



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1ST Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF LEVEL 3)
COMMUNICATIONS, LLC, BROADWING COMMUNICATIONS,) ORDER OF APPROVAL
LLC, GLOBAL CROSSING TELECOMMUNICATIONS, INC.,)
GLOBAL CROSSING LOCAL SERVICES, INC., LEVEL 3)
TELECOM OF NEW JERSEY, LP, TELCOVE OPERATIONS,)
LLC AND WITEL COMMUNICATIONS, LLC FOR APPROVAL)
TO PARTICIPATE IN FINANCING ARRANGEMENTS) DOCKET NO. TF25110593

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Colleen A. Foley, Esq., Saul Ewing LLP on behalf of petitioners

BY THE BOARD:

On November 12, 2025, Level 3 Communications, LLC (“Level 3 LLC”) together with Broadwing Communications, LLC (“Broadwing”), Global Crossing Telecommunications, Inc. (“GC Telecommunications”), Global Crossing Local Services, Inc. (“GC Local”), Level 3 Telecom of New Jersey, LP (“Level 3 Telecom of New Jersey”), TelCove Operations, LLC (“TelCove”), and WilTel Communications, LLC (“WilTel”) (collectively, “Joint Petitioners”), filed a petition, pursuant to N.J.S.A. 48:3-7 and N.J.S.A. 48:3-9, requesting approval from the New Jersey Board of Public Utilities (“Board”) to participate in certain financing transactions (“Petition”).

BACKGROUND

Joint Petitioners are subsidiaries of Level 3 Financing, Inc. (“Level 3 Financing”), an indirect wholly owned subsidiary of Lumen Technologies, Inc. (“Lumen” or “Company”). The proposed Financing Arrangements replace, with more favorable terms, a portion of the outstanding indebtedness of Lumen and its subsidiaries guaranteed by the Joint Petitioners and previously approved by the Board. Previously, Joint Petitioners and certain affiliates, including CenturyLink Communications, LLC (“CenturyLink”),¹ completed debt refinancing arrangements pursuant to authority granted by the Board on September 25, 2024 (“2024 TSA Financing”),² and August 13, 2025 (“2024 Note Refinancing”).³ Pursuant to the authority granted by the Board in the 2024 TSA Financing and the 2024 Note Refinancing matters, Joint Petitioners and CenturyLink acted as guarantors and pledged their respective assets and equity in support of Lumen’s refinancing activities.

Joint Petitioners stated that during the period following the 2024 TSA Financing, Level 3 Financing entered into additional debt transactions (beyond the 2024 Note Refinancing) to refinance different parts of Level 3 Financing’s debt facilities to obtain more favorable interest rates and extend the maturity dates of certain debt to more favorable terms.

PETITION

By the Petition, Joint Petitioners requested Board approval (upon receipt of the required regulatory approvals) to: 1) act as a guarantor; and 2) have their respective assets and equity pledged in support of Level 3 Financing’s secured debt facilities and secured notes as modified since the 2024 TSA Financing and 2024 Note Refinancing.

Joint Petitioners stated that the debt refinanced in these transactions consists of (a) amendments to the “New Level 3 Credit Facilities” (as defined in and approved by the 2024 TSA Financing Order) involving the issuance of new secured term loan facilities in the aggregate principal amount of approximately \$2.4 billion (“Level 3 Credit Facilities Amendments”) and (b) the issuance of New First Lien Notes (defined below) consisting of approximately (1) \$2.0 billion aggregate principal amount of New 6.875% First Lien Notes (defined below) and (2) \$2.425 billion aggregate principal amount of New 7.000% First Lien Notes (defined below). The Level 3 Credit Facilities

¹ Joint Petitioners stated that Lumen’s debt financings have typically been structured across different silos which track Lumen’s acquisition history. One (1) silo is debt issued by Lumen, portions of which are guaranteed by various legacy entities of Lumen, including CenturyLink. A second silo is issued by Level 3 Financing, portions of which are guaranteed by the various direct and indirect subsidiaries of Level 3 Financing, including the Joint Petitioners. Joint Petitioners note that financing transactions described in the Petition implicate the Level 3 Debt silo only. CenturyLink is not a party to this proceeding and is not seeking Board approvals in this Petition.

