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July 21, 2020

Via Electronic Filing

Ms. Brinda Westbrook-Sedgwick,
Secretary
Public Service Commission of the
District of Columbia
1325 G Street N.W.
Suite 800
Washington, DC 20005

Re: Application of FiberLight, LLC in Relation to New Debt Financing

Dear Ms. Westbrook-Sedgwick:

FiberLight, LLC ("FiberLight" or "Applicant"), through its undersigned counsel, and pursuant to 15 DCMR § 3501.12, requests approval, from the District of Columbia Public Service Commission ("Commission"), to participate in certain financing arrangements described herein.¹ Applicant provides the following information in support of this Application.

I. Description of the Applicant

The legal name of the Applicant is FiberLight, LLC with its principal place of business address at: 3000 Summit Place, Suite 200, Alpharetta, GA 30009. FiberLight constructs and operates customized fiber optic networks, offering best in breed Carrier Ethernet technology on a \$1 billion diversely constructed optical ring topology network. FiberLight provides significant economies of scale, enabling customers to consolidate leased lines and multiple services onto one

¹ Pursuant to 15 DCMR § 3501.12, "applications filed by competitive local exchange carriers for issuance of stock or evidences of indebtedness . . . shall be presumed just and reasonable and deemed approved upon filing with the Commission." 15 DCMR § 3501.12. Because FiberLight, LLC is a competitive local exchange carrier, this application is deemed approved upon filing with the Commission.

private, high-speed, secure platform. Additional information about FiberLight can be found at www.FiberLight.com. In the District, FiberLight is a competitive local exchange carrier authorized by the Commission to provide resold and facilities-based local exchange telecommunications services pursuant to authority granted by the Commission in Order No. 13761 issued in Formal Case No. TA 05-09.

II. Description of the Financing Transaction

FiberLight files this Application to notify the Commission that it is seeking to secure a new long-term financing arrangement. FiberLight intends to enter into a new senior secured credit facility with one or more lenders arranged by Guggenheim Credit Services, LLC (“GCS”) (such lenders, together with any subsequent successors, assigns and participants, collectively, the “Lenders”). This new credit facility will be in the aggregate principal amount of up to \$325,000,000, consisting of: (a) a senior secured first lien term loan facility in an aggregate principal amount of \$280,000,000 (the “Term Loan Facility”) and (b) a senior secured first lien delayed draw term loan facility in an aggregate principal amount of up to \$45,000,000 (the “Delayed Draw Term Loan Facility”, and together with the Term Loan Facility, collectively, the “Facilities”).

Proceeds of the Facilities will be used by FiberLight to pay transaction costs, to refinance and repay in full all outstanding indebtedness owed by FiberLight to CoBank, ACB (“CoBank”) (the “Refinancing”), and to pay for working capital for continued network infrastructure build-out, capital expenditures, and other various costs and fees associated therewith. As is typical with credit facilities of this size, FiberLight will have the right to pay certain of the interest accruing on the Facilities “in kind” – that is, such interest will not be paid in cash as it accrues, but will be added to the principal balance of the loan. In addition, under certain circumstances, GCS may make advances under the Facilities to protect the interests of the Lenders in the Collateral or otherwise in the event that FiberLight fails to do so.

Unless the Term Loan Facility becomes due and payable in full at an earlier date pursuant to the terms thereof, whether by acceleration or otherwise, the Facilities will mature on the fifth anniversary of the date of the closing with respect to the Refinancing and the Facilities, and will amortize in quarterly installments as mutually agreed among FiberLight and the Lenders. A final balloon payment equal to the remaining balance of the Facilities shall be payable by FiberLight at maturity. All obligations of FiberLight and the various guarantors (together with FiberLight, the “Loan Parties”) under, and with respect to, the Facilities will be secured by, among other things: (a) valid and perfected first-priority liens on and security interests in, and, if applicable, mortgages on, substantially all tangible and intangible assets of the Loan Parties, (b) a valid and perfected first-priority pledge of all of the equity interests of FiberLight and each present and future direct or indirect subsidiary of FiberLight’s ultimate parent company, FiberLight Holdings I, LLC, and (c) all proceeds and products of the property and assets described in the foregoing clauses (collectively, the “Collateral”); provided that such Collateral shall be subject to certain exclusions

as agreed among FiberLight and the Lenders. Applicant is expecting to close this financing transaction upon receiving all necessary regulatory approvals and is targeting a closing date on or before August 31, 2020.

III. The FiberLight Financing is in the Public Interest

Approval of this Application and the FiberLight financing arrangements described herein will serve the public interest. The financing arrangements will increase the aggregate principal amount available to Applicant and enable FiberLight to extend its ongoing network infrastructure build-out and related capital expenditures. These arrangements will also strengthen the Applicant to the benefit of its D.C. customers by providing greater access to capital and will permit the Applicant to fund its business plan. Applicant will be in a better position to provide competitive services in the District of Columbia. The financing will be transparent to FiberLight's Washington, D.C. and other customers and will not result in any visible change to customer service, including any discontinuance, reduction, loss, or impairment of service to customers. FiberLight's new financing will allow it to continue to provide the same quality communications services to its customers without interruption and without immediate change in rates, terms, or conditions.

IV. Contacts

Contacts for this Application are as follows:

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With a copy to:

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Should you have any questions regarding this filing, please do not hesitate to contact me at 202.777.7732 or by email at jfalvey@lawlermetzger.com.

Sincerely,

/s/ James C. Falvey

James C. Falvey

cc: Tony D. Cash, Esq.