



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

October 15, 2025

Docket No. A-2025-3056418

Michael A. Gruin
Stevens & Lee
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Re: Joint Application of Cablevision Lightpath LLC and United Federal Data of Pennsylvania, LLC for Approval of a General Rule Transaction Resulting in a Change of Control

Dear Attorney Gruin:

On July 22, 2025, Cablevision Lightpath LLC (Lightpath) and United Federal Data of Pennsylvania, LLC (UFD-PA) (collectively, the “Joint Applicants”) filed a joint application pursuant to 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 for an internal restructuring, whereby two newly formed holding companies, Lightpath Guarantor LLC (Lightpath Guarantor) and Lightpath Issuer LLC (Lightpath Issuer), are inserted into the controlling chain of ownership of UFD-PA (Transaction). The Transaction qualifies as a general rule transaction under 52 Pa. Code § 63.324(a)(2) because it involves the transfer of more than 20% of the direct control of UFD-PA.

Pursuant to 52 Pa. Code § 5.14, relating to applications requiring notice, the Commission published notice of the proposed general rule transaction in the *Pennsylvania Bulletin* (55 Pa.B. 5223) on August 2, 2025, with a protest period ending August 18, 2025. Additionally, the Joint Applicants served copies of the joint application upon the Office of Small Business Advocate, the Office of Consumer Advocate, the Office of Attorney General, and the Commission’s Bureau of Investigation and Enforcement. No protests or comments have been received.

Lightpath, the direct parent of UFD-PA and a Delaware limited liability company with headquarters located at 1111 Stewart Avenue, Bethpage, NY 11714, provides fiber optic-based communications services to business customers across 14 states. Lightpath is ultimately controlled by Altice USA, Inc. (Altice), who owns 50.01% of the voting and equity interest in Lightpath, with the remaining minority interest being held by NHIP III Lantern Holding LLC, a firm owned and controlled by funds managed by Morgan Stanley Infrastructure Inc.

UFD-PA, utility code 3115379, is a direct wholly owned subsidiary of Lightpath with principal offices located at 210 York Street, York, PA 17403. In Pennsylvania, UFD-PA is authorized to provide telecommunications service as a Competitive Access Provider (CAP)

statewide pursuant to a certificate of public convenience granted by the Commission, on February 28, 2013, at Docket No. A-2012-2340487.

The Transaction, which is being effectuated to facilitate the Joint Applicants' participation in certain financing arrangements,¹ consists of an ownership change to UFD-PA resulting from the insertion of Lightpath Issuer as the direct parent of UFD-PA and Lightpath Guarantor as the direct parent of Lightpath Issuer within UFD-PA's upstream ownership structure. The Transaction will not result in any change in the ultimate control of the Joint Applicants, with Altice remaining as the ultimate parent.²

The Joint Applicants assert that there are no Pennsylvania-specific impacts resulting from the Transaction. The Joint Applicants further claim that no synergies will arise from the Transaction, as it merely involves the insertion of two newly-formed pass-through holding companies into the Joint Applicants' ownership chain, with no changes to day-to-day management or operations.³

In addition to Pennsylvania, the Joint Applicants also sought approval of the Transaction in Maryland, New York, New Jersey, and Virginia; however, the application is still pending in New Jersey. The Joint Applicants state that they will update the filing if any conditions have been considered, imposed, or agreed to in any other jurisdiction in which approval of the Transaction is granted in the future.⁴ The Joint Applicants further claim that the Transaction is not expected to have any negative impact on functions, operations, or activity of any nature currently performed in or affecting Pennsylvania, and that there are no expected reductions in Pennsylvania jobs, tax revenues, or facilities.⁵

The Joint Applicants declare that approval of the Transaction is not pending before the Federal Communications Commission (FCC), the U.S. Department of Justice, or any other federal agency, nor does it involve a foreign interest. However, shortly prior to closing, an application will be filed with the FCC seeking approval with respect to certain private microwave wireless licenses held by Lightpath, which the Joint Applicants anticipate will be processed via the FCC's "immediate approval procedures". In addition, a post-closing notice will be filed to update the FCC's records for an international Section 214 authorization held by Lightpath. UFD-PA does not hold any FCC authorizations.⁶

