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*Cornie  
Kevin*

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May 27, 2015

**VIA FEDERAL EXPRESS OVERNIGHT**

Hon. Donna Nickerson, Secretary  
Delaware Public Service Commission  
Cannon Building  
861 Silver Lake Boulevard, Suite 100  
Dover, DE 19904

RECEIVED  
2015 MAY 28 PM 12 10  
DELAWARE P.S.C.

**Re: Joint Application of Crown Castle Operating Company  
and Sunesys, LLC for Approval of the Transfer of Indirect Control of Sunesys, LLC  
to Crown Castle Operating Company and related Transactions and for Sunesys,  
LLC to Participate in Certain Financing Arrangements  
PSC DOCKET NO. 15-\_\_\_\_\_**

Dear Secretary Nickerson:

On behalf of Crown Castle Operating Company and Sunesys, LLC, enclosed for filing with the Commission are an original plus ten (10) copies of the above-referenced Application, which seeks approval to transfer control of Sunesys, LLC and for certain financing arrangements. Also enclosed is a check in the amount of \$450.00 for the requisite filing fee.

Please date-stamp the extra copy of this filing and return it in the envelope provided. Should you have any question, please do not hesitate to contact the undersigned.

Respectfully yours,

STEVENS & LEE

*Joseph H. Huston Jr.*  
Joseph H. Huston, Jr. (No. 4035)

Enclosures

Philadelphia • Reading • Valley Forge • Lehigh Valley • Harrisburg • Lancaster • Scranton  
Wilkes-Barre • Princeton • New York • Wilmington  
A PROFESSIONAL CORPORATION

**BEFORE THE  
DELAWARE PUBLIC SERVICE COMMISSION**

Joint Application of

**Crown Castle Operating Company  
and  
Sunesys, LLC**

for Approval (1) of the Transfer of Indirect Control of Sunesys, LLC to Crown Castle Operating Company and related Transactions and (2) for Sunesys, LLC to Participate in Certain Financing Arrangements

PSC Docket No. \_\_\_\_\_

**JOINT APPLICATION**

Crown Castle Operating Company (“CCOC”) and Sunesys, LLC (“Sunesys”) (together, the “Applicants”), by undersigned counsel and to the extent necessary pursuant to 26 Del. Code § 215(a), (c) and (d) and the regulations of the Commission, hereby request approval (1) of the transfer of indirect control of Sunesys to CCOC (the “Sunesys Transaction”) and related post-closing transactions,<sup>1</sup> and (2) for Sunesys to participate in financing arrangements in an aggregate amount of up to \$6.25 billion as described more fully below.

For similar transactions, the Commission has allowed applications to be approved by operation of law by declining to take action thereon thirty (30) days after filing. See 26 Del. C. § 215(d) (“In the absence of any such action within such period of time, any such proposed merger, mortgage, transfer, issue or assumption shall be deemed approved.”). The Applicants suggest that the same approach is warranted here and therefore request that the Commission take no action on this Application, which will result in statutory approval of this transaction within

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<sup>1</sup> CCOC includes in this Application a request, to the extent necessary, for authority to implement certain intracompany changes that will occur shortly following the closing of the Sunesys Transaction. (The Sunesys Transaction and related post-closing intracompany changes are herein collectively referred to as the “Transaction”).

thirty (30) days after the filing, pursuant to 26 Del. C. §215(d) or, in the alternative, act expeditiously to grant the approval requested at the earliest available Commission Meeting.

