June 9, 2023

Via Electronic Filing

Public Utility Commission of Oregon
201 High Street SE, Suite 100
Salem, Oregon 97301-3398
Attention: Filing Center

Re: CP 1488
Notification Regarding the Transfer of Indirect Control of Fatbeam, LLC

Dear Sir or Madam:

Fatbeam, LLC ("Fatbeam" or "Licensee"), Fatbeam Holdings, LLC ("FB Holdings"), SDC FB Holdings, LLC ("SDC FB" or "Transferor") and Project Lighthouse AIV Feeder LP ("AIV Feeder" or "Transferee") (collectively, the "Parties"), by their undersigned representatives, notify the Public Utility Commission of Oregon (the "Commission") of the transfer of indirect control of Licensee from SDC FB to AIV Feeder effective May 31, 2023. Fatbeam holds a Certificate of Authority to operate as a competitive telecommunications provider of intraexchange service in certain local exchanges and a competitive telecommunications provider of interexchange service statewide in Oregon pursuant to authority granted in Order No. 10-380 on September 30, 2010. Since Commission approval was not required for the Transaction, the Parties submit this letter for informational purposes.

In support of this filing, the Parties provide the following information:

Description of the Parties

A. Licensee (Fatbeam, LLC)

Fatbeam, founded in 2010, is a limited liability company organized under the laws of Washington. Fatbeam is the direct, wholly owned subsidiary of FB Holdings, a Delaware limited liability company. Fatbeam and FB Holdings have corporate headquarters at 2605 W. Riverstone Drive, Suite 202, Coeur d'Alene, Idaho, 83814.

Fatbeam is a provider of fiber-based network solutions to rural and mid-sized markets in the Western United States. Fatbeam connects over 40 cities across eight states with a fiber network spanning 1,252 route miles across 13 metro markets and comprising over 128,000 strand miles and offers services including wide area network and dedicated Internet access. In Oregon, Fatbeam holds a Certificate of Authority to operate as a competitive telecommunications provider of intraexchange service in certain local exchanges and a competitive telecommunications

provider of interexchange service statewide pursuant to authority granted in Order No. 10-380 on September 30, 2010.

B. Transferor (SDC FB Holdings, LLC)

Fatbeam and FB Holdings are subsidiaries of SDC FB. SDC FB, a Delaware limited liability company, is owned by investment funds controlled by an affiliate of SDC Capital Partners, LLC ("SDC"). SDC, a Delaware limited liability company, is a New York City-based digital infrastructure investment firm investing in a range of digital infrastructure, including data centers, fiber networks, wireless infrastructure, and associated businesses, with a focus on opportunities to leverage its deep operational expertise in partnership with portfolio company management teams. SDC currently has approximately $4.0 billion in assets under management as of September 30, 2022 (including net asset value of existing portfolio and remaining unfunded commitments).

Fatbeam, FB Holdings, and SDC FB are ultimately controlled through SDC's $400 million investment fund, SDC Digital Infrastructure Opportunity Fund I, L.P., a Delaware limited partnership. SDC and the funds and entities that it manages or controls have principal offices at 817 Broadway, 10th Floor, New York, New York 10003.

SDC funds have invested in other digital infrastructure portfolio companies, including Tilson (a fiber and wireless network design and management company), ALLO (a fiber provider based in the Midwest United States), BandwidthIG (a metro dark fiber provider operating throughout Northern California and the Greater Atlanta area), IQ Fiber (a fiber provider in Jacksonville, Florida), and SummitIG (a leading dense dark fiber platform in Northern Virginia), among others.

C. Transferee (Project Lighthouse AIV Feeder LP)

AIV Feeder, a Delaware limited partnership, is a special purpose entity created for purposes of the Transaction. The general partner of AIV Feeder is Basalt Infrastructure Partners IV GP Limited, a Guernsey limited company, which also manages the investment fund vehicles that own the equity of AIV Feeder. Basalt Infrastructure Partners IV GP Limited is owned by Basalt Infrastructure Partners LLP ("Basalt"), a United Kingdom limited liability partnership. Basalt is majority owned by an indirect subsidiary of Colliers International Group Inc. (NASDAQ: CIGI), a Canadian corporation.[1]

Basalt is the investment advisor to the Basalt funds and, together with its advisory affiliates and their subsidiaries in aggregate, manages approximately $7 billion in equity capital. The Basalt funds are infrastructure equity investment funds focusing on mid-market investments in utilities, power, transport, and communications infrastructure in North America and Europe. Basalt is an experienced investor in the digital infrastructure sector, including in businesses that currently are building out a number of fiber networks across the United Kingdom and Germany.