² In re the Verified Petition of CenturyLink Communications, LLC, Level 3 Communications, LLC, Broadwing Communications, LLC, Global Crossing Telecommunications, Inc., Global Crossing Local services, Inc., Level 3 Telecom of New Jersey, LP, TelCove Operations, LLC and WiITel Communications, LLC for Approval to Participate in a Financing Arrangement, BPU Docket No. TF24040241, Order dated September 25, 2024 (“2024 TSA Financing Order”).

³ In re the Verified Petition of CenturyLink Communications, LLC, Level 3 Communications, LLC, Broadwing Communications, LLC, Global Crossing Telecommunications, Inc., Global Crossing Local services, Inc., Level 3 Telecom of New Jersey, LP, TelCove Operations, LLC and WiITel Communications, LLC for Approval to Participate in a Financing Arrangement, BPU Docket No. TF25030125, Order of Approval dated August 13, 2025 (“2024 Note Refinancing Order”).

Amendments replace the existing secured term loan B-1 facility maturing on April 15, 2029 (“TLB-1”) and the existing secured term loan B-2 facility maturing on April 15, 2030 (“TLB-2”) approved by the Board in the 2024 TSA Financing Order. Joint Petitioners stated that proceeds from the New First Lien Notes were used to repurchase the 10.500% Notes due 2030, New Money Notes, 2029 Exchange Notes and 2030 Exchange Notes (each as defined below and collectively, “Repurchased First Lien Notes”). As part of the Financing Arrangements, Level 3, LLC also amended and restated its previously issued intercompany loan proceeds demand note most recently approved by the Board in the 2024 Note Refinancing Order (and previously approved in the 2024 TSA Financing Order) (“A&R Loan Proceeds Note”) (collectively, these transactions comprise the “Financing Arrangements”).

Joint Petitioners asserted that the Financing Arrangements have enabled Lumen and its subsidiaries to (a) strengthen Level 3 Financing’s balance sheet and overall liquidity position, (b) substantially reduce the interest rates for certain higher yield debt instruments, (c) extend the maturity dates for certain near term debt, (d) improve Level 3 Financing’s credit ratings, and (e) have more time to execute the Company’s business transformation. Joint Petitioners asserted that participation in the Financing Arrangements is in the public interest and should be approved as set out in detail in the Petition.

Level 3 LLC is a wholly-owned subsidiary of Level 3 Financing, which in turn is a subsidiary of Level 3 Parent. Level 3 Parent is an indirect, wholly-owned subsidiary of Lumen. Level 3 LLC is a non-dominant carrier that is authorized to provide resold and/or facilities-based local exchange and interexchange telecommunications services throughout the State of New Jersey pursuant to the Board’s Order of Approval issued in BPU Docket No. TE97120913.⁴

Broadwing is authorized to provide local exchange and interexchange telecommunications services in New Jersey pursuant to authority granted by the Board in Docket Nos. TE99030202 and TM04080767.⁵

GC Telecommunications is authorized to provide facilities-based interexchange telecommunications services in New Jersey pursuant to authority granted in BPU Docket Nos. TE85030250 and TM10060393.⁶ The authority originally granted in BPU Docket No. TE85030250 was granted to RCI Corp., which subsequently operated as Frontier Communications International, Inc. and then as Global Crossing North American Networks, Inc. The Board approved the transfer of the facilities-based authority to Global Crossing

⁴ In re the Petition of Level 3 Communications, LLC for Authority to Provide Switched and Dedicated, Resold and Facilities-Based, Local Exchange and Interexchange Telecommunications Service Throughout New Jersey, BPU Docket No. TE97120913, Order dated October 20, 1998.

⁵ Broadwing operates in New Jersey pursuant to Board authority originally granted to IXC Communications Services, Inc. In re the Application of IXC Communications Services, Inc., for Approval to Provide Facilities-Based Long Distance Services, BPU Docket No. TE99030202, Order dated June 10, 1999. This authority was subsequently transferred to Broadwing. In re the Joint Petition of Corvis Corporation, on Behalf of Itself and Its Subsidiaries, Focal Communications Corporation of New Jersey and Broadwing Communications, LLC, for Approval of the Transfer of Assets and Customers and for Other Relief, BPU Docket No. TM04080767, Order dated November 10, 2004.

