

**BEFORE THE
DISTRICT OF COLUMBIA PUBLIC SERVICE COMMISSION**

Joint Application of)	
)	
Radiate Holdings, L.P.)	
Transferor,)	Docket No. _____
)	
Starpower Communications, LLC dba RCN,)	
Licensee)	
)	
Stonepeak Associates IV LLC)	
Transferee,)	
)	
For Approval of a Transfer of Control)	

JOINT APPLICATION

Radiate Holdings, L.P. (“Radiate Holdings” or “Transferor”), Starpower Communications, LLC d/b/a RCN (“RCN”), and Stonepeak Associates IV LLC (“Transferee”) (collectively, “Applicants”), through their undersigned counsel and pursuant to D.C. Code § 34-1001, 15 DCMR § 2511.2 and any other provision of the Code or regulations deemed applicable, respectfully request authority to consummate a transaction (“Proposed Transaction”) whereby Transferee will acquire indirect control of RCN, an entity authorized to provide regulated telecommunications services in the District of Columbia.

In support of their Joint Application, Applicants state as follows:

I. DESCRIPTION OF THE APPLICANTS

A. Radiate Holdings, L.P.

Radiate Holdings is a Delaware limited partnership and serves as the common parent entity for RCN and its affiliated operating companies (the “Radiate Operating Companies”).¹ The general partner of Radiate Holdings is Radiate Holdings GP, LLC, (“Radiate GP”) and the sole member of Radiate GP is TPG Advisors VII, Inc. (“TPG Advisors”), a Delaware investment fund holding company that is directly owned and controlled jointly by the principals of TPG Global, LLC (“TPG”) – David Bonderman and James G. Coulter. Radiate GP is managed by its board of directors (the “GP Board”), a majority of which directors are appointed by TPG Advisors. Accordingly, TPG Advisors, through its appointees on the GP Board, controls Radiate GP, Radiate Holdings, and, in turn, RCN and the other Radiate Operating Companies, which provide telecommunications, cable and broadband services to over one million customers in the District of Columbia and ten states.²

B. Starpower Communications, LLC dba RCN (“RCN”)

RCN is a Delaware limited liability company, located at 650 College Road East, Suite 3100, Princeton, NJ 08540. RCN holds licenses to provide telecommunications services in the District of Columbia, as well as in Maryland and Virginia.³ RCN offers digital television, high-

¹ See Formal Case No.892; *Joint Application of Yankee Cable Partners, LLC, Transferor, Starpower Communications, LLC, Licensee and Radiate Holdings, L.P., Transferee, for Approval of a Transfer of Control and to Enter into Certain Financing Arrangements* (Dec. 15, 2016). The individual Radiate Operating Companies are identified in the attached organizational charts.

² These states include: California, Illinois, Maryland, Massachusetts, New York, Oregon, Pennsylvania, Texas, Virginia, and Washington.

³ RCN was authorized by the Commission to provide telecommunications services in the District of Columbia on March 20, 1998 in Case No. 892T-441.

speed Internet services, voice and business data services, and currently provides regulated telecommunications services to approximately 5,480 subscribers in the District of Columbia.

RCN is a direct wholly-owned subsidiary of RCN Telecom Services, LLC (“RCN-TS”), which itself is an indirect, wholly-owned subsidiary of Radiate Holdings and is controlled by TPG Advisors. Further information regarding RCN has been submitted previously to the Commission and is therefore a matter of public record. Applicants request that this information be incorporated herein by reference.

C. Stonepeak Associates IV LLC

Transferee is a Delaware limited liability company affiliated with private equity funds managed by Stonepeak Infrastructure Partners (“Stonepeak”), a specialized private equity firm that invests in strategically important infrastructure assets within the communications, energy, power, water, renewables, and transportation sectors. Founded in 2011 and headquartered in New York, Stonepeak manages over \$29.2 billion of capital for its investors.⁴ Stonepeak has considerable experience in the digital infrastructure sector with select investments across residential broadband, data centers, enterprise fiber, towers, and small cells that give it visibility and expertise across the broader communications sector. This experience positions Stonepeak as an ideal partner to RCN and the other Radiate Operating Companies as they continue to grow and strengthen their service offerings.

⁴ Stonepeak’s assets under management (“AUM”) calculation provided herein is determined by taking into account (i) unfunded capital commitments of Stonepeak Infrastructure Fund LP, Stonepeak Infrastructure Fund II LP, Stonepeak Infrastructure Fund III LP, Stonepeak Global Renewables Fund LP, and Stonepeak Infrastructure Credit Fund I LP and any co-invest vehicles managed by Stonepeak as of September 30, 2020, (ii) the gross asset value of such funds and co-invest vehicles, plus any feeder fund level cash with respect to such funds and co-invest vehicles as of September 30, 2020, and (iii) accepted capital commitments of Stonepeak Infrastructure Fund IV LP as of September 16, 2020. The AUM figure differs from the amount of assets under management reported for regulatory purposes and is based on gross asset values that are estimated and unaudited.

Stonepeak itself is ultimately controlled by Michael Dorrell, who is a citizen of, and who resides in, the United States.⁵ Mr. Dorrell has been involved in all phases of Stonepeak's development since 2011, and has 20 years of experience investing in infrastructure.

Upon consummation of the Proposed Transaction, Transferee will be the sole member of Radiate GP and, through the appointment of a majority of the directors of the GP Board, will control Radiate GP, Radiate Holdings, and, in turn, the Radiate Operating Companies. Transferee and the Stonepeak funds and managed vehicles that will indirectly own a majority of the limited partnership interests in Radiate Holdings are controlled by Mr. Dorrell.

