



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG, PENNSYLVANIA 17120
July 25, 2025

Docket Nos. A-2025-3054226; A-2025-3054227; A-2025-3054228;
A-2025-3054229; A-2025-3054232; A-2025-3054234;
A-2025-3054240; A-2025-3054244; A-2025-3054246;
A-2025-3054247; A-2025-3054248; A-2025-3054250;
A-2025-3054251; A-2025-3054253; A-2025-3054256;
A-2025-3054257; A-2025-3054258; A-2025-3054259;
A-2025-3054261; A-2025-3054262; A-2025-3054263;
A-2025-3054264; A-2025-3054265; A-2025-3054266;
A-2025-3054267; A-2025-3054268; A-2025-3054269;
A-2025-3054270

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RE: Joint Application of A.R.C. Networks, Inc. *et al.* for Approval of a General Rule Transaction consisting of Pro Forma Changes in Indirect Ownership

Dear Attorney Stoner:

On March 25, 2025, A.R.C. Networks, Inc.; American Telephone Company LLC; ATX Licensing, Inc.; Broadview Networks, Inc.; Broadview NP Acquisition Corp.; Business Telecom LLC; Cavalier Telephone Mid-Atlantic, LLC; Choice One Communications of Pennsylvania, Inc; CTC Communications Corp.; DeltaCom, LLC; Intellifiber Networks, LLC; LDMI Telecommunications, LLC; MassComm, LLC; McLeodUSA Telecommunications Services, LLC; PAETEC Communications, LLC; Talk America, LLC; US LEC of Pennsylvania, LLC; Windstream Buffalo Valley, Inc.; Windstream Communications, LLC; Windstream Conestoga, Inc.; Windstream D&E Systems, Inc.; Windstream D&E Inc.; Windstream KDL, LLC; Windstream New Edge, LLC; Windstream Norlight, LLC; and Windstream Pennsylvania, LLC (collectively, the “Windstream Licensees”) and PEG Bandwidth PA, LLC and Southern Light, LLC (together, the “Uniti Licensees”) (the Windstream Licensees and Uniti Licensees collectively, the “Joint Applicants”),¹ filed a joint application pursuant to the

¹ “Windstream” refers to Windstream Holdings II, LLC, the current ultimate parent of Windstream Licensees and its subsidiaries, and “Uniti” refers to Uniti Group Inc., the current ultimate parent of the Uniti Licensees and its subsidiaries.

Pennsylvania Public Utility Code (Code), 66 Pa. C.S. §§ 1102-1103, the Commission’s Statement of Policy regarding Utility Stock Transfers at 52 Pa. Code § 69.901, and its Abbreviated Procedures for Review of Transfer of Control of Telecommunications Public Utilities at 52 Pa. Code §§ 63.321 – 63.325. The Joint Applicants are seeking approval to complete a series of transactions that will result in pro forma changes in the indirect ownership of the Windstream Licensees and the Uniti Licensees (the “Transaction”). The joint application was filed as a general rule transaction under 52 Pa. Code § 63.324(a)(2) because it will transfer more than 20% of the direct or indirect control of the Joint Applicants.²

Pursuant to 52 Pa. Code § 5.14, relating to applications requiring notice, the notice was published in the *Pennsylvania Bulletin* on April 12, 2025, at 55 *Pa.B.* 2839, with a protest period ending April 28, 2025. Additionally, the Joint Applicants served copies of the joint application upon the Office of Small Business Advocate (OSBA), the Office of Consumer Advocate, and the Commission’s Bureau of Investigation and Enforcement (BI&E). Further notice was not required, and no protests or comments have been received, however, the OSBA filed a Notice of Appearance on April 10, 2025.

The Windstream Licensees and their affiliates offer services in all fifty states and the District of Columbia. In Pennsylvania, Windstream’s incumbent local exchange carrier (ILEC) subsidiaries offer residential and business services, while its competitive local exchange carrier (CLEC) subsidiaries offer enterprise services statewide.³ In Pennsylvania, the Windstream Licensees operate under the following authorizations:⁴

A.R.C. Networks, Inc., a New York corporation, is authorized to provide CLEC services pursuant to Commission authority granted at Docket Nos. A-310448 and A-310448F0003.

American Telephone Company LLC, a New York limited liability company, is authorized to provide CLEC and resold interexchange (IXC-R) services pursuant to Commission authority granted at Docket Nos. A-2009-2093403, A-2009-2093404, and A-2009-2093405.

