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DELAWARE P.S.C.

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Kevin
Connie
Danna



February 18, 2015

HAND DELIVERED

Ms. Alisa Bentley
Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, DE 19904

**RE: In The Matter of the Application of Level 3 Communications, LLC
For Approval to Participate in a Financing Arrangement**

Dear Ms. Bentley:

Enclosed please find the original and ten (10) copies of the above Application for filing with the Public Service Commission. Also enclosed please find this firm's check payable to the State of Delaware in the amount of \$100.00 representing the filing fee.

Should you have any questions, please feel free to contact me.

Respectfully submitted,

Wendie C. Stabler

Enclosures

cc: Danielle Burt, Esq.

P.O. Box 1266 ♦ Wilmington, DE 19899-1266 ♦ Phone: (302) 421-6800 ♦ Fax: (302) 421-6813
Courier Address: 222 Delaware Avenue, Suite 1200 ♦ Wilmington, DE 19801-1611

ORIGINAL

BEFORE THE
DELAWARE PUBLIC SERVICE COMMISSION

In the Matter of the Application of _____
Level 3 Communications, LLC _____
for Approval to Participate in a _____
Financing Arrangement _____

Docket No. _____

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DELAWARE P.S.C.

APPLICATION FOR APPROVAL TO
PARTICIPATE IN FINANCING ARRANGEMENT

This Application is being filed on behalf
of Level 3 Communications, LLC by:

Wendie Stabler
Saul Ewing LLP
222 Delaware Avenue, Ste. 1200
P. O. Box 1266
Wilmington, DE 19801
Tel: (302) 421-6865
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Richard E. Thayer
Associate General Counsel
Level 3 Communications, LLC
1025 Eldorado Boulevard
Broomfield, CO 80021
Tel: (720) 888-2620
Fax: (720) 888-5134
Email: rick.thayer@level3.com

Level 3 provides high-quality voice and data services to enterprise, government, wholesale and carrier customers over its IP-based network through its wholly owned indirect subsidiaries, including Applicant and other regulated subsidiaries.¹

Level 3 LLC, a Delaware limited liability company, is a non-dominant carrier authorized to provide resold and/or facilities-based telecommunications services nationwide pursuant to certification, registration or tariff requirements, or on a deregulated basis. Level 3 LLC is also authorized by the Federal Communications Commission to provide international and domestic interstate services as a non-dominant carrier. In Delaware, Level 3 LLC is authorized to is authorized to provide interexchange telecommunications services and competitive local exchange telecommunications services pursuant to authority granted by the Commission in Order No. 4969 issued in Docket No. 98-114.

II. DESIGNATED CONTACTS

Inquiries or copies of any correspondence, orders, or other materials pertaining to this Application should be directed to:

Wendie Stabler
Saul Ewing LLP
222 Delaware Avenue, Ste. 1200
P. O. Box 1266
Wilmington, DE 19801
Tel: (302) 421-6865
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Email: wstabler@saul.com

with a copy to:

Richard E. Thayer
Associate General Counsel
Level 3 Communications, LLC
1025 Eldorado Boulevard
Broomfield, CO 80021
Tel: (720) 888-2620
Fax: (720) 888-5134
Email: rick.thayer@level3.com

¹ The regulated subsidiaries in Delaware are: Broadwing Communications, LLC, WiTel Communications, LLC, TelCove Operations, LLC, Global Crossing Telecommunications, Inc., and tw telecom data services llc. Other than Level 3 LLC, none of these regulated subsidiaries will participate in the financing arrangement described herein.

III. REQUEST FOR APPROVAL TO PARTICIPATE IN A FINANCING ARRANGEMENT

Financing has issued \$500 million in 5.625% Senior Notes due 2023 (the "Senior Notes") in a private offering to qualified institutional buyers that is exempt from registration under U.S. Federal securities laws. Financing has lent the net proceeds it received in the offering of the Senior Notes plus available cash to its subsidiary, Level 3 LLC, in return for an intercompany demand note issued by Level 3 LLC to Financing in the amount of \$500 million. The net effect of the generation of these proceeds, along with cash on hand, will be the redemption on April 1, 2015 of all of Financing's outstanding 9.375% Senior Notes due 2019 and to pay the expenses of the offering.² Level 3 LLC requests approval from the Commission to act as a guarantor of the \$500 million Senior Notes issued by Financing.