Stonepeak's communications portfolio companies include the following providers of domestic telecommunications services:

- **ExteNet Systems, Inc. ("ESI") and its subsidiaries:** Founded in 2002, ESI designs, builds, owns and operates distributed networks for use by national and regional wireless service providers in key strategic markets in North America. ESI and its subsidiaries ("ExteNet") deploy distributed networks to enhance coverage and capacity and enable superior wireless service in both outdoor and indoor environments. Primary markets addressed by ExteNet include outdoor distributed networks in a variety of densely occupied or heavily traveled settings, and venues used for sports and entertainment events, the hospitality industry, commercial buildings, and healthcare facilities. Collectively, ExteNet holds authorizations to provide intrastate telecommunications services in the District of Columbia and every state except Alaska, Maine, North Dakota, Vermont, West Virginia and Wyoming. In the District of Columbia:

⁵ Mr. Dorrell also holds Australian citizenship.

- ESI is authorized to provide resold and facilities-based local exchange service pursuant to Case NO. TA 07-4. In addition;
- ESI's subsidiary Hudson Fiber Network Inc. is authorized to provide resold and Facilities-Based Local Exchange pursuant to Case No. TA2019-01; and
- ESI's subsidiary ExteNet Asset Entity, LLC is authorized to provide resold and Facilities-Based Local Exchange pursuant to Case No. TA2018-04.

II. DESIGNATED CONTACTS

For the purposes of this Joint Application, questions or any correspondence, orders, or other materials should be directed to the following contacts:

For Transferor and RCN:

Edward A. Yorkgitis, Jr.
Winafred R. Brantl
KELLEY DRYE & WARREN LLP
3050 K Street N.W., Suite 400
Washington, D.C. 20007
Tel: (202) 945-6649
Fax: (202) 342-8451
Email: cyorkgitis@kelleydrye.com
wbrantl@kelleydrye.com

With copies to:

Joseph Kahl
Vice President, Regulatory & Public
Affairs
RCN Corporation
650 College Road East, Suite 3100
Princeton, NJ 08540
Fax: (703) 434-8184
Email: joseph.kahl@rcn.net

For Transferee:

Michael Nilsson
HARRIS, WILTSHIRE & GRANNIS LLP
1919 M Street, NW, Suite 800
Washington, DC 20036
Tel: (202) 730-1334
Email: mnilsson@hwglaw.com

With copies to:

Brian McMullen
Senior Managing Director
Stonepeak Associates IV LLC
c/o Stonepeak Infrastructure Partners
55 Hudson Yards, 48th Floor
New York, NY 10001
Tel: (212) 907-5100
Email: mcmullen@stonepeakpartners.com

Jeffrey B. Kramp
EVP, Secretary & General Counsel
RCN/Grande Communications/Patriot
Media Consulting
650 College Road East, Suite 3100
Princeton, NJ 08540
Fax: (609) 452-2540 (F)
Email: jkramp@patmedia.us

Adrienne Saunders
General Counsel
Stonepeak Associates IV LLC
c/o Stonepeak Infrastructure Partners
55 Hudson Yards, 48th Floor
New York, NY 10001
Tel: (212) 907-5100
Email: saunders@stonepeakpartners.com

III. DESCRIPTION OF THE TRANSACTION

Pursuant to the terms of the Agreement and Plan of Merger (the “Agreement”) dated October 31, 2020, by and among Transferor, certain affiliates of Transferor, and certain affiliates of Transferee,⁶ the Proposed Transaction will be effected through a set of substantially simultaneous mergers, as a result of which:

- Control of RCN and the other Radiate Operating Companies will continue to be exercised indirectly through Radiate GP, the general partner of Radiate Holdings. However, upon consummation of the Proposed Transaction, (x) the sole member of Radiate GP will change from TPG Advisors to Transferee, and (y) Transferee and not TPG Advisors will have the right to appoint a majority of the directors of the GP Board and, accordingly, will control Radiate GP, Radiate Holdings, and, in turn, RCN and the other Radiate Operating Companies.
- The current direct and indirect equity holders of Radiate Holdings will transfer their indirect interests in RCN and the other Radiate Operating Companies – namely, their limited partnership interests in Radiate Holdings – to two Stonepeak-affiliated entities:

⁶ The Transferee-affiliated parties to the Agreement are: Stonepeak Tiger Holdings I LLC, Stonepeak Tiger Holdings II Sub LLC, Stonepeak Tiger Blocker I LLC, Stonepeak Tiger Blocker II LLC, Stonepeak Tiger Blocker III LLC, Stonepeak Tiger Blocker IV LLC, Stonepeak Tiger GP Merger Sub LLC, and Stonepeak Tiger Partnership Merger Sub LP.

The Transferor-affiliated parties are: Radiate Holdings GP, LLC, TPG VII Radiate BL, LLC; TPG Wakeboard BL, LLC; Radiate GF II Blocker, LLC; Radiate OF II Blocker, LLC, and TPG VII Radiate Holdings I, L.P.

Stonepeak Tiger Holdings I LLC, a Delaware limited liability company (“Tiger Holdings I”), and Stonepeak Tiger Holdings II Sub LLC, a Delaware limited liability company (“Tiger Holdings II”), which, together with Transferee, will be under the common indirect control of Mr. Dorrell.