ATX Licensing, Inc., a Delaware corporation, is authorized to provide CLEC and IXC-R services pursuant to Commission authority granted at Docket Nos. A-310992 and A-310992F0002.

Broadview Networks, Inc., a New York corporation, is authorized to provide interexchange carrier (IXC), IXC-R, competitive access provider (CAP), and CLEC

² An amended application was filed on March 31, 2025 removing references to Lightship Telecom, LLC, as the entity abandoned its services in Pennsylvania in April 2024.

³ Joint Application at 3

⁴ Joint Application at 3-6.

services pursuant to Commission authority granted at Docket Nos. A-310932, A-310932F0002, A-310932F0003, and A-310932F0004.

Broadview NP Acquisition Corp., a Delaware corporation, is authorized to provide IXC, IXC-R, CAP, and CLEC services pursuant to Commission authority granted at Docket Nos. A-311188, A-311188F0002, and A-311188F0003.

Business Telecom, LLC, a North Carolina limited liability company, is authorized to provide CLEC, IXC-R, and IXC services pursuant to Commission authority granted at Docket Nos. A-310092, A-310092F0002, A-310092F0004, and A-2015-2478267.

Cavalier Telephone Mid-Atlantic, LLC, a Delaware limited liability company, is authorized to provide CLEC, IXC, IXC-R, and CAP services pursuant to Commission authority granted at Docket No. A-310838.

Choice One Communications of Pennsylvania, Inc., a Delaware corporation, is authorized to provide CLEC, IXC, IXC-R, and CAP services pursuant to Commission authority granted at Docket Nos. A-310781 and A-310781F0002.

CTC Communications Corp., a Massachusetts corporation, is authorized to provide CLEC, IXC, IXC-R, and CAP services pursuant to Commission authority granted at Docket Nos. A-310295, A-310295F0002, and A-310295F0003.

DeltaCom, LLC, an Alabama limited liability company, is authorized to provide IXC-R services pursuant to Commission authority granted at Docket Nos. A-310467 and A-2012-2326256.

Intellifiber Networks, LLC, a Virginia limited liability company, is authorized to provide CLEC, IXC, IXC-R, and CAP services pursuant to Commission authority granted at Docket No. A-311102.

LDMI Telecommunications, LLC, a Michigan limited liability company, is authorized to provide IXC services pursuant to Commission authority granted at Docket Nos. A-310538 and A-310538F0002.

MassComm LLC, a New York limited liability company, is authorized to provide CLEC and IXC-R services pursuant to Commission authority granted at Docket Nos. A-2008-2046390, A-2008-2046392, and A-2008-2046394.

McLeodUSA Telecommunications Services, LLC, an Iowa limited liability company, is authorized to provide IXC-R services pursuant to Commission authority granted at Docket No. A-310456.

PAETEC Communications, LLC, a Delaware limited liability company, is authorized to provide CLEC, IXC, and IXC-R services pursuant to Commission authority granted at Docket No. A-310743.

Talk America, LLC, a Delaware limited liability company, is authorized to provide CLEC, IXC, and IXC-R services pursuant to Commission authority granted at Docket No. A-310018.

US LEC of Pennsylvania, LLC, a North Carolina limited liability company, is authorized to provide CLEC, IXC, and IXC-R services pursuant to Commission authority granted at Docket No. A-310814.

Windstream Buffalo Valley, Inc., a Pennsylvania corporation, is authorized to provide ILEC services pursuant to Commission authority granted at Docket No. A-310369.

Windstream Communications, LLC, a Delaware limited liability company, is authorized to provide CLEC, IXC, IXC-R, and CAP services pursuant to Commission authority granted at Docket No. A-310325.

Windstream Conestoga, Inc., a Pennsylvania corporation, is authorized to provide ILEC services pursuant to Commission authority granted at Docket No. A-310850.

Windstream D&E Systems, Inc., a Delaware corporation, is authorized to provide CLEC, IXC-R, and CAP services pursuant to Commission authority granted at Docket No. A-310738.

Windstream D&E Inc., a Pennsylvania corporation, is authorized to provide ILEC, IXC, and CAP services pursuant to Commission authority granted at Docket No. A-311050.

