



Agenda Date: 6/10/26
Agenda Item: VA

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/

OFFICE OF CABLE
TELEVISION AND
TELECOMMUNICATIONS

IN THE MATTER OF THE VERIFIED JOINT PETITION)
OF ARCHTOP FIBER LLC, ARCHTOP PARENT LLC,)
ALTEVA OF WARWICK LLC, f/k/a WARWICK VALLEY)
TELEPHONE COMPANY FOR APPROVAL OF AN)
INTERNAL REORGANIZATION AND TO PARTICIPATE)
IN CERTAIN FINANCING TRANSACTIONS)

ORDER APPROVING)
REORGANIZATION AND)
FINANCING)
TRANSACTIONS)
DOCKET NO. TM25060363)

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Michael A. Gruin, Esq., Stevens & Lee, on behalf of Petitioners

BY THE BOARD:

On June 4, 2025, Archtop Fiber Parent LLC ("Archtop Parent"), Archtop Fiber LLC ("Archtop") and Alteva of Warwick LLC, f/k/a Warwick Valley Telephone Company ("Alteva") (collectively, "Petitioners"), filed a joint petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-51.1, 48:3-7, 48:3-9 and 48:3-10 and the regulations of the Board ("Petition"). By the Petition, the Petitioners requested approval to the extent necessary to (1) insert a newly formed holding company, Archtop Parent into the controlling ownership structure of the Petitioners ("Internal Structuring Transaction") and (2) to participate in certain financing arrangements ("Financing Transaction") (both request jointly referred to as the "Transactions"). By this Order, the Board considers the requests in the Petition.

BACKGROUND

Archtop is a Delaware limited liability company authorized to do business in the State of New Jersey. In May 2024, the Board authorized Archtop to provide competitive facilities based local exchange, switched exchange access, and interexchange telecommunications services to subscribers throughout the State of New Jersey.¹ Archtop also operates in New Jersey through its subsidiary Alteva, which is an incumbent local exchange carrier (“ILEC”) recently acquired by Archtop.²

Alteva is a New York limited liability company and a wholly owned subsidiary of Alteva, Inc., a New York corporation which, in turn, is a wholly owned subsidiary of Archtop. Alteva is the ILEC in portions of West Milford and Vernon, New Jersey, where it serves business and residential customers.³ Alteva is also a competitive local exchange carrier serving business and residential customers in Vernon Township and Franklin Borough in the State of New Jersey.

Archtop Parent is a newly formed Delaware holding company, wholly owned by Archtop Fiber Holdings LLC (“Archtop Holdings”), and created solely for purposes of the Transactions.

PETITION

By the Petition, the Petitioners requested approval to the extent necessary to (1) insert a newly formed holding company, Archtop Parent, into the controlling ownership structure of the and (2) to participate in certain financing arrangements. According to the Petition, its formation does not in any manner affect the existing ultimate ownership of the Petitioners. It will neither result in the assignment of the Petitioners’ licenses, assets, or customers, or in any way affect their services or operations. Existing customer rates and contracts will not be affected.

Petitioners stated that the proposed Transactions will serve the public interest by providing Archtop with the capital that the Petitioners collectively require to continue to improve and expand their broadband networks to deliver high-speed internet access services to their customers in New Jersey and the Northeast, which they claim will in turn, promote growth, development, and innovation in New Jersey’s telecommunications markets and inure to the benefit of New Jersey consumers.

Additionally, the Petitioners stated that the Internal Structuring Transaction will not cause a reduction or impairment of service to consumers and will be imperceptible and transparent to the Petitioners’ current customers. It also will not adversely affect the employment markets in the

¹ In re the Petition of Archtop Fiber LLC for an Order of Approval to Provide Competitive Resold and Facilities-Based Local Exchange and Interexchange Telecommunications Services Throughout the State of New Jersey, BPU Docket No. TE23120908, Order dated May 22, 2024.

² In re the Verified Petition of Alteva of Warwick LLC, MBS Intermediate Holdings, LLC, and Archtop Fiber LLC for Approval of a Transfer of Control, BPU Docket No. TM23060344, Order dated December 6, 2023.

³ In re the Petition of Warwick Valley Telephone Company for Authorization to Transfer Assets to Warwick Valley Telephone Restructuring Company, LLC and to Surrender its Certificate of Public Convenience and Necessity and; Petition of Warwick Valley Telephone Restructuring Company, LLC for (I) Issuance of a Certificate of Public Convenience and Necessity for Approval (II) Approval of its Adoption of Warwick Valley Telephone Company’s Plan for Alternative Regulation and Intrastate Tariffs and (III) Related Relief, BPU Docket No. TM12090812, Order dated October 23, 2012.

areas served by the Petitioners and will not reduce competition in the Petitioners' markets in any way.