Transferee advises the Commission that Stonepeak is exploring syndicating a portion of its equity interest in Radiate Holdings:⁷

- For a period of up to 75 days after the signing of the Agreement, TPG has the right (the “TPG Investment Right”) under a letter agreement by and among TPG, Tiger Holdings I and Stonepeak Tiger Holdings II LP (the parent entity of Tiger Holdings II) to elect to make, at the consummation of the Proposed Transaction, an investment in Tiger Holdings I and Stonepeak Tiger Holdings II LP of up to \$750 million through one or more investment funds controlled by TPG (collectively, the “TPG Fund”). As of the date of this Joint Application, TPG has not exercised the TPG Investment Right. Even if TPG exercises the TPG Investment Right and an investment is made through the TPG Fund up to the limit, *the controlling entity of Radiate GP and the ownership structure of Transferee as each is described herein will not change*. However, the ownership percentages of the reportable interest holders provided in this Joint Application may be reduced or otherwise change as a result of such investment by the

⁷ The co-investors may be granted customary minority protections commensurate with their indirect interests in Radiate Holdings, e.g., consent/veto rights over the following matters: (i) amendment or repeal of organizational documents that would disproportionately affect the investor’s rights in a material and adverse manner; (ii) variation of class rights that would disproportionately affect the investor’s rights in a material and adverse manner; (iii) issuance of securities other than in accordance with the pre-emptive regime and other customary exceptions; (iv) changes to the capital structure that would disproportionately affect the investor’s rights in a material and adverse manner; (v) declaration of any dividends/distributions other than on a pro-rata basis; (vi) liquidation, insolvency or winding up; (vii) cessation or material alteration to the nature of the business; (viii) entry into material affiliate transactions, other than on arm’s length terms; and (ix) change in any tax classification that would disproportionately affect the investor in a material and adverse manner.

TPG Fund. The TPG Fund will be ultimately controlled by the principals of TPG. The principals of TPG are David Bonderman and James G. Coulter, each of whom is a United States citizen. It is not currently expected that TPG's exercise of the TPG Investment Right and the investment in Tiger Holdings I and Stonepeak Tiger Holdings II LP by the TPG Fund will result in any entity (other than the TPG Fund) holding a 10-percent-or-greater equity interest in Radiate Holdings. Applicants will, in a timely fashion, notify the Commission if, as a result of the exercise of the TPG Investment Right, (x) there will be changes in the ownership percentages for reportable interest holders provided in this Joint Application or (y) any new entity (other than the TPG Fund) will hold a 10-percent-or-greater equity interest in Radiate Holdings.

- Stonepeak is also exploring further syndicating a portion of its equity interest in Radiate Holdings to other co-investors. The structure of any such co-investment, and identity of the co-investors, is yet to be finalized. Excluding the TPG Fund, reflected in the organizational charts provided in **Exhibit A** are the co-invest vehicles that could potentially hold a 10-percent-or-greater equity interest in Radiate Holdings (although it is also possible that no such vehicle will hold such an interest). While Transferee is unable to currently specify with sufficient accuracy the equity interest to be held by any such co-invest vehicle, the Transferee advises that each such co-invest vehicle will be under the common indirect control of Mr. Dorrell. In addition, and most importantly, *no such co-investment will change the proposed controlling entity of Radiate GP or affect the ownership structure of Transferee as each is described herein.* However, the ownership percentages of the reportable interest holders provided in this Joint Application may be reduced or otherwise change, potentially materially, as a result of such co-investment. Applicants will, in a timely fashion, notify the

Commission if, as a result of such co-investment, (x) there will be changes in the ownership percentages for reportable interest holders provided in this Joint Application or (y) any new vehicles (other than those reflected in the organizational charts provided in **Exhibit A**) will hold a 10-percent-or-greater equity interest in Radiate Holdings and the percentage interest held by them.

For the Commission's convenience, illustrative pre- and post-Proposed Transaction organization charts are provided as **Exhibit A**.

IV. PUBLIC INTEREST STATEMENT

A. The Proposed Transaction Will Serve the Public Interest

Stonepeak's goal in the Proposed Transaction is simple: to make more resources available to an already excellent group of cable, broadband, and telephone providers. Stonepeak believes that it can create value by investing incremental capital after closing of the Proposed Transaction, and Stonepeak has a history of partnering with leading management teams to provide a financial partner with available growth capital to scale their platforms. A majority of Stonepeak's investments have substantial follow-on growth capital commitments. For example, since its acquisition by Stonepeak in 2015, ExteNet has expanded its indoor and outdoor "neutral host" distributed network systems ("DNS") to help meet the intense demand for improved mobile and wireless broadband coverage and capacity in key strategic markets across the United States, and is the largest independent DNS provider in the United States.

Stonepeak has chosen this investment among other ones potentially available to it, in part, because of the excellent management and operations teams leading RCN. Stonepeak currently intends to retain the current management team and does not currently intend to materially change the operations of RCN and the other Radiate Operating Companies – other than to devote additional

resources to help RCN and the other Radiate Operating Companies invest in their networks and services.

The Proposed Transaction is not expected to have an adverse impact on the customers or operations of RCN. Upon consummation of the Proposed Transaction, RCN intends to continue to provide service at the same rates, terms, and conditions as contained in existing customer contracts. It is contemplated that existing customers will continue to be served by RCN pursuant to RCN's existing authorizations, as well as its existing tariffs and contracts. The Proposed Transaction is not anticipated to result in service disruption, contract termination, or customer confusion. And, as discussed above, it is contemplated that RCN will continue to operate under the direction of its current experienced and knowledgeable management. It is anticipated that the only material change resulting from the Proposed Transaction will be that RCN and the other Radiate Operating Companies will be controlled by Transferee rather than TPG Advisors. Transferee and the Stonepeak funds and managed vehicles acquiring the passive equity interests in Radiate Holdings are well-qualified to become the new controller and owners, respectively, of RCN and the other Radiate Operating Companies, which, following consummation of the Proposed Transaction, will enjoy access to the resources and management expertise of Transferee and its affiliates and the Stonepeak funds and managed vehicles.

