

May 18, 2023

23-00034

Via E-Mail and Overnight Courier

Herbert H. Hillard, Chairman
Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243
tpuc.docketroom@tn.gov

Re: Notification Regarding the Transfer of Point Broadband Fiber Holding, LLC to BP Broadband Aggregator, L.P.

Dear Mr. Hillard:

By this letter, Point Broadband Holdings, LLC (“Point Broadband” or “Transferor”) and BP Broadband Aggregator, L.P. (“BP Broadband” or “Transferee”) notify the Tennessee Public Utility Commission (“Commission”) of the transfer of control of Point Broadband Fiber Holding, LLC (“Point Broadband Fiber” or “Licensee,” and, together with BP Broadband and Point Broadband, the “Parties”) to Transferee (the “Transaction”). Since Commission approval or prior notice was not required for the Transaction, this letter is submitted for informational purposes.

Description of the Parties

A. Transferor and Licensee

Point Broadband is a limited liability company organized under the laws of Delaware with a principal place of business located at 1791 O.G. Skinner Drive, West Point, Georgia, 31833. It serves as the parent company of the Licensee – Point Broadband Fiber, a U.S. Fiber-to-the-Premise provider that serves both residential and commercial customers. The Licensee has a long history of providing innovative communications solutions to its customers, with a focus on serving communities often underserved by other providers. The Licensee provides fast, reliable Fiber-to-the-Premises internet service to residential and business customers in Tennessee. In Tennessee, the Licensee is authorized to provide competing local and intrastate telecommunications services pursuant to a Certificate of Public Convenience and Necessity granted in Docket No. 19-00054.

B. Transferee

BP Broadband is a limited partnership organized under the laws of Delaware. Its principal place of business is located at 200 Clarendon Street, 35th Floor, Boston, Massachusetts, 02116. BP Broadband is an investment vehicle created solely for the purposes of this Transaction and aggregates the investment of private equity and infrastructure funds managed by Berkshire Partners. Berkshire Partners is a multi-sector specialist investor that works collaboratively with management teams to foster growth. With approximately \$25 billion in assets under

management, the team has made more than 150 private equity investments since Berkshire Partners was founded in 1986, and today invests across five industry sectors — services and industrials; consumer; healthcare; technology; and communications and digital infrastructure. In addition to dedicated industry teams that bring expertise, relationships, and capabilities to drive sourcing and value creation, Berkshire Partners Private Equity also has a deeply experienced portfolio support group that works with founders and management teams to grow their businesses. Berkshire Fund X, the primary Berkshire Partners investment fund investing in Point Broadband has raised approximately \$5.8 billion from a diverse portfolio of investors including institutional investors such as pension funds, sovereign wealth funds, banks, insurance companies and funds of- funds. The Berkshire Partners communications and digital infrastructure team has been investing in the sector and related services for more than 25 years. Berkshire's investments have spanned four continents and have used a range of investment structures including growth equity investments, joint ventures, and majority acquisitions to help management teams meet their objectives. Areas of expertise among others include enterprise and consumer network service providers, the wireless communications ecosystem, data center platforms, and technology services.

Berkshire's first experience in the communications industry was through investments in wireless towers in the 1990s, including several investments in Crown Castle. Across the broadband industry, Berkshire Partners and other firms invested in the U.S.-based fiber network provider Lighttower, sponsoring the merger of Lighttower and Sidera in 2013 and the subsequent acquisition of Fibertech in 2015. Berkshire sold Lighttower to Crown Castle International in 2017.¹ Berkshire Partners also invested in Masergy Communications a cloud-based communications service provider which it sold to Comcast Business.²

Designated Contacts

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

¹ See Public Notice, 32 FCC Rcd 7411 (2017).

² See <https://www.masergy.com/press-release/comcast-business-to-acquire-masergy-a-pioneer-in-software%e2%80%91defined-networking-and-cloud-platforms>.

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For Transferor and Licensee:

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Description of the Transaction

Pursuant to the Unit Purchase Agreement (the “Agreement”), dated January 29, 2023, by and among BP Broadband and Point Broadband, following BP Broadband’s full investment, Point Broadband issued and sold to BP Broadband new units constituting approximately 31.8% of the fully-diluted equity interests of Point Broadband (the “New Units”) in a transaction that closed on May 15, 2023. By virtue of its investment in Point Broadband, BP Broadband is now entitled to appoint up to three members of the Point Broadband Board of Managers (the “Board”); investment funds controlled by GTCR also hold the right to appoint three Board members. One additional Board member, who shall be the CEO of Point Broadband, was designated by Point Broadband Management Holdings, LLC (which is controlled by the management of Point Broadband). Two additional Board members were designated jointly by GTCR and BP Broadband. Provided that GTCR and BP Broadband continue to hold a certain level of units in Point Broadband, approval of each will be needed to i) appoint, dismiss, or alter the powers of the executive officers of Point Broadband and ii) approve Point Broadband’s annual operating and capital budgets.

