

August 23, 2024

VIA E-FILING AND ELECTRONIC MAIL

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

*Re: Joint Application of United Fiber & Data, LLC and Cablevision Lightpath LLC
for Authority to Transfer Indirect Control of United Federal Data of
Pennsylvania, LLC; Response to Data Request TUS 1; Docket No. A-2024-
3049630; Utility Code 3115379*

Dear Ms. Chiavetta:

On behalf of United Fiber & Data, LLC (“UFD”), the transferor and direct parent of licensee United Federal Data of Pennsylvania, LLC (“United”); Cablevision Lightpath LLC (“Lightpath”), the proposed transferee; and licensee United (collectively, the “Applicants”), please find attached hereto an electronic copy of the above-referenced response to Data Request TUS 1 sent to Applicants by the Pennsylvania Public Utility Commission on August 14, 2024. This electronic copy is for filing in the Commission’s e-file system and for sending via electronic mail to rlayton@pa.gov.

Should you have any questions regarding this response, please contact us.

Respectfully submitted,

/s/ Christopher Lodge
Christopher Lodge
Chief Executive Officer & Chief Operating
Officer
United Federal Data of Pennsylvania, LLC, a
wholly owned subsidiary of
United Fiber & Data, LLC
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/s/ Phillip R. Marchesiello
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*Counsel to Transferee Cablevision Lightpath
LLC*

Attachment

**ATTACHMENT:
Staff Inquiries for Review of Transactions
under 52 Pa. Code §§ 63.321-63.325**

1. *Identify the ultimate parent of each party to the transaction and the valuation of each.*

RESPONSE: United Fiber & Data, LLC (“UFD”) is the ultimate parent of United Federal Data of Pennsylvania, LLC (“United Pennsylvania”). UFD is valued at approximately \$37.5 million. This valuation is based on the purchase price for substantially all of UFD’s assets by Cablevision Lightpath LLC (“Lightpath”), including the equity of UFD’s licensee subsidiaries such as United Pennsylvania, plus the approximate value of the remaining UFD assets not sold pursuant to the transaction. This valuation of assets does not account for debt of UFD.

Lightpath is wholly owned and controlled by its parent company Lightpath Holdings LLC. Lightpath’s implied valuation is in excess of \$3.2 billion, based upon Morgan Stanley Infrastructure Partners’ purchase of a 49.9 percent ownership interest in Lightpath in December 2020. A copy of Lightpath’s most recent annual report can be found [here](#).

2. *Identify the Pennsylvania jurisdictional revenue of each party to the transaction and its Pennsylvania proportion of total revenue.*

RESPONSE: UFD’s Pennsylvania jurisdictional revenue for 2023 is \$110,731 of intrastate revenue and \$435,361 of interstate revenue. That represents approximately 13 percent of total revenue of UFD for 2023. Lightpath does not have any network facilities in Pennsylvania and does not generate any jurisdictional revenue in the state. Lightpath purchases network services from UFD and has used these services to sell Ethernet and internet access services to three customers with Pennsylvania locations, which generates approximately \$10,000 per month and represents less than 0.0003 of Lightpath’s total revenue.

3. *Affirm that the transaction has not already taken place (i.e. is not Nunc Pro Tunc in nature) and that the transaction will not be consummated prior to receiving Commission approval. If not included in the filing, provide the known or anticipated transaction closing date.*

RESPONSE: The parties signed the Asset Purchase Agreement on June 7, 2024 (“APA”), and the transaction is subject to regulatory approvals and other customary closing conditions. Although the parties have received regulatory approval from Maryland, they are still awaiting regulatory approvals in New York, New Jersey, and Virginia, in addition to Pennsylvania. The APA establishes a closing date of September 7, but the parties may extend this date in 30-day increments.

4. *Identify all jurisdictions where this or a related transaction has been filed and where approval is being sought. Provide the status of each filing. While pending in Pennsylvania,*

identify any jurisdiction that acts on the transaction and describe the action taken. Provide updates as necessary.

RESPONSE: The parties to this transaction have filed applications for approval in the following jurisdictions: New York, New Jersey, Pennsylvania, Maryland, and Virginia. As stated above, approval remains pending in New York, New Jersey, Pennsylvania, and Virginia. The State of Maryland has approved of the transaction. The parties will provide updates to the Commission as additional states approve the transaction.

5. *If any conditions are under consideration, imposed, or agreed to in any jurisdiction in which this or a related transaction is pending, please update the filing to include that information as it occurs.*

RESPONSE: The parties will promptly notify the Commission if any conditions are under consideration, imposed, or agreed to in connection with the transaction in any other jurisdiction.

6. *Identify all Pennsylvania-specific impacts known, anticipated, or considered that will or may result in any fashion from the transaction.*

RESPONSE: The only Pennsylvania-specific impact will be positive. Enterprises in Pennsylvania will have additional fiber connectivity options as a result of the connection to, and extension of, the UFD facilities to the Lightpath network, which comprises in excess of 20,000 fiber route miles throughout the Northeast.

7. *If synergies as to scope or scale, or merger savings, are posed as a substantial public benefit overall, identify each anticipated synergy and/or savings. Identify the financial or other value of those synergies and/or savings and explain how such value was calculated.*

RESPONSE: Synergies arising from this transaction are marginal because the substantial majority of the UFD network does not overlap with Lightpath's network. However, Lightpath currently purchases services from UFD that Lightpath uses to provide certain services to its own customers. As a result of the transaction, Lightpath will be able to avoid those costs, which are less than \$200,000 annually.