B. The Transaction Meets the Commission's Test for Such Transfers.

The Proposed Transaction clearly satisfies the five factors which the Commission has cited previously in connection with review of proposed transfers.⁸ First, the Proposed Transaction is not expected to have any adverse effects whatsoever upon competition in the District of Columbia, as it is expected that RCN will continue to provide the same quality of services post-close as it did

⁸ See, e.g., Order No. 16554.

previously, without any interruption or change to its current rates, terms, and conditions. Moreover, the resources which Stonepeak brings to RCN will enhance RCN's ability to compete in the telecommunications marketplace, in the District of Columbia and elsewhere. Second, because RCN's services are not expected to change as a result of the Proposed Transaction, there will be no effects, adverse or otherwise, upon the universal service trust fund. Third, following the Proposed Transaction, the Commission will continue to regulate RCN as it did before and consequently there will be no adverse effect upon the public safety and welfare. Fourth, the Commission will continue to regulate RCN's quality of service, which will experience no diminishment as a result of the Proposed Transaction. Finally, the Proposed Transaction is not expected to have any effect at all upon consumer rights, which will continue to be monitored and sustained by the Commission's oversight.

For all these reasons, the Proposed Transaction demonstrably serves the public interest of the citizens of the District of Columbia.

V. **CONCLUSION**

WHEREFORE, Applicants respectfully request that the Commission expeditiously approve the Proposed Transaction as described in this Joint Application.

Respectfully submitted,

/s/ Edward A. Yorkgitis, Jr.

Edward A. Yorkgitis, Jr.

Winafred R. Brantl

Kelley Drye & Warren LLP

Washington Harbour, Suite 400

3050 K Street, N.W.

Washington, DC 20007

Tel: (202) 945-6649

Fax: (202) 342-8451

E-mail: cyorkgitis@kelleydrye.com

wbrantl@kelleydrye.com

*Attorneys for Radiate Holdings, L.P. and
Starpower Communications, LLC dba RCN*

/s/ William Wiltshire

William Wiltshire

Harris, Wiltshire & Grannis LLP

1919 M Street N.W., 8th Floor,

Washington, D.C. 20036-3537

Tel: (202) 730-1350

Fax: (202) 730-1301

wwiltshire@hwglaw.com

Counsel for Stonepeak Associates IV LLC

Dated: December 2, 2020

VERIFICATION

I, Jeffrey B. Kramp, state that I am the Executive Vice President, Secretary and General Counsel of Radiate Holdings, L.P. ("Radiate"); that I am authorized to make this Verification on behalf of Radiate and its subsidiaries, that I have read the foregoing document; and that the statements in the foregoing document with respect to Radiate and its subsidiaries, including statements with respect to their corporate ownership, are true, accurate and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct.



Jeffrey B. Kramp
Executive Vice President, Secretary and General Counsel
Radiate Holdings, L.P.
650 College Road East, Suite 3100
Princeton, N.J. 08540

STATE OF NEW YORK
COUNTY OF NEW YORK

§
§
§

VERIFICATION

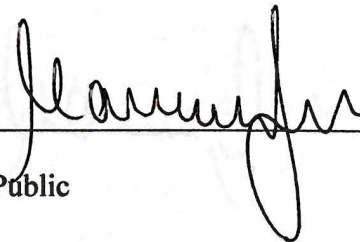
I, Brian McMullen, hereby declare that I am Senior Managing Director of Stonepeak Associates IV LLC (the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true to the best of my knowledge, information, and belief.



Brian McMullen

Senior Managing Director, Stonepeak
Associates IV LLC

Sworn and subscribed before me this 30 day of November, 2020.



Notary Public

My commission expires 01/17/2024.

EXHIBIT A

Pre- and Post-Close Organizational Charts

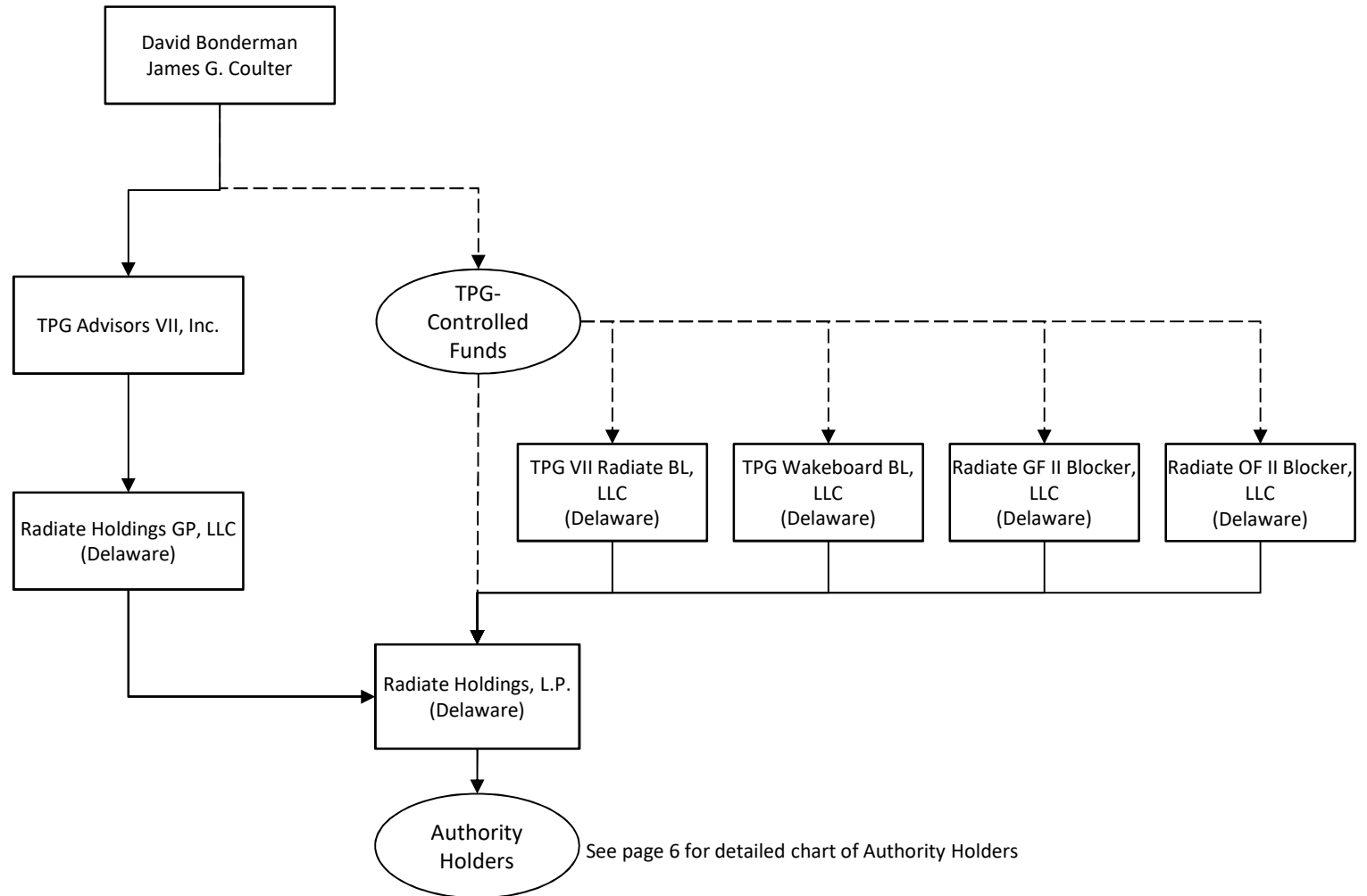
Pre-Close Ownership of Authority Holders

