November 28, 2018

***VIA ELECTRONIC FILING***

Mark L. Johnson, Executive Secretary

Washington Utilities and Transportation Commission

1300 S. Evergreen Park Drive

Olympia, WA 98504-7250

records@wutc.wa.gov

**Re: Notice of a Proposed *Pro Forma* Consolidation Affecting Crown Castle NG West LLC, WA-CLEC LLC, and Crown Castle Fiber LLC**

Dear Mr. Johnson:

By this letter, Crown Castle Fiber LLC (“Crown Castle Fiber”), Crown Castle NG West LLC (“CCNG-West”) and WA-CLEC LLC (“WA-CLEC”) (collectively, the “Parties”) notify the Commission of a proposed *Pro Forma* Consolidation (as defined below) that will result in (a) the *pro forma* consolidation of CCNG-West and WA-CLEC into Crown Castle Fiber and (b) *pro forma* changes in the ownership chain of Crown Castle Fiber. The *Pro Forma* Consolidation is part of a series of intra-company transactions that will simplify the corporate structure of the Parties’ ultimate parent company, Crown Castle International Corp. (“CCIC”). Subject to receipt of applicable regulatory approvals, the *Pro Forma* Consolidation will be completed no later than December 31, 2018.

Since Commission action is not required to complete the *Pro Forma* Consolidation, the Parties submit this letter for informational purposes.

**Description of the Parties**

Crown Castle Fiber is a New York limited liability company. CCNG-West and WA-CLEC are Delaware limited liability companies. The Parties are indirect wholly owned subsidiaries of CCIC, a publicly traded (NYSE: CCI) Delaware corporation. The Parties’ corporate headquarters is located at 1220 Augusta Drive, Suite 600, Houston, TX 77057.

Collectively, the Parties and their affiliates are authorized to provide telecommunications services in the District of Columbia and all states except Alaska and Wyoming. In Washington, CCNG-West is authorized as a competitive supplier of telecommunication service pursuant to a Certificate of Registration (“Certificate”) granted in Docket No. UT-050988;[[1]](#footnote-1) and WA-CLEC is authorized as a competitive supplier of telecommunication service pursuant to a Certificate granted in Docket No. UT-050161; Crown Castle Fiber has a pending Application for a Certificate to provide service as a competitive supplier of telecommunication service in Docket No. UT-180912, which is scheduled to be effective on December 8, 2018. In addition to Washington, Crown Castle Fiber also is currently authorized to provide intrastate telecommunications service in Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Texas, Utah, Vermont, and Virginia, as well as by the Federal Communications Commission to provide interstate and international telecommunications service. Upon completion of the *Pro Forma* Consolidation, Crown Castle Fiber will be authorized to provide telecommunications services in the same jurisdictions as its affiliates.

**Contacts**

Inquiries or copies of any correspondence or other materials pertaining to this filing should be directed to:

|  |  |
| --- | --- |
| Tamar E. Finn  Brett P. Ferenchak  Patricia Cave  Morgan, Lewis & Bockius LLP  1111 Pennsylvania Avenue, NW  Washington, DC 20004  Phone: (202) 739-3000  Fax: (202) 739-3001  [tamar.finn@morganlewis.com](mailto:tamar.finn@morganlewis.com)  [brett.ferenchak@morganlewis.com](mailto:brett.ferenchak@morganlewis.com)  [patricia.cave@morganlewis.com](mailto:patricia.cave@morganlewis.com) | With copies to:  Fernanda Biehl  Manager, Regulatory Affairs – Fiber  Crown Castle Fiber  2000 Corporate Drive  Canonsburg, PA 15317  Tel: 703-434-8533  Fax: 703-434-8510  PUC.Correspondence@crowncastle.com |

**Description of the *Pro Forma* Consolidation**

The “*Pro Forma* Consolidation” will involve a series of planned intra-company transactions whereby certain of Crown Castle Fiber’s operating company affiliates, including CCNG-West and WA-CLEC, will be consolidated into Crown Castle Fiber and certain of Crown Castle Fiber’s parent companies also will be consolidated. The *Pro Forma* Consolidation is being undertaken, in part, to streamline the corporate structure and operations of over 20 operating entities of CCIC that provide fiber-based services into a single unified and rebranded operating entity:[[2]](#footnote-2) Crown Castle Fiber LLC.

The *Pro Forma* Consolidation also will result in a change in the intermediate corporate holding company structure between CCIC and Crown Castle Fiber. Upon completion of the *Pro Forma* Consolidation, Crown Castle Fiber will be a direct, wholly owned subsidiary of Crown Castle Fiber Holdings Corp., a Delaware corporation, which is currently a Delaware limited liability company named LTS Group Holdings, LLC[[3]](#footnote-3) and a direct, wholly owned subsidiary of Crown Castle Operating Company (“CCOC”). CCOC is a Delaware corporation and a direct, wholly owned subsidiary of CCIC.