8. *Identify whether any of the anticipated benefits of the transaction are expected to arise from the loss or potential loss of Pennsylvania jobs, tax revenues, facilities, or downsizing, or consolidation that affects Pennsylvania, or any other impact in Pennsylvania.*

RESPONSE: Lightpath is not acquiring UFD. Instead, Lightpath only is acquiring certain assets of UFD, including the equity of UFD's licensee subsidiaries, which includes United Pennsylvania. None of UFD's employees are being acquired by Lightpath. They will remain with UFD. (United Pennsylvania does not have any employees.) Lightpath intends to continue to operate all of the facilities in Pennsylvania that it acquires in this transaction.

9. *Identify the location and number of any employees, offices, or facilities of each party to the transaction that are located in Pennsylvania.*

RESPONSE: UFD currently has eight Pennsylvania-based employees. These employees are not being acquired by Lightpath as part of the transaction. UFD has one office in Allentown, Pennsylvania, and certain fiber infrastructure and related facilities in Pennsylvania.

10. *Identify any functions, operations, or activities of any nature currently performed in or affecting Pennsylvania that may be impacted as a result of the transaction. Specifically, identify any operations that will be eliminated and any impact on Pennsylvania employment.*

RESPONSE: Of the eight UFD employees in Pennsylvania, it is anticipated that three may be offered employment with Lightpath after the transaction closes. Of the remaining five UFD employees in Pennsylvania, UFD expects to terminate three following close of the transaction, but each has financial incentives or severance tied to the sale of the business.

11. *Identify the number of Pennsylvania customers served by each of party to the transaction.*

RESPONSE: Currently, UFD has eight customers in Pennsylvania. Lightpath has three customers in Pennsylvania.

12. *Identify all service markets (e.g., local exchange market, special access market) in Pennsylvania in which each party to the transaction or any affiliates participate.*

RESPONSE: UFD offers dark fiber and high-capacity data transport services to other carriers and large enterprise businesses in Pennsylvania. Lightpath has only minimal presence in Pennsylvania. As specified in the parties' response to Question 2 above, Lightpath provides Ethernet and internet access services to three customers with locations in Pennsylvania.

13. *Identify all geographic areas in Pennsylvania in which the Applicant(s), affiliates, or any other entities affected by the transaction offer services.*

RESPONSE: UFD's network traverses Pennsylvania through the following counties: Adams, York, Lancaster, Berks, Montgomery, and Bucks. Lightpath does not own network facilities located in Pennsylvania.

14. *Identify any and all unaffiliated providers offering the same or competitive services as those of the Applicant(s) in the same geographic locales within Pennsylvania. Reference to all certificated carriers on file at the Commission will not be considered an acceptable or complete response.*

RESPONSE: UFD is aware of the following providers offering similar or competing services in all or parts of UFD's service area in Pennsylvania: Shentel, DQE, Zayo,

Comcast Business, Verizon, Firstlight, Crown Castle, Blue Ridge CATV, Lumen Technologies, Everstream, FastBridge Fiber, Frontier Communications, LUMOS Networks, Velocity Fiber, Windstream, and Zito Media.

15. If the transaction is pending before the Federal Communications Commission (FCC), the U.S. Department of Justice (DOJ), or any other federal agency, please provide unexpurgated copies of responses provided to the FCC, DOJ, or other staff inquiries and data requests.

RESPONSE: No approval of the transaction is required from the FCC, DOJ, or any other federal agency, and therefore the parties have not made filings with any federal agencies in connection with the transaction.

16. While the transaction remains pending before the Commission, provide updates to the status of the transaction or of any changes to the application at the federal level as soon as they occur.

RESPONSE: The parties will provide the Commission with updates regarding the status of the transaction as soon as they occur. As set forth in the parties' response to Question 15, no federal applications or approvals are required for the consummation of the transaction.

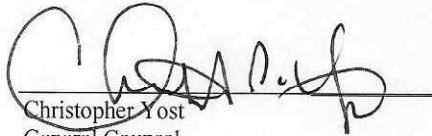
17. If the proposed transaction involves a foreign interest, describe in detail why state regulatory action on the proposed transaction would not be adverse to national security while DOJ approval remains pending.

RESPONSE: The transaction does not involve a foreign interest.

LIGHTPATH VERIFICATION STATEMENT

I, Christopher Yost, hereby state that the facts set forth above 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).

Dated this 23rd day of August, 2024.

A handwritten signature in black ink, appearing to read 'Christopher Yost', is written over a horizontal line.

Christopher Yost
General Counsel
Cablevision Lightpath LLC
1111 Stewart Avenue
Bethpage, NY 11714
Christopher.yost@lightpathfiber.com

UFD / UNITED PENNSYLVANIA VERIFICATION STATEMENT

I, Christopher Lodge, hereby state that the facts set forth above 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).

Dated this 23rd day of August, 2024.



Christopher Lodge
Chief Executive Officer & Chief Operating Officer
United Fiber & Data, LLC, parent company of
United Federal Data of Pennsylvania, LLC
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York, PA 17403
andrew@ufd.com