[1] Basalt's senior leadership team holds 25 percent of the equity in the business and leads and directs its operations under Colliers's partnership model.

Designated Contacts

Inquiries or copies of any correspondence, orders, or other materials pertaining to this filing should be directed to:

For Licensee and Transferor:

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With copies for Licensee and Transferor to:

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With copes for Transferee to:

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And:

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Description of the Transaction

Pursuant to a Securities Purchase Agreement, dated March 24, 2023 (the "Agreement"), by and among SDC FB and Transferee, on May 31, 2023, SDC FB sold to Transferee all issued and outstanding limited liability company interests of FB Holdings (the "Transaction"). FB Holdings owned all issued and outstanding limited liability company interests in Fatbeam. As a result of the Transaction, Fatbeam is now an indirect, wholly owned subsidiary of Transferee. Ultimately, Fatbeam is majority controlled by Basalt Infrastructure Partners LLP.

For the Commission's reference, diagrams depicting the pre- and post-Transaction ownership structure of Licensee are provided as **Exhibit A**.

Public Interest Considerations

The Transaction has furthered the public interest, convenience, and necessity. In particular, the Transaction has strengthened the market position of Fatbeam by providing access to additional funding and management expertise, which will enable accelerated investment in the company's network. As a result, Fatbeam is better able to meet the needs of existing customers by providing superior service, as well as by better competing for new customers by virtue of enhanced capabilities.

Moreover, because the Transaction occurred at the holding company level, it was entirely seamless to customers and had no impact on Fatbeam's day-to-day operations and service offerings. Fatbeam continues to provide high-quality communications offerings to its customers at the same rates, terms, and conditions without interruption. Further, the Transaction has not caused any diminution in competition as Basalt does not invest in and does not control any telecommunications carriers in any markets where Fatbeam operates. Finally, the Transaction has supplemented Fatbeam's existing management team with the additional managerial capabilities and resources of Basalt.

* * * *

If there are any questions concerning this filing, please feel free to contact the undersigned. This letter is being submitted electronically. Confirmation of receipt and acceptance of this letter would be appreciated.

Respectfully submitted,

/s/ Joshua M. Bobeck

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Counsel for SDC FB Holdings, LLC and Fatbeam, LLC

/s/ Elizabeth Park

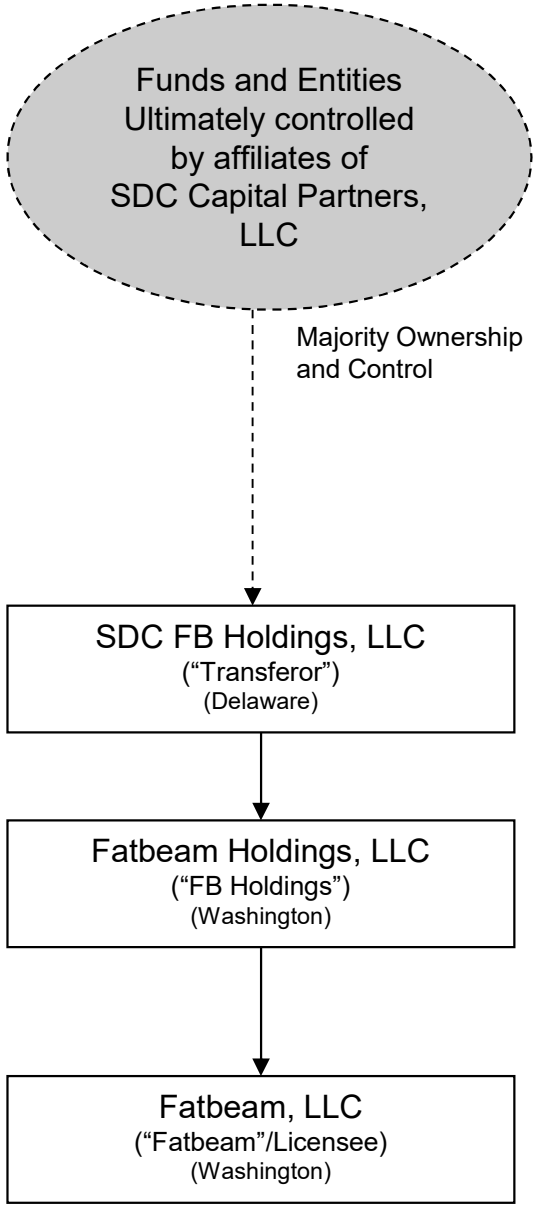
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Counsel for Project Lighthouse AIV Feeder LP

