



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

IN REPLY PLEASE  
REFER TO OUR FILE

August 21, 2025

Docket No: A-2025-3055320

Catherine G. Vasudevan, Esquire  
MORGAN, LEWIS & BOCKIUS LLP  
2222 Market Street  
Philadelphia, PA 19103-3007

RE: Joint application of Crown Castle Operating Company, Crown Castle Fiber LLC,  
and Small Cells HoldCo Inc. for approval of a general rule transaction

Dear Attorney Vasudevan:

On May 15, 2025, Crown Castle Operating Company (CCOC), Crown Castle Fiber LLC (CCF), and Small Cells HoldCo Inc. (Small Cells HoldCo) (collectively, the “Joint Applicants”) filed a joint application pursuant to the Pennsylvania Public Utility Code (Code), 66 Pa. C.S. § 1102(a), 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 for the indirect transfer of control of CCF from CCOC to Small Cells HoldCo (the “Transaction”). The Transaction qualifies as a general rule transaction under 52 Pa. Code § 63.324(a)(2) because it involves a change in indirect control of CCF of greater than 20%.

Pursuant to 52 Pa. Code § 5.14, relating to applications requiring notice, the Commission published notice of the general rule transaction in the *Pennsylvania Bulletin* (55 Pa.B. 3992) on June 7, 2025, with a protest period ending June 23, 2025. Additionally, the Joint Applicants served copies of the joint application upon the Office of Consumer Advocate, the Office of Small Business Advocate, the Office of Attorney General, and the Commission’s Bureau of Investigation and Enforcement. Further notice was not required, and no protests or comments have been received.

CCOC is a Delaware corporation and a wholly-owned subsidiary of Crown Castle Inc. (CCI), a publicly traded Delaware corporation (NYSE: CCI). CCI, which operates as a real estate investment trust, owns, operates, leases, or manages approximately 40,000 towers and rooftop sites for wireless communications equipment through certain of its indirect subsidiaries (CCI and its subsidiaries collectively referred to as “Crown Castle”). Crown Castle subsidiaries deploy approximately 105,000 small cell nodes and approximately 90,000 route miles of fiber in the United States. These Crown Castle

subsidiaries provide transport, backhaul, and small cell services as well as dedicated point-to-point telecommunications services.

CCF (utility code 311029) is a New York limited liability company and an indirect, wholly-owned subsidiary of CCI. In Pennsylvania, CCF is authorized to provide competitive access services on a statewide basis pursuant to authority granted under Docket No. A-311029.

Small Cells HoldCo is a Delaware corporation newly-formed for the purposes of the proposed Transaction. Small Cells HoldCo is ultimately controlled by EQT Active Core Infrastructure Fund, which is ultimately managed by affiliates of EQT AB (EQT). EQT, publicly traded on the Stockholm Nasdaq (ticker symbol EQT), is an alternative investments firm with approximately \$305 billion in total assets under management.

Pursuant to a Stock Purchase Agreement dated March 13, 2025, Crown Castle will execute a series of intracompany, pre-closing restructuring steps such that the small cell business segments of its operating subsidiaries will continue to operate through CCF while the fiber network business segments of its operating subsidiaries are sold.<sup>1</sup>

Crown Castle will then sell to Small Cells HoldCo all the ownership interests in CCF, which at closing will hold all of Crown Castle's small cells business. Thus, Small Cells HoldCo will indirectly obtain at closing control of CCF and its small cells business.

As a result of the Transaction, Crown Castle's small cells business, which was originally comingled among Crown Castle's operating subsidiaries, will instead be housed in CCF and its subsidiaries, which will be indirectly owned and controlled by Small Cells HoldCo. According to the Joint Applicants, the enterprise value of the small cells business is approximately \$4.25 billion, subject to customary purchase price adjustments.

According to the Joint Applicants, the reorganization of Crown Castle's network business into discrete fiber network and small cell segments will result in more efficient, streamlined operations that focus on serving customers in their respective sectors. The Joint Applicants claim that Small Cells HoldCo and its owners are managerially, technically, and financially qualified to assume ownership and control of the small cells business. EQT, Small Cells HoldCo's ultimate parent, has decades of experience operating telecommunications infrastructure in a wide variety of jurisdictions around the world, including across the United States. For these reasons, the Joint Applicants aver that the Transaction will affirmatively promote the service, accommodation, convenience, or safety of the public in a substantial way, and is in the public interest.