⁶ In re the Verified Petition for Approval of Internal Corporate Reorganization and Transfer of Operating Authority of Global Crossing North American Networks, Inc. into Global Crossing Telecommunications, Inc. and Separately Global Crossing Telemanagement, Inc. into Global Crossing Local Services, Inc., BPU Docket No. TM10060393, Order dated September 16, 2010; In re the Initial Tariff Filed by RCI Corporation, BPU Docket No. TE85030250, Order dated April 12, 1985.

Telecommunications, Inc. in BPU Docket No. TM10060393. On February 20, 2025, GC Telecommunications filed a petition with the Board in BPU Docket No. TD25030120 requesting authorization to discontinue the provision of local exchange and interexchange services, including Basic Service, to its New Jersey customers which the Board authorized by letter dated June 3, 2025.⁷

GC Local is authorized to provide intrastate telecommunications service pursuant to authority granted on October 15, 1999, in BPU Docket No. TE99030204. This authority was originally granted to Frontier Local Services, Inc., whose name was changed to Global Crossing Local Services, Inc. with notice provided to the Board on January 7, 2000.⁸ On February 20, 2025, GC Local filed a petition with the Board in BPU Docket No. TD25030120 requesting authorization to discontinue the provision of local exchange and interexchange services, including Basic Service, to its New Jersey customers which the Board authorized by letter dated June 3, 2025.⁹

Level 3 Telecom of New Jersey is authorized to provide local exchange telecommunications services in New Jersey pursuant to BPU Docket No. TE98121438, dated July 28, 1999. Following a prior name change, the entity thereafter filed a notice of name change to Level 3 Telecom of New Jersey, LP on April 19, 2016, in BPU Docket No. TT16040311.¹⁰

TelCove is authorized to provide competitive local exchange and interexchange telecommunications services in New Jersey by virtue of authority originally granted to Adelpia Business Solutions Investment, LLC in BPU Docket Nos. TM97110843, TE9705037, TM98101156 and TM00040275.¹¹ Adelpia Business Solutions Investment, LLC was authorized to change its name to TelCove Investment, LLC in BPU Docket Nos. TT04050370, TT04050371

⁷ See, In re Petition of Global Crossing Local Services, Inc. and Global Cross Telecommunications, Inc. to Discontinue Provision of Local Exchange and Interexchange Services, Including Basic Service, Docket No. TD25030120 (filed Feb. 20, 2025) (“GC Local and GC Telecommunications Discontinuance Petition”).

Joint Petitioners indicated that GC Local intended to act as a guarantor of the Financing Arrangements. GC Telecommunications and GC Local have been included in the instant Petition in the interest of completeness. GC Local and GC Telecommunications no longer provide Board-regulated services in New Jersey.

⁸ In re the Application of Frontier Local Services, Inc. for Approval to Provide Local Exchange Services and Exchange Access Services Throughout New Jersey, BPU Docket No. TE99030204, Order dated October 15, 1999.

⁹ See, GC Local and GC Telecommunications Discontinuance Petition.

¹⁰ See, TW Telecom of New Jersey L.P. - Name Change to Level 3 Telecom of New Jersey L.P., BPU Docket No. TT16040311, tariff filing/notice dated April 19, 2016.

¹¹ In re the Petition of Adelpia Business Solutions Investments, LLC and Adelpia Business Solutions of New Jersey for Authority to Merge and to Transfer Licenses as Part of a Pro Forma Corporate Reorganization, BPU Docket No. TM00040275, Order dated July 2, 2001; In re the Application of Hyperion Telecommunications of New Jersey, Inc., and Hyperion Communications of New Jersey, LLC for Approval of a Proposed Reorganization, BPU Docket No. TM98101156, Order dated August 18, 1999; In re the Joint Application of Hyperion Telecommunications of New Jersey Inc., CCC-NJFT, Inc., TKR Cable Company, and Sutton Capital Associates, Inc. for Approval of a Transfer of Partnership Interests in New Jersey Fiber Technologies, Including Authority to Provide Telecommunications Services in New Jersey, to Hyperion Telecommunications of Central New Jersey, Inc., BPU Docket No. TM97110843, Order dated February 4, 1998; In re the Petition of Hyperion Telecommunications of New Jersey Inc. for Approval of an Initial Tariff and the Authority to Provide Competitive Local Exchange and Interexchange Telecommunications Services, BPU Docket No. TE97050370, Order dated July 30, 1997.