In support of this Application, the Applicants provide the following information:

**I. DESCRIPTION OF THE APPLICANTS**

**A. Crown Castle Operating Company**

CCOC is a Delaware corporation and direct wholly owned subsidiary of Crown Castle International Corp. ("CCIC") (CCIC and its subsidiaries, are collectively referred to as "Crown Castle"). CCIC is a publicly traded (NYSE: CCI) Delaware corporation that, to its knowledge, does not have any 10% or greater holders of its equity securities. Since January 1, 2014, CCIC has operated as a real estate investment trust ("REIT") for U.S. federal income tax purposes. Crown Castle has executive offices at 1220 Augusta Drive, Suite 600, Houston, Texas 77057-2261. CCIC, through certain of its indirect subsidiaries, owns, operates, leases, and manages over 39,600 towers and rooftop sites for wireless communications equipment with a significant presence in the top 100 U.S. markets. Subsidiaries of Crown Castle Solutions Corp. ("Solutions"), a wholly owned direct subsidiary of CCOC, have deployed approximately 14,000 distributed antenna system ("DAS") small cell nodes supported by approximately 7,000 miles of fiber in the United States. Wholly owned subsidiaries of Solutions hold authorizations to provide intrastate telecommunications services in the District of Columbia and every state except Alaska, Maine, Montana, South Dakota, Vermont, and Wyoming. In Delaware, Solutions has two wholly owned subsidiaries that are authorized to provide intrastate telecommunications services (collectively, the "DE-OpCos"): Crown Castle NG East LLC ("CCNG-East"), which is authorized to operate as a public utility and provide local exchange and competitive intrastate

telecommunications services pursuant to Order No. 7187 issued in PSC Docket No. 07-42;<sup>2</sup> and Chesapeake Fiber, LLC (“Chesapeake”), which is authorized to provide non-switched competitive local exchange telecommunications services pursuant to Order Nos. 8190 and 8312 issued in PSC Docket Nos. 12-178 and 13-86.. CCNG-East also provides domestic interstate telecommunications services as a competitive carrier pursuant to Federal Communications Commission (“FCC”) regulations.

Additional information concerning the legal, technical, managerial and financial qualifications of Crown Castle has been submitted to the Commission with various prior filings with respect to various transactions and is therefore already a matter of public record. The Applicants request that the Commission take official notice of these existing descriptions of Crown Castle’s qualifications and incorporate them by reference herein. In support of the financial qualifications of CCOC, the financial statements from CCIC’s most recent SEC Forms 10-K and 10-Q are available at:

<http://investor.crowncastle.com/phoenix.zhtml?c=107530&p=irol-sec>. Biographies of CCIC’s management team can be found at: <http://www.crowncastle.com/leadership.aspx>.

#### **B. Sunesys, LLC**

Sunesys is a single-member Delaware limited liability company with its principal office located at 185 Titus Avenue, Warrington, Pennsylvania 19876. Sunesys is a wholly owned, indirect subsidiary of Quanta Fiber Networks, Inc. (“QFN”), a Delaware corporation and wholly owned direct subsidiary of Quanta Services, Inc. (“Seller”), a publicly traded Delaware

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<sup>2</sup> The Certificate was granted to NextG Networks East, Inc., which subsequently changed its name to Crown Castle NG East Inc. and converted to a limited liability company using the name Crown Castle NG East LLC. On August 22, 2014, CCNG-East filed a request to change the name on its Certificate to its current name.

corporation (NYSE: PWR). Seller's principal office is located at 2800 Post Oak Blvd., Suite 2600, Houston, Texas 77056-6175.

Sunesys provides dedicated point-to-point telecommunications services to commercial, governmental and non-profit customers in Delaware, as well as California, Florida, Georgia, Illinois, Maryland, New Jersey, Ohio, and Pennsylvania.<sup>3</sup> In addition, Sunesys of Virginia, Inc., a wholly owned subsidiary of Sunesys, provides dedicated point-to-point telecommunications services to commercial, governmental and non-profit customers in Virginia. In Delaware, Sunesys is authorized to provide competitive local exchange and competitive intrastate telecommunications services pursuant to Order No. 6008 issued PSC Docket No. 02-175, as amended in PSC Docket No. 06-328. Sunesys also provides interstate telecommunications services as a competitive carrier pursuant to FCC regulations.