Red: GP or other controlling person

Blue: Non-controlling member/limited partner equity interests

Controlling interests are 100% unless otherwise indicated

Dash lines indicate indirect interest.



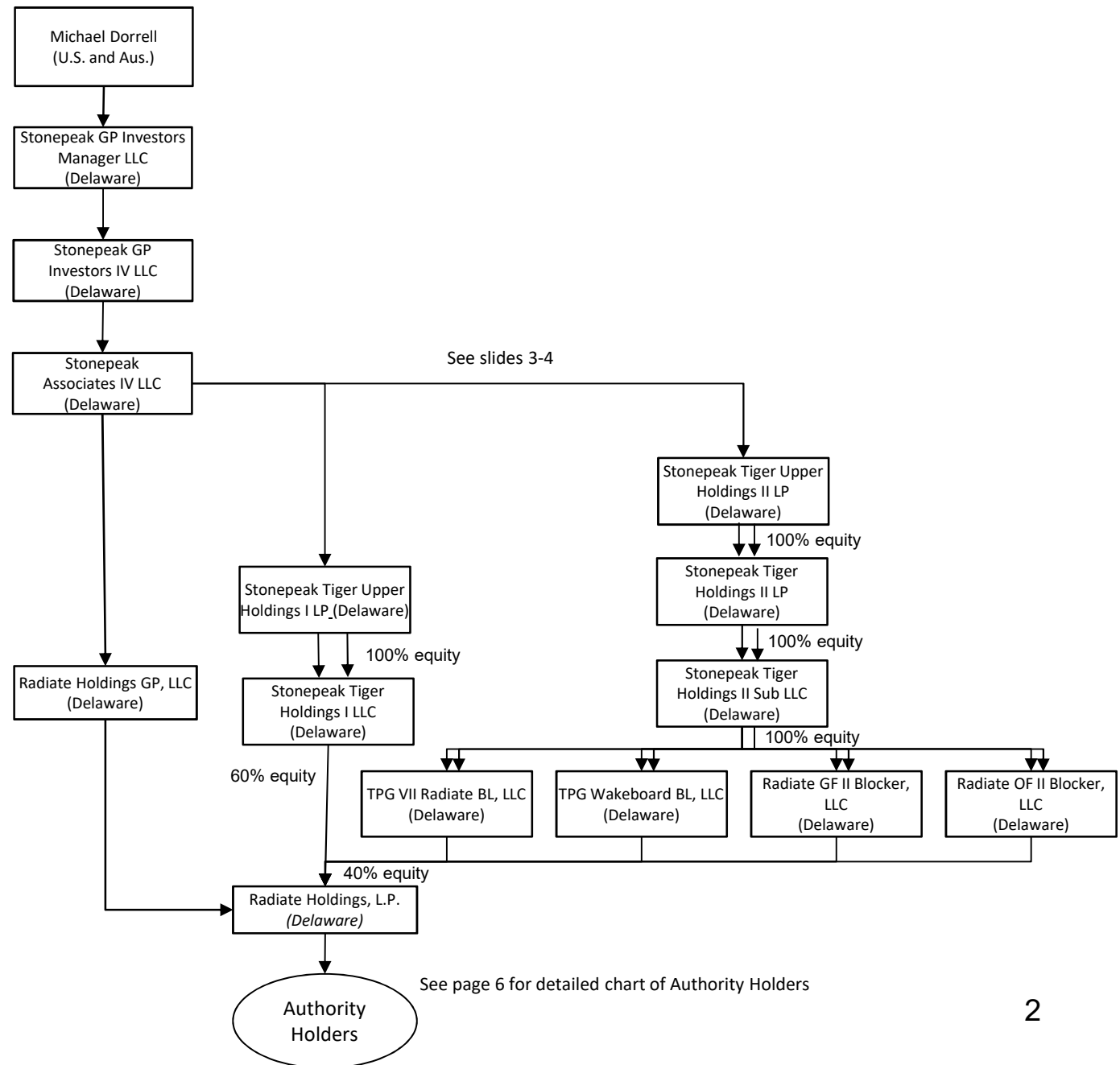
Red: GP or other controlling person

Blue: Non-controlling member/limited partner equity interests

Controlling interests are 100% unless otherwise indicated

Dash lines indicate indirect interest.