and TT04050372.¹² The Board approved the transfer of that authority to TelCove Operations, LLC on March 2, 2007 in BPU Docket No. TM06120889.¹³

WITel is authorized to provide interexchange telecommunications services in New Jersey pursuant to authority granted by the Board in BPU Docket No. TE98080699, on September 4, 1998.¹⁴ This authority was originally granted to Williams Communications, Inc. d/b/a Vyvx, Inc. The company notified the Board of its conversion to an LLC and its name change on April 27, 2001, and November 13, 2002, respectively.

Additional information concerning the Joint Petitioners' legal, technical, managerial, and financial qualifications has been submitted to the Board in connection with various prior transactions and is therefore a matter of public record. The Board therefore takes official notice of these descriptions of Joint Petitioners' qualifications and incorporates them herein by reference.

DETAILED DESCRIPTION OF THE FINANCING ARRANGEMENTS:

Joint Petitioners provided the following detailed descriptions of the individual components of the Financing Arrangements.

A. Amendments to the New Level 3 Credit Facilities.

Joint Petitioners stated that as part of the 2024 TSA Financing for the Level 3 Debt, the Joint Petitioners sought and obtained Board approval to participate as collateral guarantors in certain debt financing arrangements in connection with Level 3 Financing's execution of a new term loan Credit Agreement dated as of March 22, 2024 ("2024 Level 3 Credit Agreement") establishing term loan credit facilities in the aggregate principal amount of approximately \$2.4 billion and comprised of (a) a secured term loan B-1 facility maturing on April 15, 2029 in the aggregate principal amount of approximately \$1.2 billion ("TLB-1") and (b) a secured term loan B-2 facility maturing on April 15, 2030 in the aggregate principal amount of approximately \$1.2 billion ("TLB-2").

¹² See, Adelphia Business Solutions Investment LLC Original Page 1 NJ BPU No. 2, BPU Docket No. TT04050371, effective June 24, 2004; In re Adelphia Business Solutions Investments, LLC d/b/a TelCove Original Title Page NJ No.1, BPU Docket No. TT04050370, effective June 23, 2004; Adelphia Business Solutions Investment LLC d/b/a TelCove Original Page 1 NJ BPU 3, BPU Docket No. TT04050372, effective June 23, 2004.

¹³ In re the Joint Petition of TelCove Operations, LLC and TelCove Investment, LLC for Grant of the Authority to Complete an Internal Reorganization and Assignment of Assets and Customers, BPU Docket No. TM06120889, Order dated March 2, 2007.

¹⁴ In re the Petition of Williams Communications, Inc. d/b/a Vyvx, Inc to Provide Interexchange Telecommunications Services, BPU Docket No. TE98080699, Order dated January 14, 1999.

Joint Petitioners further stated that on March 27, 2025 (“First Amendment Date”), Level 3 Financing amended the 2024 Level 3 Credit Agreement (“First Amendment Transactions”) by issuing a new secured term loan B-3 facility in the aggregate principal amount of approximately \$2.4 billion (“TLB-3”). The First Amendment Transactions and the new TLB-3 term loan refinanced all of the outstanding indebtedness represented by the TLB-1 and TLB-2 term loans and among other things, (a) reduced the pricing of such debt,¹⁵ (b) made related changes to effect such repricing, and (c) extended the maturity of the 2024 Level 3 Credit Agreement to March 27, 2032.