The Joint Applicants contend that the Transaction is in the public interest, as it does not directly impact them or their operations, nor will it have any negative impact on customers, who will continue to receive service at the same rates, terms, and conditions. The Joint Applicants further assert that the Transaction is being undertaken to facilitate their participation in financing arrangements that will provide the capital necessary to pay off existing debt and fund future growth and expansion, all of which will improve the Joint Applicants' overall business operations and service capabilities.

¹ See Secretarial Letter issued on August 12, 2025, at Docket Nos. S-2025-3056507 *et al*, registering an abbreviated securities certificate of the Joint Applicants.

² See Exhibit A 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.

³ See Response to Data Request, August 29, 2025, Item Nos. 6-7.

⁴ See Response to Data Request, August 29, 2025, Item Nos. 4-5, as updated by Counsel on October 1, 2025.

⁵ See Response to Data Request, August 29, 2025, Item Nos. 8 & 10.

⁶ See Response to Data Request, August 29, 2025, Item Nos. 15-17.

Additionally, the Joint Applicants aver that the Transaction does not adversely affect competition in any market within Pennsylvania. Rather, the Joint Applicants submit that the Pennsylvania market will continue to be robustly served, with numerous unaffiliated providers offering the same or competing services as those of the Joint Applicants in the same geographic locales within Pennsylvania, including Shentel, DQE, Zayo, Comcast Business, Verizon, Firstlight, Crown Castle, Blue Ridge CATV, Lumen Technologies, FastBridge Fiber, Frontier Communications, LUMOS Networks, Velocity Fiber, Windstream, and Zito Media.⁷

The Joint Applicants claim that the Transaction will have no impact on their affiliated interest agreements or tariffs, nor will it negatively impact their capital structures or require any type of informal or formal investigation, complaint, or proceeding.

The Joint Applicants further submit that they do not have eligible telecommunications carrier status under federal and state law, are in compliance with broadband deployment commitments under federal and state law, and that the Transaction complies with the prohibition against cross-subsidization imposed under federal and state law.

The Commission has determined that UFD-PA is current with its 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 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 record sufficiently supports the Joint Applicants' claim that the proposed Transaction is in the public interest. The Transaction will be seamless and transparent to customers, with telecommunications services continuing at the same rates, terms, and conditions of service. Further, the Joint Applicants have identified and expect no negative impact on Pennsylvania as a result of the Transaction. Therefore, for the reasons advanced by the Joint Applicants, we conclude that the record provides substantial evidence of affirmative public benefits sufficient to warrant approval of the proposed transaction.⁸

We also find that the Transaction will not harm competition, as there are plenty of competitive options available to customers, with a number of other providers continuing to offer similar services as the Joint Applicants in the same geographic locales within Pennsylvania. The Commission's approval enhances the Joint Applicants' ability to compete in Pennsylvania without harm to 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 conclude that the Transaction is necessary or proper for the service, accommodation, convenience, or safety of the public, and the Commission will issue a certificate

⁷ See Response to Data Request, August 29, 2025, Item No. 14.

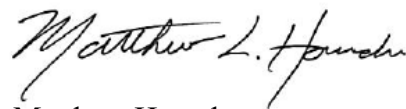
⁸ We believe the record shows that the Transaction satisfies the necessary or proper standard under Section 1103 of the Code and provides affirmative public benefits consistent with *City of York v. Pa. PUC*, 295 A.2d 825 (Pa. 1972) (*City of York*), and *Irwin A. Popowsky v. Pa. PUC*, 937 A.2d 1040 (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.

of public convenience authorizing this 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 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.

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 consistent with this Secretarial Letter and that a certificate of public convenience be issued to United Federal Data of Pennsylvania LLC evidencing our approval of the general rule transfer of control. 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,



Matthew Homsher
Secretary

cc: Parties of Record