

**EXHIBIT G**

Hawaii Application

Docket No. 18-2445-01

Docket No. 18-2512-01

**FILED**

JUL 31 2018

**BEFORE THE  
HAWAII PUBLIC UTILITIES COMMISSION**

Public Utilities Commission

Joint Application of

**Crown Castle Fiber LLC**  
and  
**Crown Castle NG West LLC**

for Approval of a *Pro Forma* Consolidation and  
Crown Castle Fiber LLC's Associated Acquisi-  
tion of the Customers and Certain Assets,  
Including the Certificate of Authority, of Crown  
Castle NG West LLC

Docket No. 2018-0184

**APPLICATION**

Crown Castle Fiber LLC ("Crown Fiber") and Crown Castle NG West LLC ("CCNG-West") (collectively, the "Applicants") request, pursuant to HSR § 269-19(a) and 269-16.9 and the rules of the Hawaii Public Utilities Commission ("Commission"), approval, to the extent required, for the *pro forma* consolidation of CCNG-West into Crown Fiber (the "Consolidation") as described below. The Consolidation is part of a series of intracompany transactions that will simplify the corporate structure of the Applicants' parent company, Crown Castle International Corp. ("CCIC"). In connection with the Consolidation, Applicants request approval for Crown Fiber to acquire the customers (including the customers' contracts) and CCNG-West's Certificate of Authority ("Certificate") upon completion of the Consolidation.

Applicants submit that the approval requested by this Application is in the public interest and should be granted on an expedited basis. For important business reasons, the parties are targeting completion of the corporate steps resulting in the Consolidation no later than December 31, 2018. Applicants therefore request that the Commission act on this Application no later than

December 1, 2018, so that Applicants can take the corporate steps necessary to complete the Consolidation within that timeframe.

In support, Applicants provide the following information:

**I. DESCRIPTION OF THE APPLICANTS**

Applicants are indirect, wholly owned subsidiaries of CCIC, a publicly traded corporation (NYSE: CCI) that is incorporated under the laws of the State of Delaware. Crown Fiber<sup>1</sup> is a New York limited liability company formed on December 24, 2001. A copy of Crown Fiber's formation documents, as amended, are attached hereto as Exhibit A. Attached as Exhibit B is a copy of Crown Fiber's Certificate of Authority to Transact Business as a foreign limited liability company in Hawaii. CCNG-West (formerly known as Crown Castle NG West Inc. and NextG Networks of California, Inc. d/b/a NextG Networks West) is a Delaware limited liability company. Applicants are indirect, wholly owned subsidiaries of CCIC, a publicly traded Delaware corporation (NYSE: CCI). Applicants' corporate headquarters is located at 1220 Augusta Drive, Suite 600, Houston, TX 77057.

Applicants and their affiliates are authorized to provide telecommunications services in the District of Columbia and all states except Alaska, Montana and Wyoming. In Hawaii, CCNG-West is authorized to provide facilities-based intrastate interexchange telecommunications, including dedicated transport service pursuant to Decision and Order No. 23653 granted in Docket No. 2007-0074 on September 12, 2007.<sup>2</sup> Crown Fiber's business is building communications solutions for enterprise and carrier customers individually for each project's needs. Crown Fiber provides primarily facilities-based SONET, Dark Fiber, Private Line, Ethernet, Wave-

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<sup>1</sup> Crown Fiber was previously known as Lighttower Fiber Networks II, LLC.

<sup>2</sup> This Certificate was originally granted to NextG Networks of California, Inc. dba NextG Networks West ("NextG"). The Commission approved a name change from NextG to CCNG-West in Decision and Order No. 32645 in Docket No. 2014-0173 granted on January 16, 2015.



length, Dedicated Internet Access and Collocation services to wholesale (e.g., other carriers) and customers in government, health care, education, financial services, and other large enterprises.

Applicants are managed by individuals with significant experience in the telecommunications industry. Applicants' operations are directed by the corporate management, technical, and operations staffs responsible for the telecommunications operations of Crown Fiber and its affiliates. A description of the background of Crown Fiber's key personnel, which demonstrates the extensive telecommunications experience of Crown Fiber's management team, is provided as Exhibit C.