Charts depicting the current and post-*Pro Forma* Consolidation ownership structure of the Parties are attached as Exhibit A.

Upon completion of the *Pro Forma* Consolidation, CCNG-West and WA-CLEC will cease to exist and Crown Castle Fiber will continue providing fiber-based services to CCNG-West and WA-CLEC’s existing wholesale and enterprise customers pursuant to the same contracts and other service arrangements as those customers currently have with CCNG-West and WA-CLEC. The *Pro Forma* Consolidation will be seamless to customers and will not result in any change to their services, including to the rates, terms and conditions of those services. All customers have been notified of the *Pro Forma* Consolidation pursuant to their contracts with CCNG-West and WA-CLEC consistent with the sample notice provided in Exhibit B.

As noted above, upon completion of the proposed *Pro Forma* Consolidation, CCNG-West and WA-CLEC will no longer provide any telecommunications services in Washington since CCNG-West and WA-CLEC will be consolidated into Crown Castle Fiber and Crown Castle Fiber will be the service provider of record for their customers. Following completion of the *Pro Forma* Consolidation, Crown Castle Fiber will file with the Commission Requests for Cancellation of Registration for CCNG-West and WA-CLEC.

**Public Interest Considerations**

The *Pro Forma* Consolidation is entirely internal. The *Pro Forma* Consolidation will simplify CCIC’s existing corporate structure and reduce its reporting and accounting burdens and provide other operational efficiencies. The *Pro Forma* Consolidation will also allow CCIC’s business units to take advantage of their core focus and strengths to the benefit of their customers. As a result of the efficiencies and focus, CCIC and its subsidiaries will become stronger competitors to the ultimate benefit of consumers.

Following completion of the *Pro Forma* Consolidation, Crown Castle Fiber will continue to provide high-quality communications services to the customers of CCNG-West and WA-CLEC without interruption. The *Pro Forma* Consolidation will be seamless to customers and will not result in any change to their services. The rates, terms and conditions of their services will not change as a result of these purely intra-company changes. The only change for customers will be that invoices following consummation of the *Pro Forma* Consolidation will be sent using Crown Castle Fiber LLC.

The proposed simplification of CCIC’s corporate structure will provide the company with greater flexibility for future equity and debt transactions, which will increase its access to capital and benefit the Parties’ customers. In sum, these corporate structure changes will increase the overall company’s efficiency and make it more attractive to potential investors, which should improve its access to debt and equity capital. This, in turn, will enable both the holding company and its operating subsidiaries to keep their cost of capital low.

**\* \* \* \***

We would appreciate acknowledgement of receipt and acceptance of this filing, which is being submitted electronically. Should you have any questions, please do not hesitate to contact us.

Respectfully submitted,

|  |
| --- |
| Tamar E. Finn  Brett P. Ferenchak  Patricia Cave  *Counsel for the Parties* |

**EXHIBIT A**

Current and Post-*Pro Forma* Consolidation Corporate Ownership Structure Charts

All ownership percentages are 100%.

Current Corporate Ownership Structure of the Parties\*

**Exhibit A** - Page 1

Crown Castle Solutions LLC  
(“Solutions”)  
(Delaware)

Crown Castle NG Networks LLC  
(“CCNG-Parent”)  
(Delaware)

Crown Castle NG West LLC  
(“CCNG-West”)  
(Delaware)

Crown Castle Operating Company  
(“CCOC”)  
(Delaware)

Crown Castle International Corp.  
(“CCIC”)  
(Delaware)

Shareholders

\* The entities listed herein only include the Parties and those entities that are in their chain of ownership. The chart excludes all other subsidiaries of CCIC.

WA-CLEC LLC  
(“WA-CLEC”)  
(Delaware)

LTS Group Holdings LLC  
(Delaware)

LTS Buyer LLC  
(Delaware)

LTS Intermediate Holdings A LLC  
(Delaware)

LTS Intermediate Holdings B LLC  
(Delaware)

LTS Intermediate Holdings C LLC  
(Delaware)

Yankee Metro Parent, Inc.  
(Delaware)

Sidera Networks, Inc.  
(Delaware)

Crown Castle Fiber LLC  
(“Crown Castle Fiber”)  
(New York)

LTS Group Holdings LLC will convert to a Delaware corporation known as Crown Castle Fiber Holdings Corp. (“CCF-Holdings”)

After LTS Group Holdings LLC converts to a corporation, these entities will consolidate through a series of mergers into CCF-Holdings, with CCF-Holdings surviving

Subject to regulatory approvals, CCNG-West and WA-CLEC will consolidate into Crown Castle Fiber no later than December 31, 2018.