In response to Staff's discovery request, Petitioners stated they currently do not have any employees based in New Jersey. Therefore, employee pensions and benefits will not be impacted by the Transactions.

Following the Internal Structuring Transaction, Petitioners seek to participate in a Financing Transaction, which will allow Archtop Fiber Intermediate LLC ("Archtop Intermediate"), a Delaware limited liability company and the direct parent company of Petitioners, to enter into a five (5)-year term loan ("Five-Year Credit Facility") in the amount of \$190 million. This amount is comprised of a \$75 million initial term loan ("Initial Term Loan") and up to an additional \$115 million of delayed draw term loans (with an additional \$60 million in discretionary funding), as further described below. The Five-Year Credit Facility will be provided by a syndicate of financial institutions led by Monroe Capital, LLC and its affiliates (collectively, "Lenders").

Archtop Intermediate and Archtop Parent entered into a credit agreement ("Credit Agreement") on April 1, 2025. Per the Credit Agreement, the Lenders have provided a 360-day term loan on terms substantially the same terms as the Five-Year Credit Facility, except that the Credit Agreement had an initial term of less than one year. The term of the Credit Agreement will be extended to five (5) years only upon approval from all required regulatory authorities, including the Board.

As noted above, Archtop Intermediate will be the borrower under the Five-Year Credit Facility, and the loans will be guaranteed by Archtop Parent, which, subject to any limitations under applicable law, will pledge the equity of Petitioners. The Five-Year Credit Facility will also be guaranteed by the equity and assets of Archtop Holdings' various other subsidiaries that are not regulated by this Board. The Petitioners, which are regulated by the Board, will not be direct borrowers under the Five-Year Credit Facility. Instead, they will guarantee the loans via a pledge of their assets to secure the Five-Year Credit Facility.

Funding for the Five-Year Credit Facility ("collectively, the "Term Loans") is as follows:

- Initial Term Loan: \$75 million.
- Delayed Draw Term Loans: \$115 million upon request from the borrower, Archtop Intermediate. Delayed draw loans may be disbursed not more than twice per month in an amount not less than \$1 million. Up to \$100 million of the delayed draw term loans may be prefunded if the borrower has not requested at least \$50 million within ten (10) months and at least \$100 million within nineteen (19) months.
- Discretionary Term Loans: \$60 million in uncommitted funds, which must be requested by the borrower within three (3) years. Lenders are not obligated to provide any or all of the discretionary term loans and may elect to do so in their sole discretion.

The Five-Year Credit Facility will accrue interest at a floating rate based on the Secured Overnight Financing Rate (or an alternative base rate) plus an applicable margin.

Proceeds from the Five-Year Credit Facility will be applied towards the extension of Petitioners' core fiber network in the Northeast for the provision of broadband and ancillary communications services. In addition, the Initial Term Loan proceeds may also be used to refinance up to \$1 million per year of capital lease expense pursuant to a capital lease agreement between Archtop

and Enterprise Fleet Leasing, as well as to pay transaction fees and expenses. Further, to the extent approved by this Board, the Initial Term Loan also may be used to fund acquisitions by Archtop of other communications companies in a substantially similar line of business as Archtop.

According to Petitioners, this Financing Transaction will provide the Petitioners with cost-effective access to capital to expand and improve their collective broadband networks and operations. Petitioners asserted that participation in the Financing Transaction will not result in a change in the ultimate ownership of the Archtop operating entities or affect the management or day-to-day operations of Petitioners; nor will it adversely affect Petitioners' current or planned operations in New Jersey.

Petitioners stated that the Financing Transaction will serve the public interest by promoting competition in the telecommunications industry, and that they will be able to strengthen their competitive position through access to greater financial resources.

As set forth above, while not primary borrowers, each of the Petitioners will guaranty the Five-Year credit Facility and pledge their assets as security. Such guaranties and pledges are requirements by the Lenders, without which the monies available under the Five-Year Credit Facility would not be available.

On February 13, 2026, the New Jersey Division of Rate Counsel ("Rate Counsel") submitted comments on the Petition. Rate Counsel stated that it did not oppose Board approval of the Petition.

DISCUSSION AND FINDINGS

Pursuant to N.J.S.A. 48:2-51.1(a), the Board shall evaluate the impact of a transfer of control of a public utility on competition, on the rates of ratepayers affected by the transfer of control, on the employees of the affected public utility or utilities, and on the provision of safe and adequate utility service at just and reasonable rates. The Board must be satisfied that positive benefit will flow to customers and the State of New Jersey and, at a minimum, that there are no adverse impacts on any of the criteria delineated in N.J.S.A. 48:2-51.1, and N.J.A.C. 14:1-5.14(c) as set forth above.

After investigation, and having considered the record in this proceeding, the Board is satisfied that the Transactions will not have any adverse impact on competition, pricing, or the terms and conditions of service.

