GEORGIA PUBLIC SERVICE COMMISSION

Application of	)	
	)	
Open Fiber USA, Inc.	)	Docket No. _____
	)	
For Authority to Engage in Debt Related Transactions	)	
	)	
EXPEDITED TREATMENT REQUESTED	)	

APPLICATION

Pursuant to O.C.G.A. §§ 46-2-28(d), 46-5-41, 46-5-168, and Chapter 515-6 of the Rules of the Georgia Public Service Commission, Open Fiber USA, Inc. ("Applicant"), hereby respectfully requests the approval of this Commission to consummate the below described restructuring and financing transactions (the "Transactions"). Consummation of the Transactions will serve the public interest by providing Applicant access to a significant new source of additional capital allowing Applicant to rapidly build out its network in Georgia and accelerate its ability to offer services to Georgia customers, and to better compete in the communications marketplace. The proposed Transactions will not result in a change in the ultimate ownership of Applicant, and no assignment of licenses, assets, or customers will occur as a consequence of the proposed Transactions. The proposed Transactions will benefit and not adversely affect competition in Georgia because they will not result in a reduction of competitors, they will result in additional sources of capital resources being made available for Applicant to build out new broadband networks, and Georgia customers will soon have access to Applicant's new state-of-the-art broadband services. Applicant also requests the Commission to approve the change of its corporate name from Open Fiber USA, Inc. to Ripple Fiber Inc. as set forth herein.

1. Applicant

Open Fiber USA, Inc. was granted Certificate L-7924 for Authority to Provide Facilities Based Competitive Local Exchange Services on November 21, 2023 pursuant to O.G.C.A. § 46-5-163(b). As described below, the Transactions that are the subject of this Application will not result in any changes to the effective ownership of Applicant. They are merely a reorganization of existing shareholders into a holding company structure to effectuate a pending debt financing and to facilitate possible future broadband acquisitions.

2. Notice of Name Change

Applicant recently formally changed its corporate name with the South Carolina Secretary of State from Open Fiber USA, Inc. to Ripple Fiber Inc. A copy of the South Carolina Secretary of State's acknowledgement of the name change is attached in Exhibit A. (Open Fiber USA, Inc. was formed in South Carolina.) In addition, Applicant has obtained a name change authorization from the Georgia Secretary of State in connection with the Applicant's foreign corporation registration that permits the Applicant to operate in Georgia, a copy of which is attached in Exhibit B. Consistent with the foregoing, Applicant requests that this Commission change the name of certificated entity for Certificate L-7924 from Open Fiber USA, Inc. to Ripple Fiber Inc. in the Commission's records, such that Ripple Fiber Inc. will be the name of Applicant upon Commission action on the instant Application.

3. Description of the Transactions

Applicant is seeking Commission approval for a series of restructuring and financing Transactions. First, Applicant will convert to a limited liability company, and change its name to, Ripple Fiber LLC under South Carolina law. Second, certain of the Applicant's shareholders are forming a new holding company, Glass Routes LLC, into which they will contribute their

respective interests in the Applicant (post conversion) through the use of an intermediate holding company, Ripple Fiber Holdco LLC ("Ripple Holdco"), which will directly hold 100 percent of the equity interest of Ripple Fiber LLC. Glass Routes LLC will be owned entirely by those contributing shareholders and will hold a majority equity interest in Applicant through Ripple Holdco, with no change to Applicant's ultimate, indirect equity holders and no change to their respective ownership shares. A chart showing the pre- and post-Transactions ownership structure of Ripple Fiber LLC is attached as Exhibit C. Ripple Fiber LLC's unaudited financials for FY 2023 are attached as Exhibit D (submitted confidentially under seal).

This new parent company, Glass Routes LLC and the Ripple Holdco are necessary to facilitate the debt financing described in the next paragraph. The Transactions will also allow Applicant to simplify its ownership structure, to create a single-entry point for future capital raises, and to establish an efficient corporate vehicle for possible future broadband. Additional holding companies may also be interposed above Glass Routes LLC as part of the restructuring as a pre-requisite for the debt providers' security package. This restructuring will not result in any changes to the effective ownership of Applicant; instead, it is simply a reorganization of certain of the existing shareholders into a new holding company structure.

Glass Routes LLC will then obtain up to $200 million of debt capital from a group of lenders led by Post Road Group ("PRG"), an alternative investment advisory firm based in Stamford, Connecticut. The term sheet associated with this financing is attached as Exhibit E (submitted confidentially under seal). This financing will be used by Applicant to fund broadband network builds in communities throughout the Southeast United States, including in many Georgia communities. In particular, the PRG loan will consist of approximately a $50 million initial term loan and $150 million in delayed draw term loans that can be accessed over a

2-year period to fund discreet fiber broadband network construction projects. This debt financing will enable Applicant to build out over 260,000 fiber passings across 15+ markets (including in Georgia) over the next two years, ultimately reaching over 100,000 fiber broadband subscribers. The debt facility has a 4-year maturity, and the equity of the Applicant will be pledged as collateral under the debt facility. In addition to the debt interest that will be held by the PRG-led lenders, the lenders also will hold certain equity interests in Applicant that may represent three to five percent of Applicant's outstanding equity under certain limited circumstances.

The Transactions, and particularly the debt financing, requires approval from this Commission under O.C.G.A. § 46-2-28(d) because it involves the issuance of stock and debt with a duration exceeding 12 months.[1]

4. Public Interest Considerations

Consummation of the proposed Transactions will serve the public interest by providing to Applicant new sources of capital which will in turn enhance Applicant's ability to build new fiber-optic networks in certain Georgia communities, and to offer a suite of state-of-the-art, high-speed fiber-optic based communications services to customers in those communities. The Transactions will provide Applicant with access to significant financial resources that will allow it to quickly deploy its planned network and broadband service offerings to the benefit of the market and Georgia customers.

[1] O.C.G.A. § 46-2-28(d): "Before issuing stocks, bonds, notes, or other evidence of debt, a company under the jurisdiction of the commission shall secure an order from the commission authorizing such issue, the amount thereof, and the purpose and use for which the issue is authorized. For the purpose of enabling it to determine whether such order should be issued, the commission shall make such inquiry or investigation, hold such hearings, and examine such witnesses, books, papers, documents, or contracts as it may deem advisable or necessary."

The proposed Transactions also do not result in any public interest harms. Applicant will continue to provide competitive and innovative service to existing customers at the same rates, terms, and conditions and in the same geographic areas as currently provided. The Transactions will not result in the discontinuance, reduction, loss, or impairment of service to any customer. Thus, there is no risk of competitive harm resulting from the Transactions.

5. Designated Contacts

All correspondence and communications with respect to this application should be addressed or directed as follows:

To Ripple Fiber Inc.:
Lance van der Spuy, President
Ripple Fiber, Inc.
100 West John Street E
Matthews, NC 28105

With a copy to:

Craig Gilley
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600 Massachusetts Ave. NW
Washington, DC 20001

CONCLUSION

For the foregoing reasons, Applicant respectfully submits that the public interest, convenience, and necessity would be furthered by the expeditious grant of this Application.

Respectfully submitted,

// Lance van der Spuy //

Lance van der Spuy, President
Ripple Fiber, Inc.

Date: March 12, 2024

EXHIBIT A South Carolina Secretary of State's Acknowledgement of Name Change

EXHIBIT B Name Change Authorization from the Georgia Secretary of State

EXHIBIT C Pre and Post Transactions Ownership Chart

EXHIBIT D Applicant’s Unaudited FY 2023 Financials (submitted confidentially under seal)

EXHIBIT E Term Sheet (submitted confidentially under seal)