Applicant emphasizes that guaranty obligations in support of the \$500 million Senior Notes will not be effective until all required regulatory approvals are obtained. Applicant's participation in the new financing arrangement will not result in a change in Level 3 LLC's management or in its day-to-day operations in Delaware, nor will it adversely affect Level 3 LLC's current or proposed operations in Delaware. The financing arrangement that is the subject of this request will enable the parent company to take advantage of lower interest rates and more favorable maturity terms thereby significantly reducing interest expenses. The financing arrangement will provide Financing with financial flexibility to maintain and expand Applicant's networks and services. This improved financial arrangement will enable Applicant to continue delivering services to new markets, thus allowing more consumers to benefit from its competitive services. Accordingly, and to the extent required, Applicant requests that the

² The Commission previously granted approval on March 22, 2011, for Applicant to guarantee the 9.375% notes due 2019. *See* Docket No. 11-149.

Commission approve the participation of Level 3 LLC in the financing arrangement described herein.

IV. PUBLIC INTEREST CONSIDERATIONS

Approval of the financing arrangement described herein will serve the public interest. The financing arrangement enables Applicant and its parent to refinance their obligations to extend the maturity dates of certain obligations at better interest rates, thus reducing the future refinancing risks associated with the scheduled maturities described herein. This step is a part of the companies' ongoing efforts to manage their maturity profile and continue to strengthen their overall credit profile. By eliminating risk associated with the uncertainties of future credit markets, it is expected that the capital markets will view this step on the part of the companies favorably. As such, Applicant expects the financing arrangement will provide greater access to capital, which will yield both financial benefits and operational flexibility that will ultimately inure to the benefit of Level 3 LLC's Delaware customers and that existing and future customers will have a more favorable view of Level 3 LLC's financial health.

Furthermore, the financing arrangement will be conducted in a manner that will be transparent to customers, and will not result in a change of carrier for customers or any assignment of authorizations, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers. Following consummation of the financing arrangement, Applicant will continue to provide high-quality communications services to its customers without interruption and without immediate change in rates, terms or conditions. Thus, this transaction is made in accordance with the law, for a proper purpose, and is consistent with the public interest. *See 26 Del. C. §215(d).*

V. CONCLUSION

For the reasons stated above, Applicant submits that this Application for approval of the proposed transaction is in accordance with the law, for a proper purpose, and is consistent with the public interest. *Id.* The Commission should therefore expeditiously approve Applicant's participation in the financing arrangements described herein or allow it to proceed by operation of law within thirty (30) days.

Respectfully submitted,



Wendie Stabler
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Email: wstabler@saul.com

Counsel for Level 3 Communications, LLC

Date: February 18, 2015

VERIFICATION

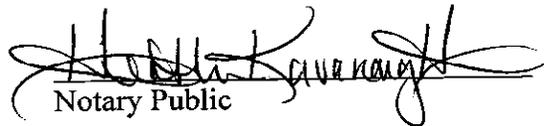
STATE OF COLORADO §
 §
COUNTY OF BROOMFIELD §

I, Richard E. Thayer, state that I am Assistant General Counsel for Level 3 Communications, LLC; that I am authorized to make this Verification on behalf of Level 3 Communications, LLC; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document are true and correct to the best of my knowledge, information, and belief.


Name: Richard E. Thayer
Title: Assistant General Counsel
Level 3 Communications, LLC

SWORN TO AND SUBSCRIBED before me on the 9th day of February, 2015.

**HEATHER DIANE KAVANAUGH
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20124071845
MY COMMISSION EXPIRES 11/07/2016**


Notary Public

My commission expires: _____