GTCR previously held approximately 61.2% of the fully-diluted equity interests of Point Broadband through various investment funds, with Point Broadband’s remaining equity being held by management and outside investors. Following BP Broadband’s full investment and the

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consummation of the Transaction, BP Broadband now holds approximately 31.8% of the fully-diluted equity interests of Point Broadband and GTCR now holds approximately 40.0% of the fully-diluted equity interests of Point Broadband. No other entity or individual directly holds a 10% or greater equity or voting interest in Point Broadband. GTCR previously controlled a majority of the Board and as a result of the Transaction, GTCR's control of Point Broadband has been diluted and current control is exercised jointly by GTCR and BP Broadband through their minority equity investments, joint control of the Board, and the exercise of their mutual consent rights. Now, both BP Broadband and GTCR have the ability to exercise decisive influence over key strategic commercial decisions.

Diagrams depicting the pre-Transaction and Current corporate ownership structures are provided as **Exhibit A**.

* * * *

Pursuant to Tenn. Comp. R. & Regs. R. 1220-01-01-.03, the Parties provide an original and four (4) copies of this letter along with an electronic copy filed by email. Please acknowledge receipt and acceptance by returning the enclosed extra copy of this letter in the postage prepaid envelope provided.

Please do not hesitate to contact us if you have any questions regarding this submission.

Respectfully submitted,

/s/ Matthew S. DelNero

/s/ Joshua M. Bobeck

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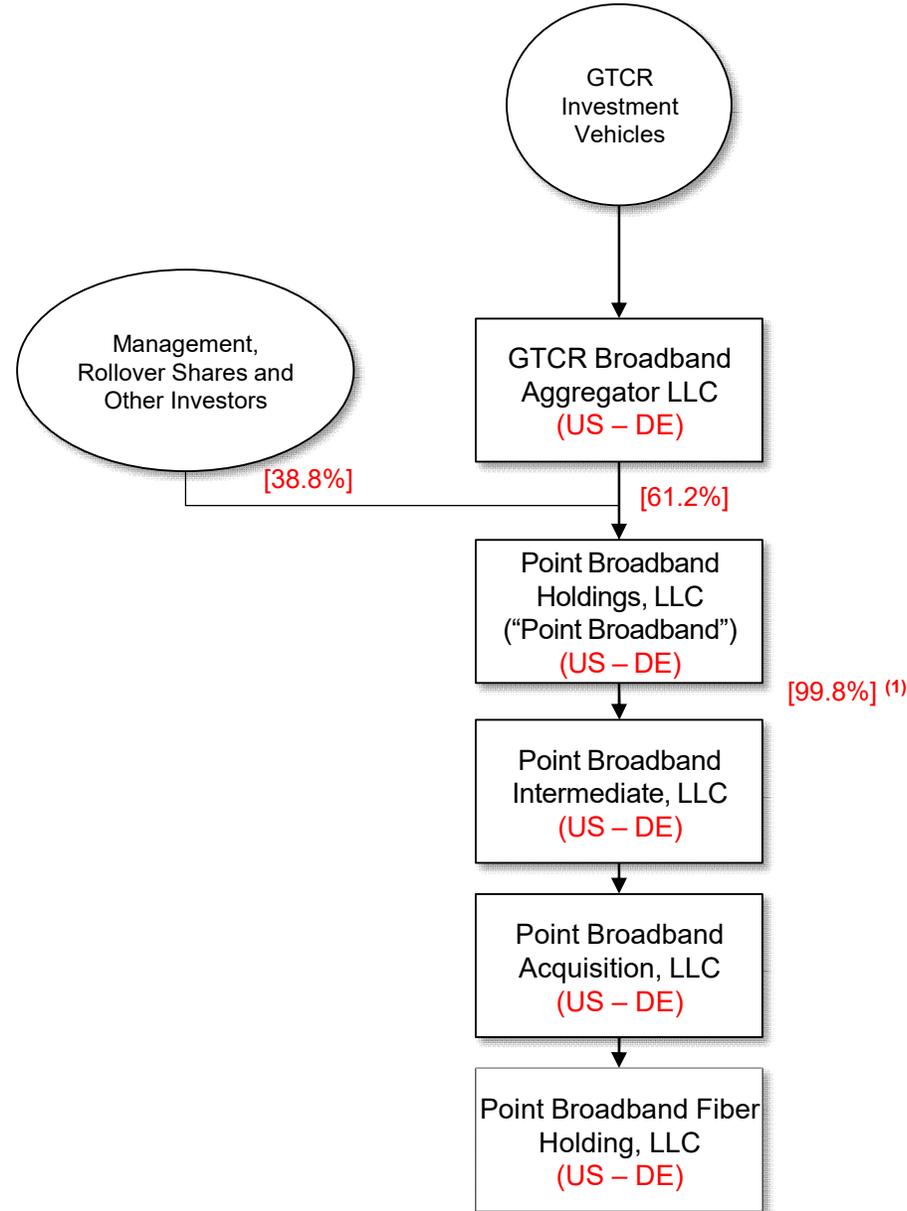
Counsel for BP Broadband Aggregator, L.P.

