorandum.)

## CONCLUSIONS OF LAW

1. It is reasonable to consent to the proposed transfer of control because the terms of the transactions are reasonable, do not adversely affect the public and no party is given an undue advantage. (W.Va. Code §24-2-12.)
2. The Petitioners should inform the Commission once the transaction is consummated.
3. The Commission retains jurisdiction to examine any further change in the ownership of regulated entities, their subsidiaries or underlying West Virginia assets. Additional filings with the Commission shall be made in sufficient time for the Commission to review any proposed transfers prior to any change in the operations of the regulated utilities, their ownership or the disposition of any West Virginia assets.

## ORDER

IT IS THEREFORE ORDERED that, without approving the underlying terms and conditions thereof and subject to the Petitioners obtaining all other necessary consents and approvals, consent for the Petitioners to complete the transfer of control more fully described in the January 16, 2024 Filing is granted.

IT IS FURTHER ORDERED that the Petitioners inform the Commission of the consummation of the transaction within five days thereof.

IT IS FURTHER ORDERED that prior Commission consent and approval is required before any utility assets may be transferred or any direct or indirect change of ownership of a majority of the common stock of any public utility organized and doing business in this State may be consummated.

IT IS FURTHER ORDERED that if any change in the ownership of the regulated entities, their subsidiaries or any underlying West Virginia assets is necessary as a result

of any secured lien facility, revolving facility, pledges of the Petitioners, any other security instrument or any other protections assumed incident to the financing arrangements, prior Commission consent and approval must first be obtained before any such change may be consummated.

IT IS FURTHER ORDERED that this case shall be removed from the Commission docket of open cases once this Recommended Decision becomes a final Commission Order.

The Executive Secretary is ordered to serve this Order upon the Commission and its Staff by hand delivery, upon all parties of record who have filed an e-service agreement with the Commission by electronic service and upon all other parties by United States First Class Mail.

Leave is granted to the parties to file written exceptions supported by a brief with the Executive Secretary of the Commission within fifteen days of the date of this Order. If exceptions are filed, the parties filing exceptions shall certify that all parties of record have been served the exceptions.

If no exceptions are filed, this Order shall become the Order of the Commission, without further action or order, five days following the expiration of the fifteen day time period, unless it is ordered stayed by the Commission.

Any party may request waiver of the right to file exceptions by filing an appropriate petition in writing with the Executive Secretary. No such waiver, however, will be effective until approved by order of the Commission.



Matthew J. Minney  
Deputy Chief Administrative Law Judge

MJM:s:lc  
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