

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint)	Application No. C-4724
Application of Unite Private)	
Networks, LLC, UPN Intermediate)	
Holdings, LLC, and UPN Holdings)	
LLC, Kearney, Missouri, seeking)	GRANTED
approval for the issuance of)	
debt and related financing)	
transactions.)	Entered: December 16, 2014

BY THE COMMISSION:

On November 4, 2014, a joint application was filed with the Nebraska Public Service Commission ("Commission") by Unite Private Networks, LLC, ("Unite"), UPN Intermediate Holdings LLC ("Intermediate Holdings"), and UPN Holdings LLC, ("Holdings"), all of Kearney, Missouri, (jointly "Applicants"), seeking approval to issue debt and enter into certain debt financing arrangements whereby Intermediate Holdings, Unite's parent company, will borrow certain credit facilities secured by direct and indirect subsidiaries of Intermediate Holdings. Notice of the application was published in The Daily Record, Omaha, Nebraska, on November 10, 2014. No protests were filed; therefore, this application is processed pursuant to the Commission's rule of modified procedure.

O P I N I O N A N D F I N D I N G S

Unite is a Delaware limited liability company with its principal offices located in Kearney, Missouri. Unite is a wholly-owned subsidiary of Intermediate Holdings, which in turn is a wholly-owned subsidiary of Holdings. Unite provides data only communication services over high bandwidth fiber optic networks to schools, governments, carriers and large enterprise customers. Unite is authorized to provide competitive local exchange and interexchange telecommunications services in Nebraska under and by virtue of authority heretofore granted by this Commission.¹

According to the Applicants, Intermediate Holdings will enter into senior credit facilities of up to \$272.5 million, consisting of (i) up to \$225 million first lien credit facilities including a revolving credit facility of \$30 million, a delayed draw term loan A facility of up to \$110 million and a term loan B facility of up to \$85 million, all with five-year maturity dates from closing and (ii) up to \$47.5 million second lien term loan credit facility with a six-year maturity from closing.

¹ See Dockets C-2998 (September 16, 2003) and C-3487 (November 22, 2005).

Pursuant to the financing arrangements, Applicants plan to guarantee the debt with Holdings and each existing and subsequently acquired or organized wholly-owned U.S. direct or indirect subsidiary, including Unite. Applicants will secure the debt by a perfected pledge of the equity interests of Intermediate Holdings and its subsidiaries, including Unite. Finally, Applicants plan to perfect security interests in, and mortgages on, substantially all tangible and intangible assets of Intermediate Holdings, its subsidiaries, including Unite, and Holdings.

Applicants state that proposed financing arrangements will be seamless and in no event result in the discontinuance, reduction, loss or impairment of service to customers. Further, the arrangements do not raise any competitive concerns as the impacts will only be financial and operational and will not adversely affect the operation of the Nebraska certificated carrier, Unite.

The Applicants state the financing arrangement is in the public interest as it will enhance the Applicants ability to compete in the market for telecommunications services in Nebraska and have no adverse effect on customers.

Applicants seek approval from the Commission pursuant to Neb. Rev. Stat. § 75-148, which states in pertinent part,

A common carrier may issue stock, bonds, notes, or other evidence of indebtedness, payable at periods of more than twelve months after the date thereof, when necessary for the acquisition of property, the construction, completion, extension or improvement of facilities, the improvement or maintenance of its service, or the discharge or lawful refunding of its obligations if the common carrier first secures from the Commission an order authorizing such issue and the amount thereof and stating that in the opinion of the Commission the use of the capital to be secured by the issue of such stock, bonds, notes, or other evidence of indebtedness is reasonably required for the purposes of the carrier.

Upon review of the evidence, the Commission finds that the application filed herein is in compliance with the applicable

Nebraska Statutes and that the debt financing agreement is reasonably required for the aforementioned purpose. The application is fair, reasonable and in the public interest and should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4724 be, and is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 16th day of December, 2014.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

Application No. C-4724

Page 3

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NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Aune Boyce
Tim Schram
Dee Johnson
Guadalupe

John Sanders
Chairman

ATTEST:

Stacy Meredith
Executive Director

//s//Frank E. Landis