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<sup>1</sup> The Joint Applicants have also filed for Commission approval of related transactions whereby Crown Castle's fiber network and small cells business segments are separated (*See* Docket Nos. A-2025-3055297 and A-2025-3055299), and whereby Crown Castle will transfer control of its fiber network business segments of its operating subsidiaries (*See* Docket No. A-2025-3055301).

The Joint Applicants confirm that Small Cells Holdco will continue to provide services to existing small cell customers in the same locations, and without changes to rates, terms, or conditions of service; therefore, the Transaction will be seamless to customers.

The Joint Applicants claim that the Transaction is not expected to result in any loss of Pennsylvania jobs, tax revenues, facilities, or downsizing or consolidation, nor is it expected to negatively impact any functions, operations, or activities currently performed in or affecting Pennsylvania.<sup>2</sup>

The Joint Applicants verify that the Transaction will not negatively impact the capital structure of CCF and will have no effect on any affiliated interest agreements or CCF's Pennsylvania tariffs.

The Joint Applicants further verify that they are compliant with all Commission obligations and filings, and that they have not been found to have materially violated either state or federal requirements within the past three years.

The Joint Applicants state that the Transaction does not violate Federal or State cross-subsidization rules. The Joint Applicants are not eligible telecommunications carriers in Pennsylvania and are not subject to Federal or State broadband deployment commitments in Pennsylvania.

FCC approval of the Transaction remains pending. Notice with the U.S. Department of Justice under the Hart-Scott-Rodino Act was concurrently filed.<sup>3</sup> The Transaction remains subject to foreign ownership review. The Joint Applicants aver that Commission approval of the Transaction will not prejudice the ability of the federal government to fully consider, assess, and address the potential impact of any foreign interests in Small Cell HoldCo's ownership structure as a result of the Transaction.<sup>4</sup> The Joint Applicants agree to provide updates to the Commission on the status of approval at the federal level as they occur.<sup>5</sup>

In addition to Pennsylvania, approval of the Transaction is being sought in the following states: California, Connecticut, District of Columbia, Georgia, Indiana, Louisiana, Maryland, Minnesota, Mississippi, Nebraska, New Jersey, New York, Ohio, Texas, Virginia, and West Virginia. The Joint Applicants state that no conditions concerning the Transaction are currently under consideration, imposed, or agreed to in any jurisdiction; however, the Joint Applicants agree to update the filing if any such conditions are imposed or agreed to in the future.<sup>6</sup>

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<sup>2</sup> Response to Data Request Nos. 8 & 10.

<sup>3</sup> Response to Data Request No. 15.

<sup>4</sup> Foreign ownership involving EQT has already been reviewed and approved, including ongoing oversight of operations and changes in ownership. Response to Data Request No. 17.

<sup>5</sup> Response to Data Request No. 16.

<sup>6</sup> Response to Data Request Nos. 4 and 5.

Compliance checks found that the Joint Applicants do not have any outstanding fines, fees, or assessments and are current with the filing of annual financial reports, security planning and readiness reports, as well as payments to the Pennsylvania Universal Service Fund.

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)(1), we find that the Transaction is in the public interest. The record sufficiently supports the Joint Applicants' claim that the Transaction is part of a multi-step effort to separate and restructure Crown Castle's small cell business segments and its fiber network business, resulting in more efficient, streamlined operations that focus on serving customers in their respective sectors. Therefore, we conclude that the record demonstrates that the Transaction will not negatively impact the financial, managerial, and technical fitness of CCF post-transaction and also provides substantial evidence of affirmative public benefits sufficient to warrant approval of the proposed Transaction.<sup>7</sup>

We also find that the Transaction will not negatively impact competition. Telecommunications services currently provided will continue without interruption.<sup>8</sup> The Commission's approval will not harm consumers or Pennsylvania markets as required under 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 find that the Transaction is necessary or proper for the service, accommodation, convenience, or safety of the public, and the Commission will issue a certificate 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).

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

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<sup>7</sup> 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 a *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.

<sup>8</sup> According to the Joint Applicants, CCF's small cells competitors include, but are not limited to, AT&T, Extenet, T-Mobile, and Verizon. Response to Data Request No. 14.

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 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.

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 and that a certificate of public convenience be issued to Crown Castle Fiber LLC evidencing our approval of the general rule transaction. Therefore, the Commission directs the Joint Applicants to file notice with the Commission within thirty (30) days 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,



Matthew L. Homsher  
Secretary

Cc: Parties of Record