## **II. DESIGNATED CONTACTS**

Questions, correspondence or other communications concerning this filing should be directed to:

Joseph H. Huston, Jr.  
STEVENS & LEE, P.C.  
1105 N. Market Street, 7th Floor  
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16th Floor  
Harrisburg, PA 17101  
717-255-7365 (tel)  
[mag@stevenslee.com](mailto:mag@stevenslee.com)

<sup>3</sup> Sunesys is also authorized to provide intrastate telecommunications services in the District of Columbia, Massachusetts, New York, and North Carolina, but does not currently provide service in those jurisdictions.

For Crown Castle:

Catherine Wang, Esq.  
Brett P. Ferenczak, Esq.  
Morgan, Lewis & Bockius LLP  
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[brett.ferenczak@morganelewis.com](mailto:brett.ferenczak@morganelewis.com)

with a copy to:

Robert Millar, Esq.  
Associate General Counsel  
Crown Castle  
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510-290-3086 (tel)  
[robert.millar@crowncastle.com](mailto:robert.millar@crowncastle.com)

For Sunesys and Seller:

Phillip R. Marchesiello, Esq.  
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202-783-4141 (tel)  
202-783-5851 (fax)  
[pmarchesiello@wbklaw.com](mailto:pmarchesiello@wbklaw.com)

with a copy to:

Brett A. Schrader, Esq.  
Deputy General Counsel  
Quanta Services, Inc.  
2800 Post Oak Blvd., Ste. 2600  
Houston, TX 77056-6175  
713-629-7600 (tel)  
[bschrader@quantaservices.com](mailto:bschrader@quantaservices.com)

### **III. DESCRIPTION OF THE TRANSACTION**

Pursuant to the terms of a Stock Purchase Agreement (the "Agreement") dated as of April 29, 2015, by and among Seller, CC SCN Fiber LLC ("Purchaser"),<sup>4</sup> and CCIC, Purchaser will acquire all of the issued and outstanding stock of QFN from Seller. As a result, at closing of the Sunesys Transaction, Sunesys will become an indirect wholly owned subsidiary of CCOC and, ultimately, CCIC.

Following the closing of the Sunesys Transaction, CCOC expects to undertake certain intracompany transactions to meet tax and other business requirements. First, CCOC expects that Purchaser and QFN will consolidate. The consolidation is expected to result from either (1) the merger of QFN with and into Purchaser, whereupon the separate existence of QFN will cease and Purchaser will be the surviving entity, or (2) the merger of Purchaser with and into QFN,

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<sup>4</sup> Purchaser, a Delaware limited liability company, is a direct wholly owned subsidiary of CCOC created for the purposes of the Sunesys Transaction.

whereupon the separate existence of Purchaser will cease and QFN will be the surviving entity, will change its name and may convert to a limited liability company ("New-QFN").<sup>5</sup> Further, certain assets and non-telecommunications service functions of Sunesys are expected to be assigned to a newly formed subsidiary of Sunesys ("New-Sub"). New-Sub will lease certain assets to and perform certain non-telecommunications functions for Sunesys.<sup>6</sup> To the extent necessary, CCOC seeks approval for the post-closing intracompany transactions along with the Sunesys Transaction. For the Commission's reference, charts depicting the current, post-closing and post-intracompany transactions entity ownership structure of the Applicants are provided as Exhibit A.

#### **IV. DESCRIPTION OF THE FINANCING ARRANGEMENTS**

CCOC also seeks Commission approval for Sunesys, following closing of the Sunesys Transaction, to participate in amended or future financing arrangements in an aggregate amount of up to \$6.25 billion.<sup>7</sup> In order to maintain adequate flexibility to respond to market conditions and requirements and to respond to new acquisition and other business opportunities, CCOC seeks authorization for Sunesys to participate in financing arrangements that are substantially consistent with the following parameters:

**Aggregate Amount:** Up to \$6.25 billion (the "Aggregate Amount").

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<sup>5</sup> Applicants will notify the Commission of the final structure and specific consolidation steps ultimately adopted to implement that structure.