Post-Close Ownership of Authority Holders (Indirect Control of Authority Holders)



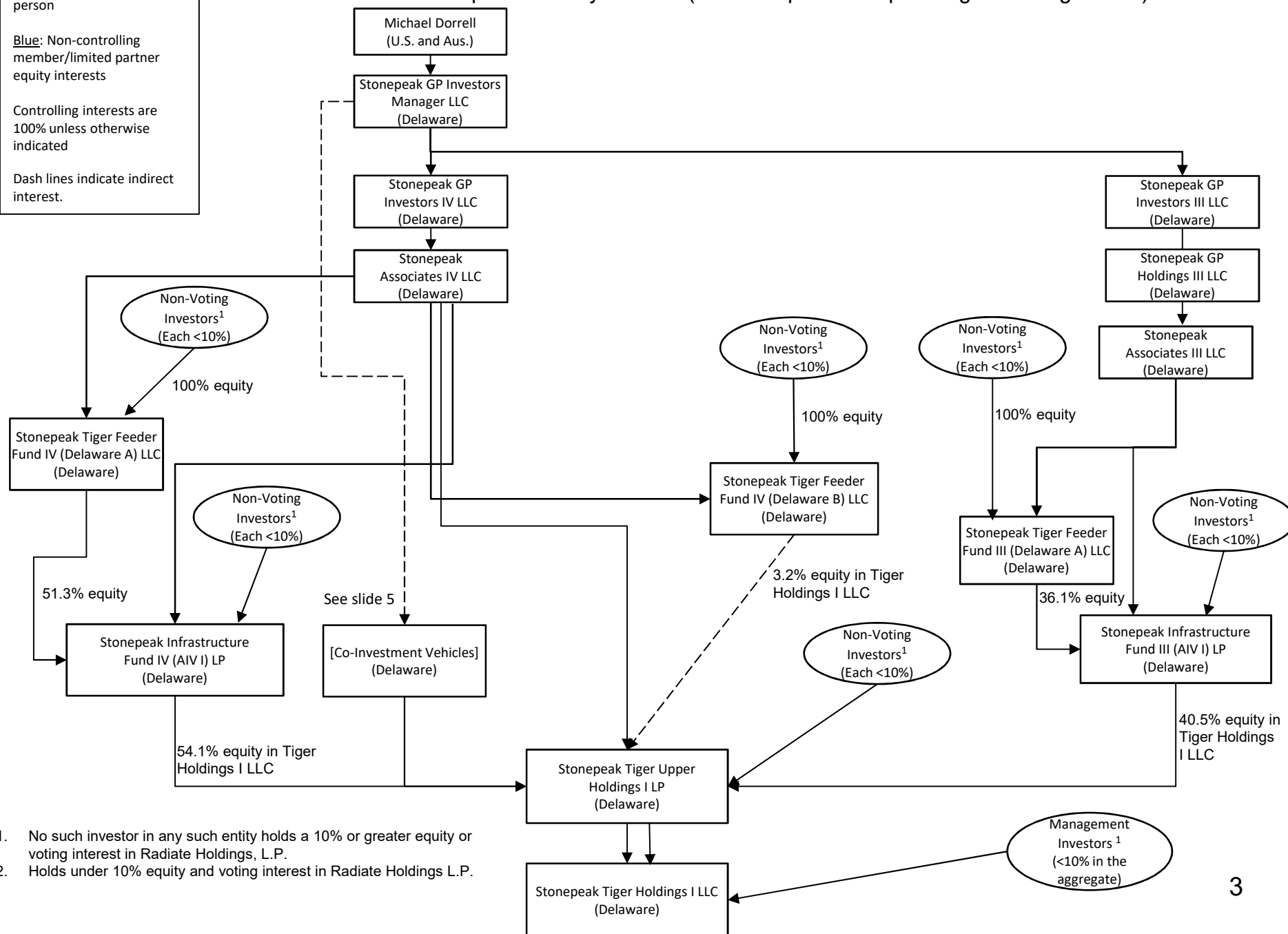
Red: GP or other controlling person

Blue: Non-controlling member/limited partner equity interests

Controlling interests are 100% unless otherwise indicated

Dash lines indicate indirect interest.

Post-Close Ownership of Authority Holders (Ownership of Stonepeak Tiger Holdings I LLC)