Joint Petitioners indicated that on September 29, 2025 (“Second Amendment Date”), Level 3 Financing further amended the 2024 Level 3 Credit Agreement (as amended by the First Amendment Transactions) (“Second Amendment Transactions”) by issuing a new secured term loan B-4 facility in the aggregate principal amount of approximately \$2.4 billion (“TLB-4”). The Second Amendment Transactions and new TLB-4 term loan refinanced all of the outstanding indebtedness from the TLB-3 term loan and among other things, (a) further reduced the pricing of the TLB-3 and (b) made related changes to effect such repricing. Joint Petitioners stated that borrowings under the TLB-4 will be, at Level 3 Financing’s option, either (a) the base rate (which is the highest of (1) the overnight federal funds rate, plus 0.50%, (2) the prime rate on such day, and (3) the one-month Secured Overnight Financing Rate (“SOFR”) plus 1.00%), plus an applicable margin, or (b) one-, three- or six-month SOFR, plus 3.25% (subject to a SOFR floor of 0.00%). The TLB-4 term loan facility matures on March 27, 2032.

Petitioners state that Level 3 Financing may voluntarily prepay loans or reduce commitments under the TLB-4, in whole or in part, subject to minimum amounts, with prior notice, but without premium or penalty (other than a 1.00% premium on any prepayment in connection with a repricing transaction prior to the date that is six months after the Second Amendment Date).

Joint Petitioners asserted that the new pricing accomplished by the TLB-4 and Second Amendment Transactions represents a reduction of 100 basis points, resulting in an expected \$24 million annual interest expense savings over the TLB-3 and a blended interest rate reduction of 331 basis points (and annual interest savings of over \$79 million) from the rates charged for the TLB-1 and TLB-2. Joint Petitioners also noted that in connection with the refinancing transaction certain other modifications were made to the covenants in the 2024 Level 3 Credit Agreement to provide additional flexibility to Level 3 Financing.

B. Description of the New First Lien Notes.

Petitioners also seek Board approval to act as guarantors and to have their assets and equity pledged in support of Level 3 Financing’s issuance of New First Lien Notes consisting of approximately (a) \$2.0 billion aggregate principal amount of newly issued 6.875% First Lien Notes due 2033 (“New 6.875% First Lien Notes”) and (b) \$2.425 billion aggregate principal amount of newly issued 7.000% First Lien Notes Due 2034 (“New 7.000% First Lien Notes” and collectively with the New 6.875% First Lien Notes, “New First Lien Notes”).

¹⁵ Borrowings under the TLB-3 bore interest at a rate equal to, at Level 3 Financing’s option, either (a) the base rate (which is the greater of (x) the overnight federal funds rate, plus 0.50%, (y) the prime rate on such day, and (z) the one-month SOFR plus 1.00%), plus an applicable margin, or (b) one, three or six-month SOFR, plus 4.25% (subject to a 0.50% floor). The interest rate for the TLB-1 and TLB-2, was either (a) term SOFR (subject to a 2.00% floor) plus 6.56% or (b) a base rate plus 5.56%. The TLB-3 refinancing represented a blended interest rate reduction of 231 basis points resulting in annual interest savings of over \$55 million from the rates charged for the TLB-1 and TLB-2.

1. Description of the New 6.875% First Lien Notes.

Joint Petitioners stated that Level 3 Financing issued the New 6.875% First Lien Notes on June 30, 2025. According to Joint Petitioners, Level 3 Financing used the net proceeds from the offering, together with cash on hand, to (a) redeem all \$924,522 million aggregate principal amount of Level 3 Financing's then-outstanding first lien 10.500% Senior Secured Notes due 2030,¹⁶ (b) redeem all \$667.711 million aggregate principal amount of Level 3 Financing's then outstanding 10.500% First Lien Notes which mature April 15, 2029¹⁷, and (c) partially redeem \$166.565 million aggregate principal amount of Level 3 Financing's outstanding 11.000% First Lien Notes which mature November 15, 2029,¹⁸ in each case including the payment of redemption premiums and accrued interest, as well as related fees and expenses (collectively, "6.875% First Lien Note Refinancing"). The New 6.875% First Lien Notes have a maturity date of June 30, 2033, and are secured on a first lien basis by the collateral securing the New 6.875% First Lien Notes, subject to a shared lien of equal priority with the other first lien obligations of Level 3 Financing. Petitioners note that in addition to extending maturities by more than three (3) years, the 6.875% First Lien Note Refinancing reduced Level 3 Financing's annual interest expense by approximately \$48 million in annual cash interest expense.