<sup>6</sup> The assets are expected to include certain telecommunications equipment, but will not include fiber assets. The functions assigned may include maintenance and repair functions. Sunesys's telecommunications services will not be affected by the assignment and New-Sub will not provide telecommunications services as a result of owning and leasing the assets or performing the functions assigned to it. If New-Sub provides regulated telecommunications services in the future, it will first obtain any necessary authorizations from the Commission.

<sup>7</sup> At closing of the Sunesys Transaction, Sunesys will no longer be a guarantor or pledge its assets as security for the Third Amended and Restated Credit Agreement of Seller. See Docket No. 14-0285.

**Borrower:** The borrower under the Existing Facilities<sup>8</sup> is CCOC. In order to maintain flexibility, CCOC seeks approval for Sunesys, following completion of the Sunesys Transaction, to be a borrower under amended or future financing arrangements up to the Aggregate Amount.

**Debt Instruments:** The financing arrangements may include one or more of the following forms of debt instruments: notes or debentures (including notes convertible into equity and private notes that may be exchanged for public notes); conventional credit facilities, such as revolving credit facilities and term loans; letters of credit; and bridge loans; or a combination thereof.

**Maturity:** Up to ten (10) years after issuance or amendment depending on the type of facility.

**Interest:** Interest rates will be the market rate for similar debt instruments and will not be determined until the financing arrangement(s) are finalized. Depending on the type of debt instrument, interest will accrue at a rate(s) that may be fixed (typically set at signing or closing based on then current market conditions) or floating (consisting of a base rate, which will float with a rate index such as LIBOR or Federal Funds Rate, plus an applicable margin), or a combination of fixed rates and floating rates. To maintain flexibility, CCOC seeks authorization for Sunesys, following completion of the Sunesys Transaction, to participate in financing arrangements at an interest rate(s) at the then current market conditions.

**Security:** Subsidiaries of CCOC may be required to pledge their assets as security for some or all of the amended or future financing arrangements,<sup>9</sup> and therefore to the extent necessary, CCOC seeks authorization for Sunesys, following completion of the Sunesys Transaction, to provide a security interest in its assets for the full Aggregate Amount of the financing arrangements. For the secured facilities, following the Sunesys Transaction, the equity of Sunesys may also be pledged as additional security.

**Guarantees:** CCNG-East and certain other material subsidiaries of CCOC are guarantors for the Existing Financings. Certain subsidiaries of CCOC may be guarantors for amended or future amended financing arrangements. CCOC seeks approval for Sunesys, following completion of the Sunesys Transaction, to participate as a guarantor or co-guarantor in financing arrangements up to the Aggregate Amount.

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<sup>8</sup> CCOC has a committed aggregate amount of approximately \$5.711 billion in existing financing arrangements (the "Existing Facilities") of which approximately \$4.330 billion is outstanding as of March 31, 2015. The Existing Facilities consist of term loans and a revolving credit facility, maturing between seven and nine years after issuance or amendment and have interest rates of LIBOR plus a margin of 1.5-2.25% depending on the facility. To date, CCNG-East has provided a guaranty for the Existing Facilities.

<sup>9</sup> The DE-OpCos have not pledged their assets as security for the Existing Facilities.

**Purpose:** The financing arrangements may be used for acquisitions, refinancing existing debt, working capital requirements and general corporate purposes of CCOC and its subsidiaries.

Accordingly and to the extent necessary, CCOC requests Commission authorization for Sunesys, following completion of the Sunesys Transaction, to participate as a borrower or guarantor and by pledging its assets as security for financing arrangements in an aggregate amount of up to \$6.25 billion substantially consistent with the parameters outlined above.

#### **V. PUBLIC INTEREST CONSIDERATIONS**

The Applicants submit that the Transaction is in the public interest. The financial, technical, and managerial resources that CCOC will bring to Sunesys are expected to enhance the ability of Sunesys to compete in the telecommunications marketplace. Further, the existing network of Sunesys will enhance the ability of Solutions' subsidiaries, including the DE-OpCos, to serve their customers. At the same time, the proposed Transaction will have no adverse impact on the customers of Sunesys. Immediately following the Transaction, Sunesys will continue to provide its services at the same rates and on the same terms and conditions. The Transaction will be transparent to consumers since the change upon closing from a consumer's perspective is that CCOC, and ultimately CCIC, will be the new indirect owners of Sunesys.