Windstream KDL, LLC, a Kentucky limited liability company, is authorized to provide CLEC, IXC, and CAP services pursuant to Commission authority granted at Docket No. A-311413.

Windstream New Edge, LLC, a Delaware limited liability company, is authorized to provide CLEC, IXC, and CAP services pursuant to Commission authority granted at Docket Nos. A-310884, A-310884F0002, A-310884F0003, A-310884F0004, and A-2012-2326259.

Windstream Norlight, LLC, a Kentucky limited liability company, is authorized to provide IXC and IXC-R services pursuant to Commission authority granted at Docket No. A-2008-2043652.

Windstream Pennsylvania, LLC, a Delaware limited liability corporation, is authorized to provide ILEC services pursuant to Commission authority granted at Docket No. A-312050.

Uniti is an internally managed real estate investment trust that operates two primary businesses: Uniti Leasing and Uniti Fiber. Uniti Leasing, whose largest customer is Windstream, owns, acquires, and leases communications assets nationwide to wholesale customers. Uniti Fiber, whose primary service area is in the Southeastern United States, is a provider of lit and dark fiber solutions for wireless operators, carriers, enterprises, schools, and governments. The Uniti Licensees are part of the Uniti Fiber business.⁵ In Pennsylvania, the Uniti Licensees hold the following authorizations:⁶

Southern Light, LLC, an Alabama limited liability company, is authorized to provide CLEC, IXC, IXC-R, and CAP services pursuant to Commission authority granted at Docket Nos. A-2018-3001076, A-2018-3001077, A-2018-3001078, and A-2018-3001079.

PEG Bandwidth PA, LLC, a Delaware limited liability company, is authorized to provide CAP services pursuant to Commission authority granted at Docket No. A-2012-2301870.

The Transaction consists of pro forma changes involving multiple steps, including the contribution of equity and multiple mergers, with the end result being that the Windstream Licensees will become indirect wholly owned subsidiaries of Uniti Group LLC and Holdco LP, and the Uniti Licensees will become indirect wholly owned subsidiaries of Windstream Services, with Uniti Group LP LLC being removed from their ownership chain. The Transaction will only occur following consummation of the transaction approved by the Commission on October 7, 2024 at Docket No. A-2024-3049708 *et al* (the “Windstream-Uniti Transaction”). The Transaction consists of changes only to intermediate holding companies, with Windstream Parent, Inc (Parent)⁷ remaining the ultimate indirect parent of the Joint Applicants.⁸

The Joint Applicants attest that the Transaction will not result in any changes to the services received by customers, including rates, terms, and conditions of service, and thus, there is no need to provide customers with notice of the Transaction.⁹

⁵ Joint Application at 7.

⁶ Joint Application at 7-8.

⁷ As a result of the Windstream-Uniti Transaction, the Joint Applicants will become indirect subsidiaries of Parent, and Parent will change its name to “Uniti Group Inc.”

⁸ See Exhibits A and B of the Joint Application for pre- and post-Transaction ownership charts that more clearly illustrate the effects of the Transaction on the organizational structure of the Joint Applicants.

⁹ Joint Application at 12.

The Joint Applicants claim that the Transaction will serve the public interest. At the same time, the Transaction will have no adverse impact on customers and will appear entirely transparent to customers. Immediately following the Transaction, the Joint Applicants will continue to provide service to their customers at the same rates, terms, and conditions and without interruption.¹⁰

The Joint Applicants indicate that no service territories will be affected by the Transaction, as they will continue to provide the same services in the same locations in Pennsylvania before and after the Transaction.¹¹

The Joint Applicants state that they are in compliance with all Commission obligations and filings, and that they have not been a party to any state or federal proceedings over the last three years involving allegations of violations of State or Federal Requirements.¹²

The Joint Applicants verify that there will be no negative effect on their capital structures as a result of the Transaction, nor will it have any effect on their affiliated interest agreements.¹³

The Transaction does not require FCC approval with respect to the Joint Applicants' domestic and international Section 214 authorizations or their common carrier wireless licenses; however, it does require approval with respect to certain other wireless licenses, which the Joint Applicants expect to be granted around the same time as approvals for the Windstream-Uniti merger transaction.¹⁴ State regulatory action on the Transaction will not adversely impact national security, as the pertinent federal agencies have already reviewed and evaluated Parent's foreign interest holders.¹⁵