All ownership percentages are 100%.

Post-*Pro Forma* Consolidation Corporate Ownership Structure of Crown Castle Fiber\*

**Exhibit A** - Page 2

Crown Castle Fiber Holdings Corp.  
(currently known as LTS Group Holdings, LLC)  
(Delaware)

Crown Castle Operating Company  
(“CCOC”)  
(Delaware)

Crown Castle International Corp.  
(“CCIC”)  
(Delaware)

Shareholders

\* The entities listed herein only include Crown Castle Fiber and those entities that are in its chain of ownership. The chart excludes all other subsidiaries of CCIC.

Crown Castle Fiber LLC  
(“Crown Castle Fiber”)  
(New York)

**EXHIBIT B**

Sample Customer Notice

October 24, 2018

Dear Valued Customer:

Effective January 1, 2019, as a result of an internal consolidation of our legal entities, Crown Castle Fiber LLC will provide you with the solutions currently provided to you by our affiliates listed below. This consolidation makes it easier for you to do business with us by reducing the number of affiliates.

**Your existing service contract(s) remain unchanged, the consolidation will have no impact on your services or your rates, and all rights and obligations under the agreements between you and your current provider will continue unaffected. If necessary, we will notify you of any changes to your billing or payment address.**

If you have any questions, please contact [Legal-CustomerTeam1@crowncastle.com](mailto:Legal-CustomerTeam1@crowncastle.com).

Sincerely,

Crown Castle Fiber LLC

On behalf of its affiliates below:

24/7 Mid-Atlantic Network of Virginia, LLC

24/7 Mid-Atlantic Network, LLC

Access Fiber Group Holdings, LLC

Access Fiber Group, Inc.

CA - CLEC LLC dba Crown Castle CA-CLEC LLC

Chesapeake Fiber, LLC

Cross Connect Solutions, Inc.

Crown Castle NG Atlantic LLC

Crown Castle NG Central LLC

Crown Castle NG East LLC1

Crown Castle NG West LLC

Crown Castle Solutions LLC1

Fiber Technologies Networks, L.L.C.

Fiber Technologies New York Networks, Inc.

Fibernet Direct Florida LLC

Fibernet Direct TEL LLC

Fibernet Direct Texas LLC

Fibertech Networks, LLC

Freedom Telecommunications, LLC

InSITE Fiber of Virginia, LLC

InSITE Solutions LLC

IX2 Center, L.L.C.

IX2 Wilshire, LLC

Light Tower Fiber New York, Inc.

Light Tower Metro Fiber LLC

Lightower Fiber Infrastructure Corp.

Lightower Fiber Networks I, LLC

NEON Transcom, Inc.

NewPath Networks, LLC

NY-CLEC LLC

PA-CLEC LLC d/b/a Pennsylvania CLEC LLC

Sidera Networks, Inc.

Sunesys of Massachusetts, LLC

Sunesys of Virginia, Inc.

Sunesys, LLC

WA-CLEC LLC

Wilcon Operations LLC

Wilcon Services, LLC

Wilshire Connection, LLC

1 This entity expected to consolidate after January 1, 2019. Additional information will be provided in subsequent correspondence.

**VERIFICATION**

COMMONWEALTH OF PENNSYLVANIA §

§

COUNTY OF WASHINGTON §

**VERIFICATION**

I, Neil Dickson, state that I am the Vice President – Corporate and Commercial Transactions of Crown Castle Fiber LLC, Crown Castle NG West LLC, and WA-CLEC LLC (collectively, the “Company”); that I am authorized to make this Verification on behalf of the Company; that the facts set forth in the attached filing are true and correct to the best of my knowledge, information and belief.

Neil Dickson

Vice President – Corporate and Commercial Transactions

Crown Castle Fiber LLC

Crown Castle NG West LLC

WA-CLEC LLC

Sworn and subscribed before me this \_\_\_\_\_ day of November, 2018.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public

My commission expires \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. This Certificate was initially granted to NextG Networks of California, Inc. dba NextG Networks West. The company subsequently changed its name to Crown Castle NG West LLC. *See* Docket No. UT-143955. [↑](#footnote-ref-1)
2. Certain other operating entities that do not operate in Washington may be retained for other reasons. [↑](#footnote-ref-2)
3. As part of the *Pro Forma* Consolidation, LTS Group Holdings, LLC will convert from a Delaware limited liability company into a Delaware corporation and be renamed Crown Castle Fiber Holdings Corp. Upon completion of the *Pro Forma* Consolidation, Crown Castle Fiber Holdings Corp. will be a direct, wholly owned subsidiary of CCOC. [↑](#footnote-ref-3)