Approval of the financing arrangements will serve the public interest in promoting competition among telecommunications carriers by providing Crown Castle with access to greater financial resources that will allow Solutions' subsidiaries and Sunesys to compete more effectively with larger incumbent telecommunications providers. Sunesys's participation in the financing arrangements is necessary and appropriate, is consistent with its performance of its services to the public, will not impair its ability to perform such services, and will promote its proper corporate purposes. Participation in the financing arrangements by Sunesys will be

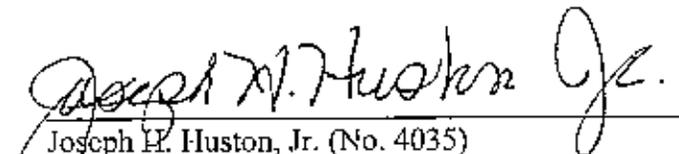
transparent to its customers and will not disrupt service or cause customer confusion or inconvenience.

The Transaction and financing arrangements are being done in accordance with law and for a proper purpose.

**VI. CONCLUSION**

For the foregoing reasons, the Applicants submit that the public interest, convenience, and necessity would be furthered by grant of this Application.

Respectfully submitted,



Joseph H. Huston, Jr. (No. 4035)  
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Wilmington, DE 19801

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610-371-7972 (fax)  
jhh@stevenslee.com

and

Michael A. Grun  
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16th Floor  
Harrisburg, PA 17101  
717-255-7365 (tel)  
mag@stevenslee.com