In addition to Pennsylvania, the Joint Applicants also sought approval of the Transaction in California, Indiana, Kentucky, Louisiana, New Jersey, New York, and Texas. Approval of the Transaction remains pending in all of these jurisdictions. While the Joint Applicants do not expect any conditions to be imposed in any other jurisdiction, they have agreed to update the Commission if any such conditions are imposed or agreed to in the future.¹⁶

The Joint Applicants further submit that the Transaction complies with the prohibition against cross-subsidization imposed under federal and state law, and that the Windstream Licensees designated as eligible telecommunications carriers (ETC) are in compliance with all state and federal law related to ETC status. Windstream verifies that

¹⁰ Joint Application at 10.

¹¹ Joint Application at 11.

¹² Joint Application at 12.

¹³ Joint Application at 12-13.

¹⁴ Response to Data Request at question 15.

¹⁵ Response to Data Request at question 17.

¹⁶ Response to Data Request at questions 4-5.

it is compliant with all of its broadband deployment commitments in Pennsylvania, which includes the FCC’s Rural Digital Opportunity Fund, American Rescue Plan Act, and Network Modernization Plan. The Uniti Licensees are not subject to any broadband deployment commitments in Pennsylvania and do not have ETC status in Pennsylvania.¹⁷

The Joint Applicants assert that there are no Pennsylvania-specific impacts resulting from the Transaction. The Joint Applicants further claim that there will be no synergies from the Transaction since it is an internal reorganization, and that the Transaction is not expected to result in any loss or potential loss of Pennsylvania jobs, tax revenues, facilities, downsizing, consolidation, or any other net negative effect in Pennsylvania. The Joint Applicants do not expect that the Transaction will negatively impact any functions, operations, employment, or activities of any nature currently performed in or affecting Pennsylvania.¹⁸

It is noted, however, that PEG Bandwidth PA, LLC, one of the Joint Applicants, is subject to a Tentative Order entered on July 11, 2024, tentatively approving the cancellation of its certificate of public convenience for failure to report Pennsylvania jurisdictional revenue.¹⁹ Otherwise, The Commission has determined that the Joint Applicants are current with their Annual Financial reports, Security Planning and Readiness Self-Certification reports, and Universal Service Fund payments, and that there are no outstanding Commission fines, fees, or assessments due.

As required by 66 Pa. C.S. §§ 1102(a) and 1103 and the Commission’s regulations at 52 Pa. Code § 63.324(k)(1), we find that the record sufficiently supports the Joint Applicants’ claim that the proposed Transaction is in the public interest.²⁰ Specifically, the Transaction will have no adverse effects on the quality of service enjoyed by the Windstream Licensees’ customers or Uniti Licensees’ customers, nor will it impact the accommodation, convenience, or safety of the public. As stated by the Joint Applicants, the Transaction will not disrupt any customer-facing operations, which will continue to be provided as before. Once the Transaction is completed, the Windstream Licensees and Uniti Licensees will continue to have the managerial, technical, financial, and

¹⁷ Joint Application at 14.

¹⁸ Response to Data Request at questions 6-8 & 10.

¹⁹ See, M-2024-3049348. The Tentative Order directed PEG that it had 20 days from the date of publication in the *Pennsylvania Bulletin* to challenge the cancellation by submitting comments. The Tentative Order was published in the *Pennsylvania Bulletin* on August 31, 2024. 54 Pa.B. 5593. On or about September 20, 2024, PEG submitted comments objecting to the cancellation, resulting in referral of the challenge to the Commission’s Bureau of Investigation and Enforcement pursuant to the process outlined in the Tentative Order. The matter remains pending, and this Secretarial Letter is issued without prejudice to the outcome in that proceeding.

²⁰ We believe the record shows that the transaction satisfies the necessary or proper standard under Section 1103 of the Code and provides affirmative public benefits consistent with *City of York v. Pa. PUC*, 295 A.2d 825 (Pa. 1972) (*City of York*), and *Irwin A. Popowsky v. Pa. PUC*, 937 A.2d 1040 (Pa. 2007) (*Popowsky*). The Commission retains general authority to impose conditions upon approval of a transaction as codified in the Public Utility Code at 66 Pa. C.S. § 1103. “[E]ven where the [Commission] finds benefit in the first instance, Section 1103(a) also confers discretion upon the agency to impose conditions which it deems to be just and reasonable.” *Popowsky*, 937 A.2d at 1057, n.21. This includes authority to impose conditions upon approval of a general rule or pro forma transaction in accordance with Sections 63.324(h)(4) and 63.325(h)(4) of our regulations at Title 52 of the Pennsylvania Code.

customer care qualifications to provide high quality telecommunications services to consumers in Pennsylvania. The Transaction will thus be seamless for the Windstream Licensees' customers and the Uniti Licensees' customers and accords with the public interest. Therefore, for the reasons provided by the Joint Applicants, we conclude that the record provides substantial evidence of positive public benefits necessary to justify approval of the proposed Transaction.