2. Description of the New 7.000% First Lien Notes.

Joint Petitioners stated that on August 18, 2025, Level 3 Financing issued approximately \$2,000,000,000 of 7.000% First Lien Notes with a maturity date of March 31, 2034 ("Initial 7.000% First Lien Notes"). Joint Petitioners reported that Level 3 Financing used the net proceeds from the Initial 7.000% First Lien Notes offering, together with cash on hand, to (a) redeem the remaining \$1,408,435,434 aggregate principal amount of Level 3 Financing's 11.000% Senior Secured Notes due 2029 (i.e., the remaining New Money Notes) and to (b) partially redeem \$305,367,000 aggregate principal amount of Level 3 Financing's 10.750% First Lien Notes due 2030,¹⁹ in each case, including payment of redemption premiums, and to pay related fees and expenses.

¹⁶ The Board approved Joint Petitioners' joinder as collateral guarantors of Level 3 Financing's issuance of \$924,522,000 of 10.500% senior secured notes which mature on May 15, 2030 by Order dated October 11, 2023. In re Verified Petition of Level 3 Communications, LLC, Broadwing Communications, LLC, Global Crossing Telecommunications, Inc., TelCove Operations, LLC, and WiTel Communications, LLC for Approval to Participate in a Financing Arrangement, BPU Docket No. TF23050297, Order dated Oct. 11, 2023. These notes are referred to herein and in the 2024 TSA Financing Order as the "10.500% Notes due 2030."

¹⁷ The Board approved Joint Petitioners' joinder as collateral guarantors of Level 3 Financing's issuance of approximately \$668 million of 10.500% first lien notes which mature April 15, 2029 (such notes referred herein and in the 2024 TSA Financing Order as the "2029 Exchange Notes") as part of the 2024 TSA Financing.

¹⁸ The Board approved Joint Petitioners' joinder as collateral guarantors of Level 3 Financing's issuance of approximately \$1.575 billion of 11.000% first lien notes which mature November 15, 2029 (such notes referred herein and in the 2024 TSA Financing Order as the "New Money Notes") as part of the 2024 TSA Financing.

¹⁹ The Board approved Joint Petitioners' joinder as collateral guarantors of Level 3 Financing's issuance of approximately \$678 million of 10.750% first lien notes which mature December 15, 2030 (such notes referred herein and in the 2024 TSA Financing Order as the "2030 Exchange Notes") as part of the 2024 TSA Financing.

Joint Petitioners further noted that on September 8, 2025, Level 3 Financing issued approximately \$425,000,000 of additional 7.000% First Lien Notes due 2034 (“Additional 7.000% First Lien Notes”). The Additional 7.000% First Lien Notes are part of a single series of 7.000% First Lien Notes and have the same terms (other than issue date and issue price) as the Initial 7.000% First Lien Notes. Joint Petitioners asserted that Level 3 Financing used the net proceeds from the Additional 7.000% First Lien Notes offering, together with cash on hand, to redeem the remaining \$373,000,000 aggregate principal amount of Level 3 Financing’s 10.750% First Lien Notes due 2030 (i.e., the remaining 2030 Exchange Notes), including payment of required redemption premiums, and to pay related fees and expenses.

Joint Petitioners asserted that, in addition to extending maturities by more than three (3) years, the Additional 7.000% First Lien Notes offering reduced Level 3’s Financing’s interest expense by approximately \$10 million annually. Joint Petitioners noted the New 7.00% First Lien Notes are secured on a first lien basis by the collateral securing the New 7.00% First Lien Notes, subject to a shared lien of equal priority with the other first lien obligations of Level 3 Financing. Joint Petitioners also reported that the New First Lien Notes were each issued in private offerings under the Securities Act and were offered and sold only to persons reasonably believed to be qualified institutional buyers in accordance with Rule 144A of the Securities Act and to non-U.S. persons outside of the United States in accordance with Regulation S under the Securities Act.