Counsel for the Applicants

Dated: May 27, 2015

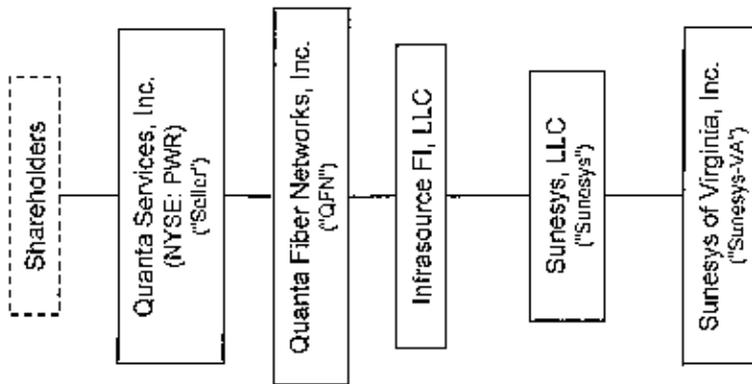
**EXHIBIT A**

Current, Post-Closing and Post-Intracompany Changes Entity Structure



**Current Entity Structure of Sunesys\***

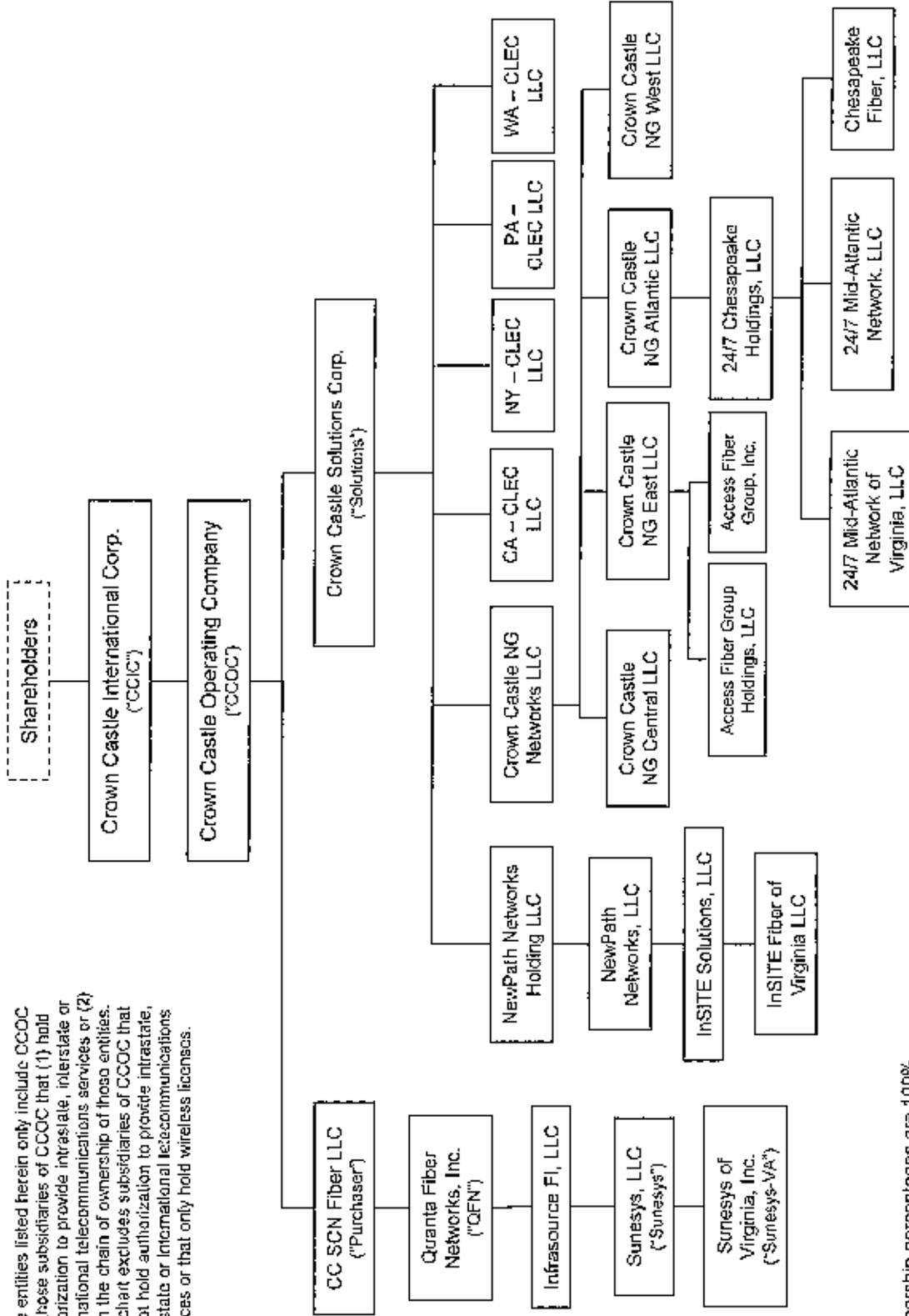
\* The entities listed herein only include Seller and those subsidiaries of Seller that (1) hold authorization to provide intrastate, interstate or international telecommunications services or (2) are in the chain of ownership of those entities. This chart excludes subsidiaries of Seller that do not hold authorization to provide intrastate, interstate or international telecommunications services or that only hold wireless licenses.



All ownership percentages are 100%.