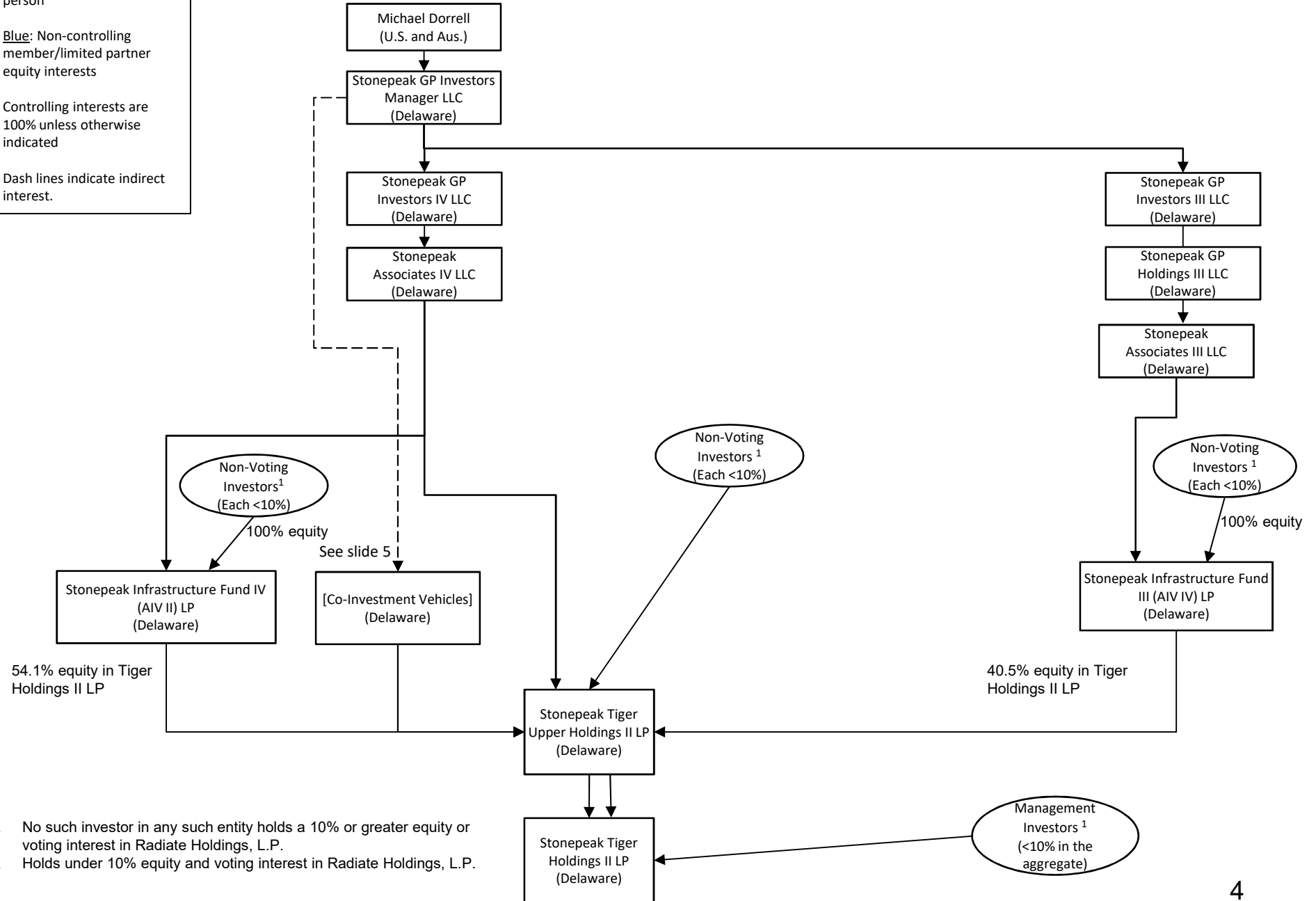
Red: GP or other controlling person

Blue: Non-controlling member/limited partner equity interests

Controlling interests are 100% unless otherwise indicated

Dash lines indicate indirect interest.

Post-Close Ownership of Authority Holders (Ownership of Stonepeak Tiger Holdings II LP)



Red: GP or other controlling person

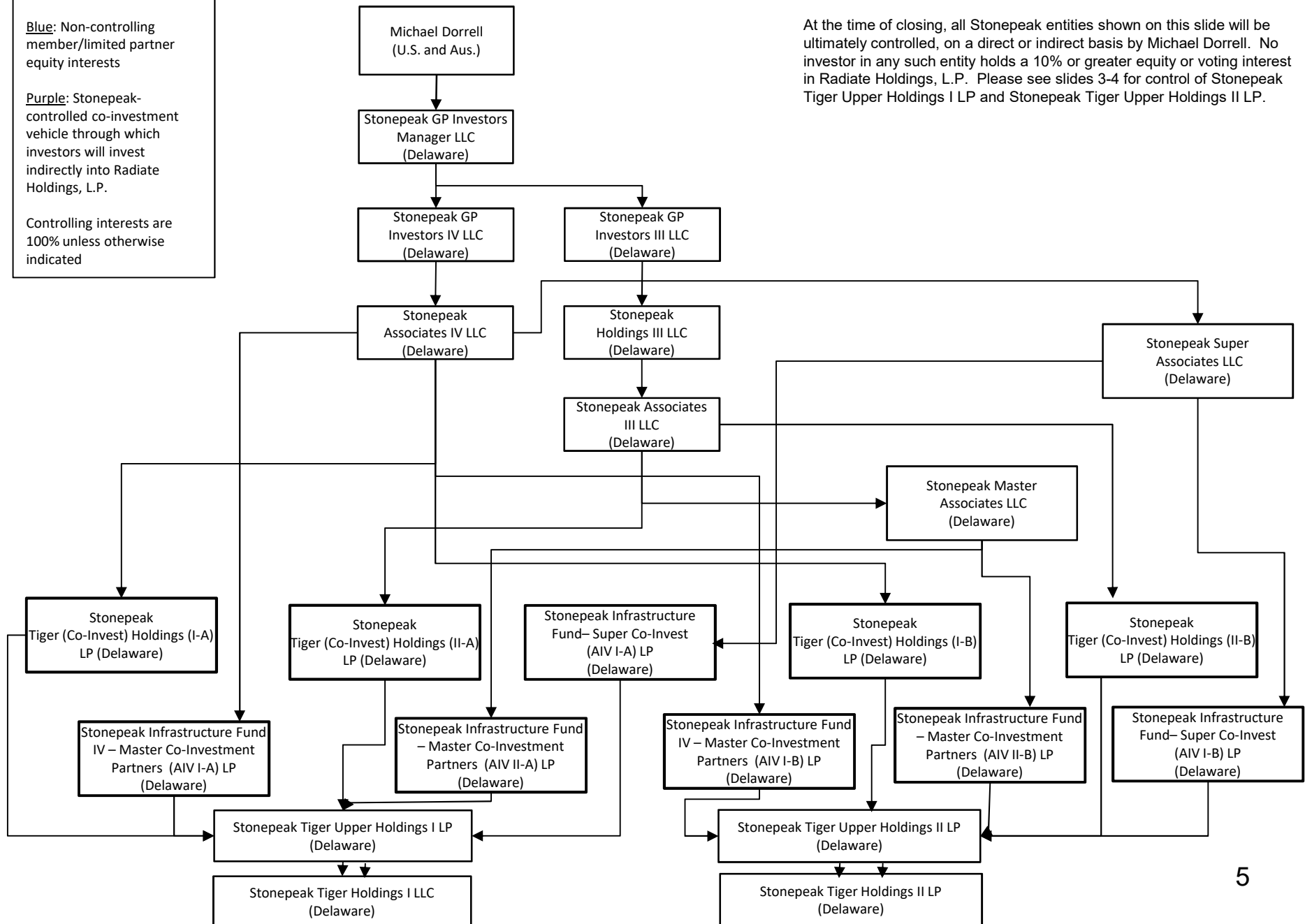
Blue: Non-controlling member/limited partner equity interests