C. Description of the Amendment of the Level 3 Intercompany Note.

Finally, Joint Petitioners stated that Level 3, LLC also amended and restated its previously issued intercompany loan proceeds demand note most recently approved by the Board in the 2024 Note Refinancing Order (and previously approved in the 2024 TSA Financing Order) (“A&R Loan Proceeds Note”). According to Joint Petitioners, the current A&R Loan Proceeds Note issued on September 30, 2025, reflects the cumulative amount of secured and collateralized debt of Level 3 LLC, including secured debt resulting from the Level 3 Credit Facilities Amendments and the issuance of the New First Lien Notes. Joint Petitioners asserted the A&R Loan Proceeds Note is on similar terms to the intercompany demand note utilized for the 2024 Note Refinancing (and the prior version issued in the 2024 TSA Financing), including the multiple sources of debt covered by the note (\$9,066,124,288.83), the parties to the note (Level 3 LLC and Level 3 Financing), the assets pledged by Level 3 LLC as security in support of the A&R Loan Proceeds Note (the tangible assets of Level 3 LLC), and the note continuing to be payable on demand.

APPROVALS REQUESTED:

As described in the Petition, the Joint Petitioners sought Board approval to participate in certain Financing Arrangements in connection with Level 3 Financing having (a) entered into the New Level 3 Credit Facilities in the aggregate principal amount of approximately \$2.4 billion, (b) issued the New First Lien Notes consisting of approximately \$2.0 billion aggregate principal amount of New 6.875% First Lien Notes and approximately \$2.425 billion aggregate principal amount of New 7.000% First Lien Notes, and (c) amendments to the Level 3 Intercompany Notes.²⁰ Specifically, the Level 3 Petitioners sought approval upon receipt of the required regulatory approvals, including the Boards, (a) to act as guarantors for the Financing Arrangements and (b) for their equity and assets to be pledged in support of the Financing Arrangements as described in the Petition.

Joint Petitioners requested Board approval to participate in the Financing Arrangements as described above and in the Petition. Joint Petitioners stated that the Financing Arrangements will allow Lumen, and its subsidiaries, to manage its capital structure to ensure long-term financial stability. Specifically, the Financing Arrangements extend the overall portfolio maturity dates by several years and reduce the overall interest rates associated with such debt. These maturity dates extensions coupled with lower overall interest cost not only reduces immediate financial burdens, but provides Lumen with greater financial flexibility, which in turn will enable Lumen to allocate more resources towards growth initiatives. Joint Petitioners stated that the Financing Arrangements will also provide Joint Petitioners with greater financial flexibility to maintain and expand their networks and competitive services across their footprints, including New Jersey. Joint Petitioners further asserted that the Financing Arrangements will enable them to continue delivering services to new markets, thus allowing more consumers to benefit from their competitive services. Joint Petitioners concluded that these steps will ultimately benefit New Jersey Customers.

Joint Petitioners also stated that the Financing Arrangements would 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 participation in the Financing Arrangements result in the discontinuance, reduction, loss, or impairment of service to customers. Following completion of the Financing Arrangements, Joint Petitioners asserted they will continue to provide high-quality communications services to their customers without interruption and without immediate change in rates, terms, or conditions. Moreover, Joint Petitioners also state that the Financing Arrangements will have no impact on their ability to fulfill pension obligations to their employees.

The New Jersey Division of Rate Counsel (“Rate Counsel”) has reviewed this matter and, by letter dated January 16, 2026, acknowledged that Joint Petitioners have provided information required under the statute and the Board’s regulations and have also provided additional information in reply to Board Staff’s discovery requests in support of Joint Petitioners’ assertion that the

²⁰ To the extent required, Joint Petitioners also requested authority from the Board pursuant to N.J.S.A. 48:3-9 in the event the obligations related to the A&R Loan Proceeds Note remains unpaid for more than twelve (12) months from the date of issuance. Since the A&R Loan Proceeds Note is payable on demand, and thus is neither indebtedness payable later than twelve (12) months after the date of the original instrument, nor expressly payable within twelve (12) months, the applicability of N.J.S.A. 48:3-9 is unclear. Out of an abundance of caution, therefore, Joint Petitioners sought Board approval pursuant to N.J.S.A. 48:3-9 to permit the A&R Loan Proceeds Note to remain unpaid for more than twelve (12) months from the date of issuance.

financing contemplated is not contrary to the public interest and will serve a beneficial purpose for New Jersey Customers. Rate Counsel concluded by stating that it does not oppose the Board's grant of the petitioned requests.