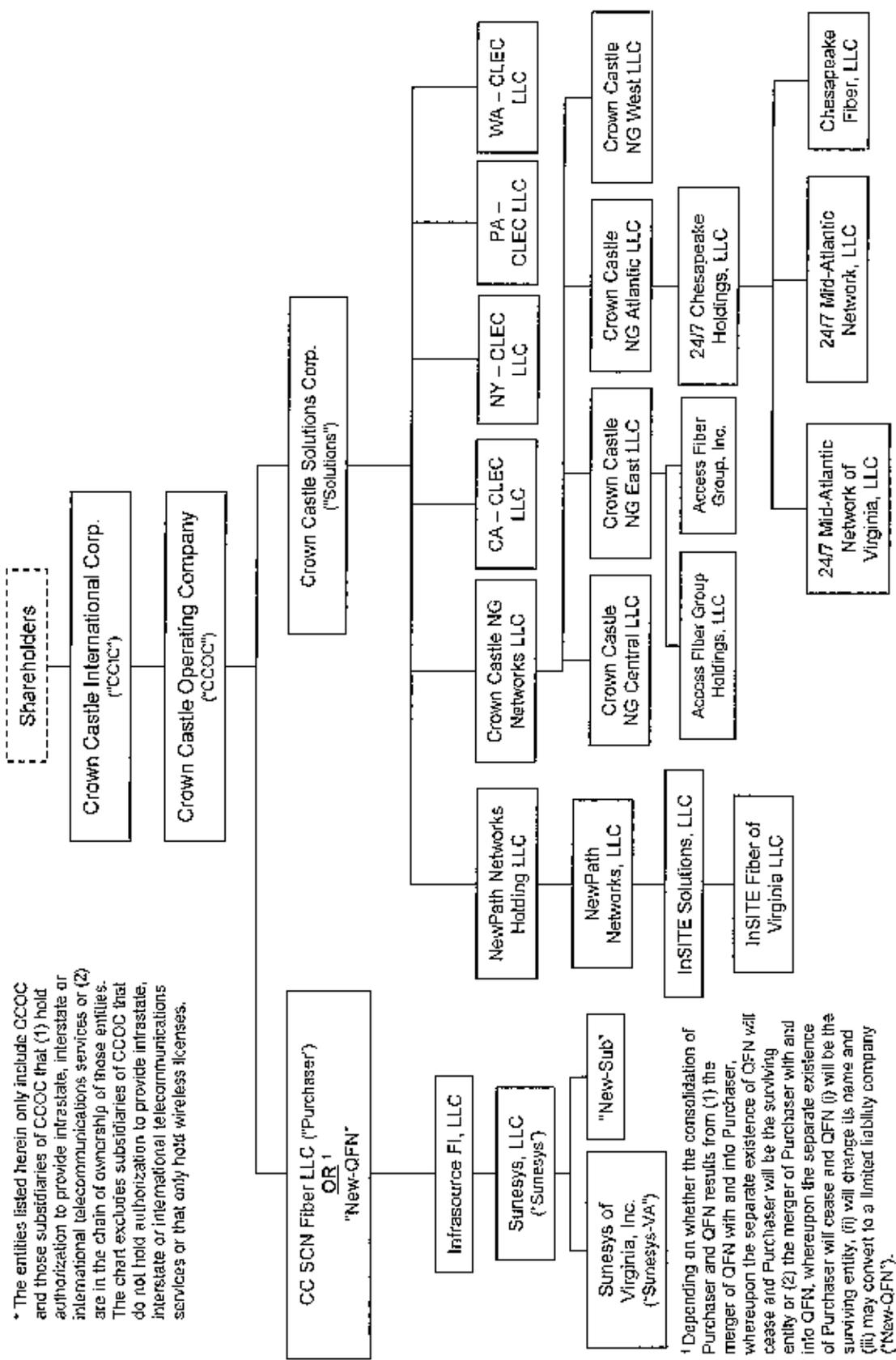
**Post-Closing Entity Structure of CCOC and Sunesys\***

\* The entities listed herein only include CCOC and those subsidiaries of CCOC that (1) hold authorization to provide intrastate, interstate or international telecommunications services or (2) are in the chain of ownership of those entities. The chart excludes subsidiaries of CCOC that do not hold authorization to provide intrastate, interstate or international telecommunications services or that only hold wireless licenses.



All ownership percentages are 100%.

**Post-Intracompany Changes Entity Structure of CCOC\***



\* The entities listed herein only include CCOC and those subsidiaries of CCOC that (1) hold authorization to provide intrastate, interstate or international telecommunications services or (2) are in the chain of ownership of those entities. The chart excludes subsidiaries of CCOC that do not hold authorization to provide intrastate, interstate or international telecommunications services or that only hold wireless licenses.