Applicants do not maintain financial statements separate from the consolidated financial statements of their ultimate parent company, CCIC. For purposes of this Application and the Commission's evaluation of whether Crown Fiber independently meets the Certificate requirements under H.A.R. § 6-80-18(a), Crown Fiber will rely on the financial statements of CCIC to demonstrate Crown Fiber's financial qualification to operate within Hawaii. The most recent annual consolidated financial statement of CCIC, excluding the notes, is provided as Exhibit D.<sup>3</sup> As shown in the financial statement, Crown Fiber is financially qualified to operate within the State of Hawaii.

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<sup>3</sup> The complete financial statements from CCIC are available at:  
<http://investor.crowncastle.com/financial-information/sec-filings?c=107530&p=irol-sec>.

## II. DESIGNATED CONTACTS

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

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## III. DESCRIPTION OF THE PRO FORMA CONSOLIDATION

The *Pro Forma* Consolidation will involve a series of planned intra-company transactions whereby certain of Crown Fiber's operating company affiliates will be consolidated into Crown Fiber and certain of Crown 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:<sup>4</sup> Crown Castle Fiber LLC. The series of planned intra-company transactions will involve a change in the intermediate corporate holding company structure between CCIC and Crown Fiber.

Upon completion of the *Pro Forma* Consolidation, Crown 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<sup>5</sup> and a direct,

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<sup>4</sup> Certain other operating entities that do not operate in Hawaii may be retained for other reasons.

<sup>5</sup> 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



wholly owned subsidiary of Crown Castle Operating Company (“CCOC”). CCOC is a Delaware corporation and direct, wholly owned subsidiary of CCIC.

Charts depicting the pre- and post-*Pro Forma* Consolidation ownership structure of Applicants are attached as Exhibit E. Upon completion of the Consolidation, CCNG-West will cease to exist and Crown Fiber will continue providing fiber-based services to CCNG-West’s existing wholesale customers pursuant to the same contracts and other service arrangements as those customers currently have with CCNG-West. All of the affected customers will continue to receive service under the same rates, terms and conditions of service as were previously provided by CCNG-West. As noted above, CCNG-West provides services only to wholesale customers. Its contracts with those customers will be assigned to Crown Fiber without any changes in their rates, terms or conditions. Crown Fiber will file a tariff following approval that reflects the current terms and conditions of services offered by Crown Fiber. Any changes in the rates, terms and conditions of service to affected customers will be undertaken pursuant to customer contracts and applicable federal and state notice and tariff requirements.

#### **IV. PUBLIC INTEREST CONSIDERATIONS**

The *Pro Forma* Consolidation is entirely internal. The 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 Fiber will continue to provide high-quality communications services to CCNG-West’s customers without interruption.

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Holdings Corp. Upon completion of the *Pro Forma* Consolidation, Crown Castle Fiber Holdings Corp. will be a direct, wholly owned subsidiary of CCOC.

The *Pro Forma* Consolidation will be virtually transparent 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 Consolidation will be sent using Crown Castle Fiber LLC. A sample of the notice that will be sent to affected customers approximately 30 days prior to consummation of the transaction is provided in Exhibit F.

The proposed reorganization 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 Applicants' customers. In sum, these corporate structure changes will increase the overall company's efficiency and make it more attractive to potential creditors, 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.

**V. REQUEST FOR WAIVER OF H.R.S. § 269-16.92**

Pursuant to H.R.S. § 269-16.92, a customer's telecommunications services provider shall not be changed without the customer's authorization. To make such a change, a carrier must either receive (1) a letter of agency or letter of authorization, (2) an electronic authorization by use of a toll-free number, (3) an oral authorization verified by an independent third party, or (4) any other prescribed authorization.

Applicants respectfully request a waiver of H.R.S. § 269-16.92 so that Crown Fiber can become the provider of record for CCNG-West's customer accounts in Hawaii without securing authorization and verification from each customer. Obtaining the authorization and verification from each of the affected CCNG-West customers would be a burdensome process and would therefore impose an undue hardship on Applicants. As explained more fully above, affected CCNG-West wholesale customers will be notified of the proposed transaction and the change in



their telecommunications provider from CCNG-West to Crown Fiber and there will be no changes in the prices, terms or conditions of service. The legal rights of the affected customers therefore will not be prejudiced by a waiver of the rule.

**VI. CONCLUSION**

For the foregoing reasons, Applicants submit that the public interest, convenience, and necessity would be furthered by granting this Application and authorizing the *Pro Forma* Consolidation and the associated acquisition of CCNG-West's customers (including customer contracts) and Certificate by Crown Fiber.

Respectfully submitted,



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Dated: July 30, 2018