DISCUSSION AND FINDINGS:

The Board, after investigation and having considered the record in this matter, including the Petition and the comments of Rate Counsel, **HEREBY FINDS** that Joint Petitioners' participation in the Financing Arrangements satisfies the requirements of N.J.S.A. 48:3-7 and 48:3-9 and N.J.A.C. 14:1-5.9, is in accordance with law and the public interest, and will have no negative impact on the Company, rates, customers or New Jersey employees. The Board therefore approves the purposes of the Financing Arrangements, and **HEREBY AUTHORIZES** Joint Petitioners to participate in the Financing Arrangements as described herein and in the Petition.

This Order is issued subject to the following provisions:

1. This Order shall not affect or in any way limit the exercise of the authority of the Board or the State of New Jersey in any future petition or in any proceeding regarding rates, costs of service, franchises, service, financing, accounting, capitalization, depreciation, or any other matters affecting the Joint Petitioners.
2. Joint Petitioners shall notify the Board within five (5) business days of any material changes in the proposed Financing Arrangements and shall provide complete details of such changes including any anticipated effects upon service in New Jersey.
3. Joint Petitioners shall notify the Board of any material default in the terms of the proposed Financing Arrangements within five (5) business days of such occurrence.
4. Notwithstanding anything to the contrary in the documents executed pursuant to the Financing Arrangements or other supporting documents, a default or assignment under such agreement does not constitute an automatic transfer of Petitioners' assets located in the State of New Jersey and no party to such Financing Arrangements or other supporting document shall take any action under such documents or exercise any remedies that would constitute or result in the transfer or assignment of any assets of Joint Petitioners located in the State of New Jersey or a change of control of any Joint Petitioners prior to obtaining Board approval pursuant to N.J.S.A. 48:1-1 et seq. where applicable.
5. This Order shall not be construed as directly or indirectly fixing for any purpose whatsoever any value of tangible or intangible assets now owned or hereafter to be owned by the Joint Petitioners.
6. Beginning June 15, 2026, and every twelve (12) months thereafter, Joint Petitioners shall submit to the Board Secretary, and provide a copy to the Chief Economist, a letter report detailing each debt issuance, term loan, and use of revolving credit opened or concluded in the prior twelve (12) months, along with copies of executed indentures associated with the authorization contained in this Order. The reports shall include the name of the issuing entity, issue date, amount of debt issued, the term in years, final maturity date, coupon rate, price to public, underwriters discount, net proceeds after expenses, gross proceeds before expenses, breakdown of estimated issuance costs (including, but not limited to, information such as the underwriting fees,

underwriting expenses, legal fees and expenses, recordation taxes and fees, etc.) and any other material provision with respect to the terms and conditions of the new issuance.

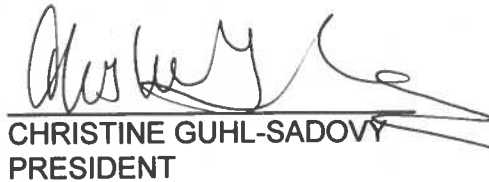
This Order shall become effective on April 29, 2026.

DATED: April 22, 2026

BOARD OF PUBLIC UTILITIES
BY:



DR. ZENON CHRISTODOULOU
COMMISSIONER



CHRISTINE GUHL-SADOVY
PRESIDENT




MICHAEL BANGE
COMMISSIONER



EMMA REBHORN
COMMISSIONER



JOSEPH COVIELLO
COMMISSIONER

ATTEST: 
SHERRIL L. LEWIS
BOARD SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF THE PETITION OF LEVEL 3 COMMUNICATIONS, LLC, BROADWING COMMUNICATIONS, LLC, GLOBAL CROSSING TELECOMMUNICATIONS, INC., GLOBAL CROSSING LOCAL SERVICES, INC., LEVEL 3 TELECOM OF NEW JERSEY, L.P., TELCOVE OPERATIONS, LLC AND WITEL COMMUNICATIONS, LLC FOR APPROVAL TO PARTICIPATE IN A FINANCING ARRANGEMENT

DOCKET NO. TF25110593

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