We also find that the Transaction will not harm competition, as there are a number of unaffiliated providers offering similar services as the Joint Applicants in the same geographic locales within Pennsylvania including, but not limited to, Breezeline, Brightspeed, Charter, Comcast, Crown Castle, DQE, Everstream, Fairpoint, FirstLight, Frontier, Segra, Starlink, T-Mobile, US Cellular, Verizon, Zayo, and Zito Business.²¹ The Commission's approval will enhance the Joint Applicants' ability to compete in Pennsylvania without harm to consumers or Pennsylvania markets as required by the Code at 66 Pa. C.S. §§ 1102(a) and 1103 and the Commission's regulations at 52 Pa. Code § 63.324(k)(3).

Therefore, we conclude that the Transaction is necessary or proper for the service, accommodation, convenience, or safety of the public, and the Commission will issue certificates of public convenience authorizing the Transaction as required by the Code at 66 Pa. C.S. §§ 1102(a) and 1103 and the Commission's regulations at 52 Pa. Code § 63.324(k)(2).

In summary, we find that the joint application should be approved as a general rule transaction under Section 63.324 of the Commission's regulations as requested and that certificates of public convenience be issued to the Windstream Licensees and Uniti Licensees evidencing our approval of the general rule transfer of control.

However, there is risk to Pennsylvania in approving this general rule transaction in advance of the remaining jurisdictions, which may impose conditions that could jeopardize the Joint Applicants' averments to Pennsylvania upon which this approval is based. For this reason, in the event the Joint Applicants and/or their non-Pennsylvania subsidiaries and affiliates agree to or accept resolution of this or a related pending transaction from another jurisdiction in which that jurisdiction obtains or imposes any condition(s) on or commitment regarding this and/or a related pending transaction, the Joint Applicants shall, within 10 days of such agreement or acceptance, provide notice of the condition(s), including a copy of the relevant jurisdictional action, to Pennsylvania by letter to the Secretary with a copy to the Commission's Director, Bureau of Technical Utility Services (TUS). In the notice, the Joint Applicants shall offer to Pennsylvania their agreement to or acceptance of the same condition(s), or reasonably comparable condition(s) for Pennsylvania, as appropriate. The Commission will act upon the notice as expeditiously as possible. If the Joint Applicants do not agree with this provision, the

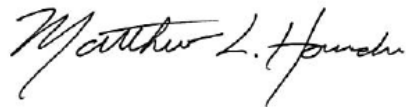
²¹ Response to Data Request at question 14.

Commission shall immediately be notified in writing by letter to the Secretary with a copy to TUS. Upon such notice, the Joint Applicants are advised pursuant to Sections 703(g) and 1103 of the Code, 66 Pa. C.S. §§ 703(g), 1103, that this Secretarial Letter approving the proposed Transaction shall be immediately rescinded and of no effect; and, in accordance with the Code and our regulation at 52 Pa. Code § 63.324(k)(5), Commission review of the proposed Transaction shall be extended for a further opportunity for the Joint Applicants to be heard and for further consideration by the Commission as necessary and appropriate to protect the public interest.

Moreover, because review of the proposed Transaction remains pending at the FCC and other federal agencies, action the Commission takes in this Secretarial Letter is premised on the approval of the same transaction at the federal level. The Commission reserves the right to revisit this approval and impose conditions we deem necessary considering final federal action on the Transaction.

Therefore, the Commission directs the Joint Applicants to file notice with the Commission within thirty days (30) upon consummation of the Transaction. If the Joint Applicants determine that the Transaction will not occur, they shall promptly notify this Commission.

BY THE COMMISSION,

A handwritten signature in cursive script, reading "Matthew L. Homsher".

Matthew Homsher
Secretary

cc: Parties of record