Purple: Stonepeak-controlled co-investment vehicle through which investors will invest indirectly into Radiate Holdings, L.P.

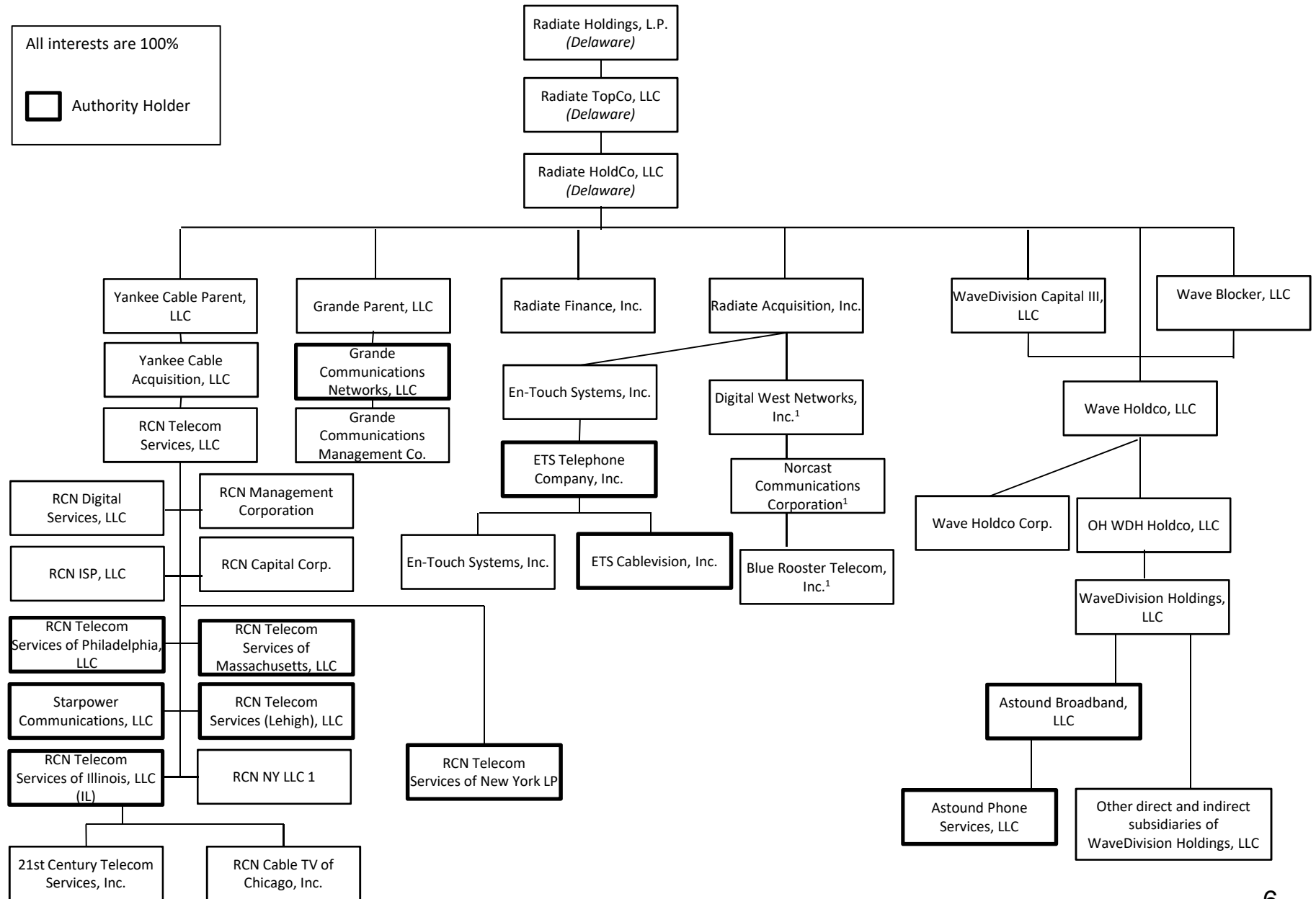
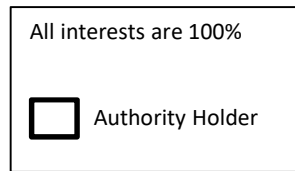
Controlling interests are 100% unless otherwise indicated

Post-Close Ownership of Co-Investment Vehicles (Ownership of Tiger Holdings I and II)

At the time of closing, all Stonepeak entities shown on this slide will be ultimately controlled, on a direct or indirect basis by Michael Dorrell. No investor in any such entity holds a 10% or greater equity or voting interest in Radiate Holdings, L.P. Please see slides 3-4 for control of Stonepeak Tiger Upper Holdings I LP and Stonepeak Tiger Upper Holdings II LP.



Authority Holders



¹ Pending close of transaction.