Pursuant to N.J.S.A. 48:3-7, a utility shall not dispose of its property or consolidate its property with that of any other public utility without the approval of the Board. Where the disposition of all, or a substantial portion of, a utility's property is proposed, the Board shall not approve of the proposed transaction if it appears that the public utility or a wholly owned subsidiary thereof may be unable to fulfill its pension obligations to its employees, N.J.S.A. 48:3-7. Petitioners have confirmed that they do not have employees in New Jersey. The Board therefore **FINDS** that Petitioners have satisfied all requirements under N.J.S.A. 48:3-7.

After the Board's careful review of the record in this proceeding, the Board **FINDS** that the Internal Structuring Transaction is consistent with applicable law and is not contrary to the public interest. The Board also **FINDS** that the Internal Structuring Transaction will have no material adverse impact on the provision of safe, adequate, and proper service at just and reasonable rates, and would likely provide positive benefits to customers. The Board further **FINDS** that the Internal

Structuring Transaction will have no material adverse impact on competition or rates. The Board **FINDS** that the Internal Structuring Transaction will have no material impact on the Petitioners' employees, or their pensions. Therefore, the Board **HEREBY AUTHORIZES** the Petitioners to complete the Internal Structuring Transaction.

The Board further **FINDS** that the Petitioner's participation in the Financing Transaction 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 the law, is in the public interest, and will have no negative impact on rates or customers. The Board **FINDS** that the Financing Transaction will have no material impact on the Petitioners' employees, or their pensions. Therefore, after investigation and consideration of the record and information submitted in this proceeding, the Board **HEREBY AUTHORIZES** Petitioners to participate in the Financing Transaction and for Petitioners to take those actions necessary to effectuate such Financing Transactions.

Beginning January 15, 2027 and every twelve (12) months thereafter, 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 be effective on June 17, 2026.

DATED: June 10, 2026

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER


EMMA REBHORN
COMMISSIONER


JOSEPH COVIELLO
COMMISSIONER

ATTEST: 
SHERRI 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.

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ALTEVA OF WARWICK LLC, f/k/a WARWICK VALLEY TELEPHONE COMPANY FOR APPROVAL OF AN
INTERNAL REORGANIZATION AND TO PARTICIPATE IN CERTAIN FINANCING TRANSACTIONS

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SERVICE LIST

Joint Petitioners

Michael A. Gruin
Stevens & Lee
17 N. 2nd Street,
16th Fl. Harrisburg, PA 17101
mag@stevenslee.com

Keith Taub
ktaub@archtopfiber.com

Kevin Culver
Archtop Fiber LLC
300 Enterprise Dr,
Kingston, NY 12401
kculver@archtopfiber.com

Phil Marchesiello
pmarchesiello@wbklaw.com

Karen Milne
Wilkinson Barker Knauer, LLP
1800 M Street, Suite 800N
Washington, DC 20036
kmiln@wbklaw.com

New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor
Trenton, NJ 08625-0003

Brian O. Lipman, Esq., Director
blipman@rpa.nj.gov

Emily Lam, Esq.,
Assistant Deputy Rate Counsel
elam@rpa.nj.gov

Robert Glover Esq.,
Assistant Deputy Rate Counsel
rglover@rpa.nj.gov

Tara Dickerson
tara.dickerson@rpa.nj.gov

Division of Law

NJ Department of Law and Public Safety
Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625

Terel Klein, DAG Section Chief
terel.klein@law.njoag.gov

Pamela Owen, DAG, Assistant Section Chief
pamela.owen@law.njoag.gov

Jordan K. Mitchell
jordan.mitchell@law.njoag.gov

Jack Ventura, DAG
jack.ventura@law.njoag.gov

Rachel Reckeweg
rachel.reckeweg@law.njoag.gov

Tanya Lloyd-Samuel
tanya.lloyd-samuel@law.njoag.gov

Board of Public Utilities

44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

Sherri L. Lewis, Secretary
board.secretary@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Office of Cable Television and Telecommunications

Lawanda R. Gilbert, Director
lawanda.gilbert@bpu.nj.gov

Malike Cummings
malike.cummings@bpu.nj.gov

Kevin McKinney
kevin.mckinney@bpu.nj.gov

NJBPU, cont'd.

Office of the Economist

Ben Witherell, Ph.D. Chief Economist
benjamin.witherell@bpu.nj.gov

Christine Lin
christine.lin@bpu.nj.gov

Counsel's Office

Ava-Marie Madeam, General Counsel
avamarie.madeam@bpu.nj.gov

Elsbeth Faiman Hans, Deputy General Counsel
elsbeth.hans@bpu.nj.gov

TyShawn Key, Associate Counsel
tyshawn.key@bpu.nj.gov