EXHIBIT A

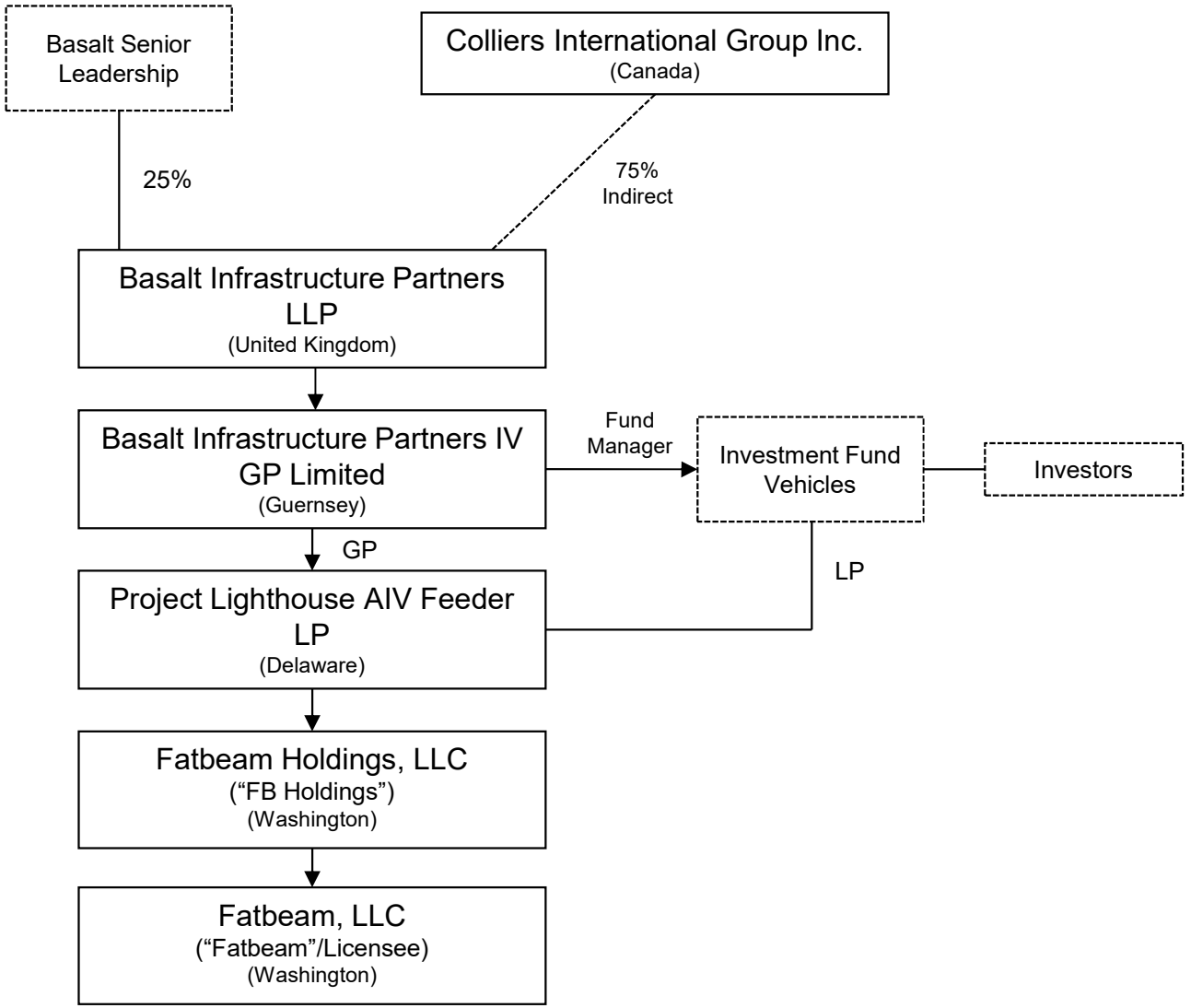
Pre- and Post-Transaction Ownership Structure

Pre-Transaction Corporate Ownership of Fatbeam



All ownership/control percentages are 100%, unless noted.

Post-Transaction Corporate Ownership of Fatbeam



All ownership/control percentages are 100%, unless noted.