EXHIBIT A

Pre-Transaction and Current Ownership Structure of Licensee

CHART 1: PRE-CLOSE OWNERSHIP OF POINT BROADBAND FIBER HOLDING LLC*

All rights are 100% unless noted otherwise

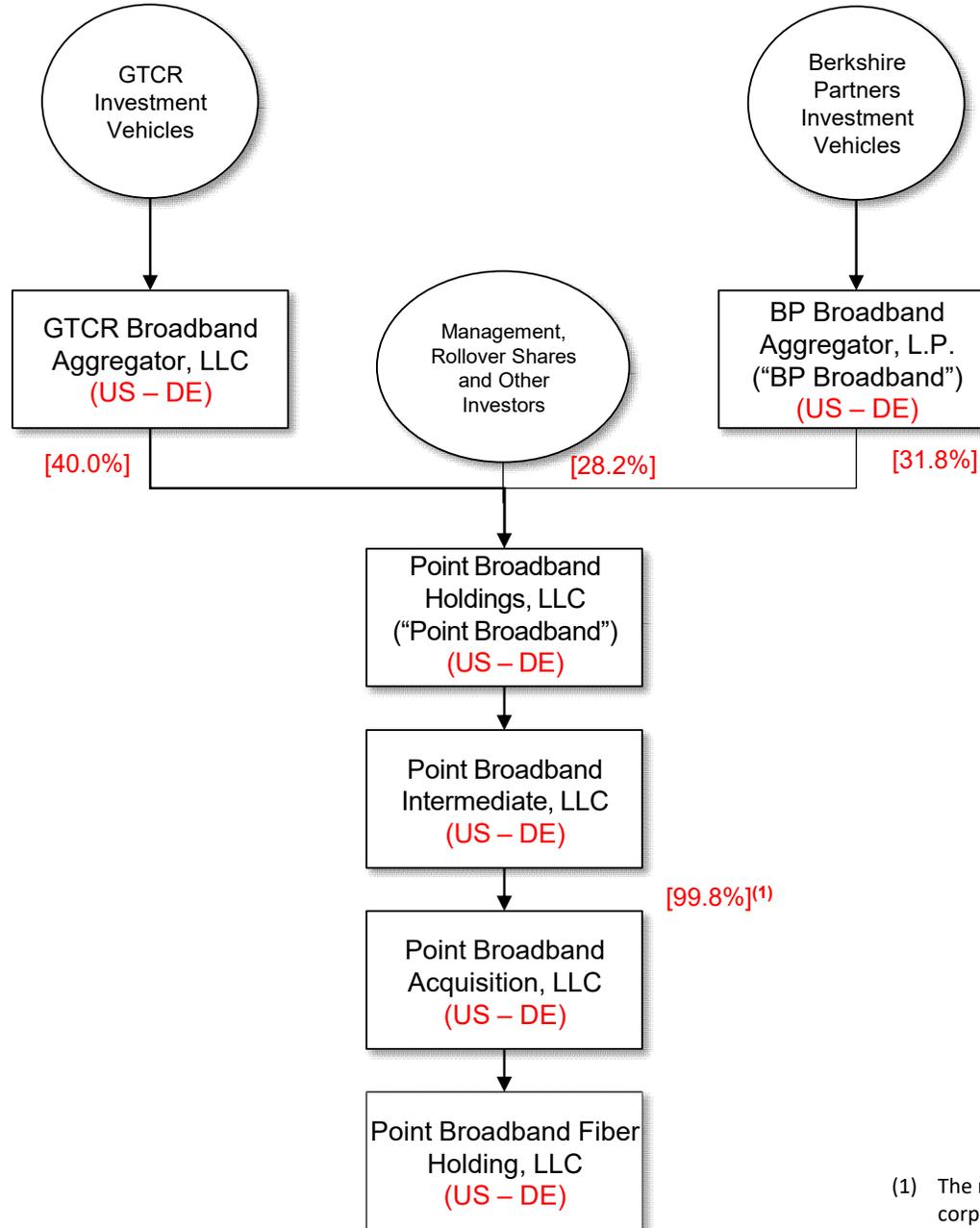


* The entities listed only include the Point Broadband subsidiaries that (1) hold one or more authorization or license to provide telecommunications services granted by the Commission, or (2) are in the chain of ownership of those entities. The chart excludes current subsidiaries and affiliates that do not hold an authorization or license to provide telecommunications services granted by the Commission.

(1) The remaining .02% of Point Broadband Intermediate is held by an intermediate Delaware corporation wholly owned by Point Broadband.

CHART 2: POST-CLOSE OWNERSHIP OF POINT BROADBAND FIBER HOLDING LLC*

All rights are 100% unless noted otherwise



* The entities listed only include the Point Broadband subsidiaries that (1) hold one or more authorization or license to provide telecommunications services granted by the Commission, or (2) are in the chain of ownership of those entities. The chart excludes current subsidiaries and affiliates that do not hold an authorization or license to provide telecommunications services granted by the Commission.

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