† Depending on whether the consolidation of Purchaser and QFN results from (1) the merger of QFN with and into Purchaser, whereupon the separate existence of QFN will cease and Purchaser will be the surviving entity or (2) the merger of Purchaser with and into QFN, whereupon the separate existence of Purchaser will cease and QFN (i) will be the surviving entity, (ii) will change its name and (iii) may convert to a limited liability company (New-QFN).

All ownership percentages are 100%.

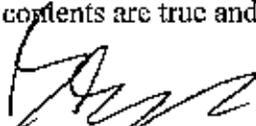
## Verifications

STATE OF TEXAS  
COUNTY OF HARRIS

100  
100  
100

**VERIFICATION**

I, E. Blake Hawk state that I am the Executive Vice President and General Counsel of Crown Castle International Corp., and the Executive Vice President of Crown Castle Operating Company and CC SCN Fiber LLC (collectively, 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 are true and correct to my knowledge, information, and belief.

  
\_\_\_\_\_  
E. Blake Hawk  
Executive Vice President and General Counsel of:  
Crown Castle International Corp.  
Executive Vice President of:  
Crown Castle Operating Company  
CC SCN Fiber LLC

Sworn and subscribed before me this 21 day of May, 2015.

  
\_\_\_\_\_  
Notary Public

My commission expires 01-03-2018



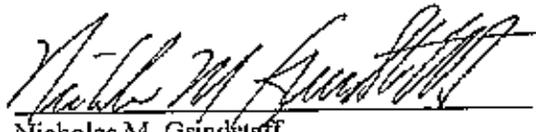
STATE OF TEXAS

§  
§  
§

COUNTY OF HARRIS

**VERIFICATION**

I, Nicholas M. Grindstaff, state that I am the Treasurer of Sunesys, LLC, InfraSource FI, LLC and Quanta Fiber Networks, Inc. and Vice President-Finance of Quanta Services, Inc. (collectively, 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 are true and correct to my knowledge, information, and belief.



Nicholas M. Grindstaff

Treasurer of:

Sunesys, LLC

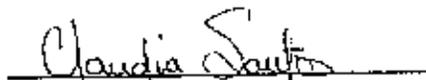
InfraSource FI, LLC

Quanta Fiber Networks, Inc.

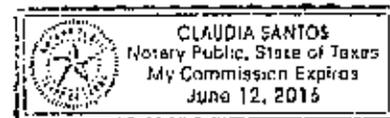
Vice President-Finance of:

Quanta Services, Inc.

Sworn and subscribed before me this 26 day of May, 2015.

  
Notary Public

My commission expires June 12, 2016



**DELAWARE PUBLIC SERVICE COMMISSION**

Joint Application of

**Crown Castle Operating Company**  
and  
**Sunesys, LLC**

for Approval (1) of the Transfer of Indirect  
Control of Sunesys, LLC to Crown Castle  
Operating Company and related Transactions  
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Certain Financing Arrangements

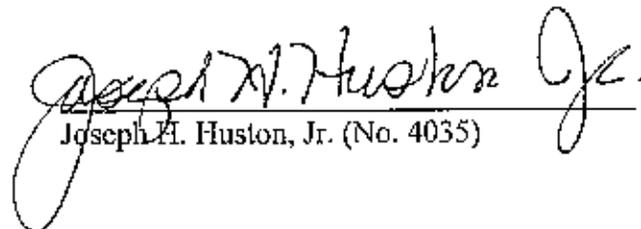
PSC Docket No. \_\_\_\_\_

**CERTIFICATE OF SERVICE**

I hereby certify that on this 27<sup>th</sup> day of May, 2015, a copy of the foregoing Application was served by first class mail, postage prepaid, upon the following:

Division of the Public Advocate  
820 N. French St., 4th Floor  
Wilmington, DE 19801

Julie M. Donoghue, Esquire  
Deputy Attorney General  
Delaware Department of Justice  
820 North French Street, 6th Floor  
Wilmington, DE 19801

  
\_\_\_\_\_  
Joseph A. Huston, Jr. (No. 4035)