

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 22A-0370T

IN THE MATTER OF THE JOINT APPLICATION OF METRO FIBERNET, LLC AND METRONET HOLDINGS LLC, FOR APPROVAL OF PROPOSED PRO FORMA CHANGES IN THE OWNERSHIP OF METRO FIBERNET LLC TO EXECUTE A TRANSFER.

COMMISSION DECISION APPROVING TRANSFER

Mailed Date: September 28, 2022
Adopted Date: September 28, 2022

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of a Joint Application filed by MetroNet Holdings, LLC (Holdings) and its wholly-owned subsidiary Metro Fibernet, LLC (Metro Fiber), on August 18, 2022. The applicants request Commission authorization to complete various intra-company transactions (Transaction) that will result in pro forma changes in direct ownership of Metro Fiber.

2. We will construe this filing as an application for approval of the transfer of control of the Commission issued telecommunications authorities held by Metro Fiber pursuant to 4 *Code of Colorado Regulations* (CCR) 723-2-2110 of the Commission's Rules Regulating Telecommunications Services and Providers of Telecommunications Services.

3. MetroNet Holdings, LLC, is a holding company, with direct and indirect wholly-owned subsidiaries, including Metro Fiber, which is authorized to provide telecommunication services, broadband services, or multichannel video programming services in

certain portions of Arizona, Colorado, Florida, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Missouri, New Mexico, North Carolina, Ohio, Texas, Virginia, and Wisconsin.

4. Metro Fibernet, LLC was granted a Certificate of Public Convenience and Necessity (CPCN) to provide local exchange telecommunications services and emerging competitive telecommunications services in Proceeding No. 22A-0050T, Decision No. C22-0127 on May 17, 2022. Metro Fiber is authorized to provide competitive local exchange or interexchange telecommunications services in Colorado, Florida, Illinois, Indiana, Iowa, Kentucky (local exchange only), Michigan, Minnesota (local exchange only), Missouri, North Carolina (local exchange only), Texas, Virginia (local exchange only) and Wisconsin. Metro Fiber primarily provides VoIP services in these states. Metro Fiber is also authorized by the Federal Communication Commission to provide domestic and international telecommunications services.

5. Applicants, therefore, request Commission authorization to complete a pro forma transfer of control of Metro Fiber, which will result in no assignment of licenses, certificates of public convenience, assets, or customers as a consequence of the proposed Transaction.

6. On August 22, 2022, a notice of the Joint Application was provided to all persons, firms, or corporations interested in or affected by the grant or denial of the requested relief. Interventions were due on or before September 21, 2022. No interventions were filed.

B. Discussion

7. The Commission has jurisdiction over this Joint Application pursuant to §§ 40-5-105, 40-15-04, and 40-15-303, C.R.S.

8. The application contains all of the information required by the applicable Commission Rules and is therefore deemed complete.

9. The application is unopposed and therefore may be considered without a formal hearing, pursuant to § 40-6-109(5), C.R.S.

10. Applicants request Commission approval of the transfer of control of Metro Fibernet, LLC. MetroNet Holdings, LLC, does not hold any Commission issued telecommunications authorities.

11. The Joint Application represents that the Transaction will change the holding company structure by adding intermediate affiliated companies between Metro Fiber and Holdings but will not change the parent company of Metro Fiber, nor will the Transaction cause confusion or disruption to the customers. Customers will continue to be served pursuant to Metro Fiber's existing rates, terms, and conditions that currently exist. The Transaction, as represented, will better align the businesses and markets of Metro Fiber within its corporate family. The Transaction also will enable Metro Fiber to have access to financing necessary to continue to maintain and expand its network and services.

12. Metro Fiber is a competitive provider with Commission issued authority. Except for limited circumstances (such as for providers that are recipients of state high-cost support and for the provision of basic emergency services), certifications to provide basic local exchange services are no longer regulated by the Commission. See § 40-15-401(1)(b), C.R.S. Similarly, the provision of any other emerging competitive services such as advanced features, premium services, intraLATA toll, non-optional operator services, and private line services, except switched access services and basic emergency services, are no longer regulated by the Commission. See §§ 40-15-401(1)(e), (k), (n), (o), (s), (t), C.R.S. Consequently, the Commission does not have the authority to approve the transfers of the CPCNs or those parts of the LORs addressing advanced

features, premium services, intraLATA toll, non-optional operator services, and private line services.

13. Switched access services and the provision of basic emergency services have not been deregulated. As a result, we have the authority to review and approve/deny the transfers and encumbrances of the part of authorities held by providers that address those services.

14. We remind applicants that public utilities remain subject to Commission oversight that includes but is not limited to, reporting and payment obligations to the Colorado High-Cost Support Mechanism and the Telecommunications Relay Services Program.

15. We find that the proposed pro forma transfer of control of the telecommunications authority held by Metro Fiber is not contrary to the public interest and therefore grant the Joint Application for transfer of control to that extent. The Joint Application recognizes the Commission's jurisdiction as it now exists. Entities that hold Commission issued authorities remain obligated to comply with any applicable requirements or regulations as stated in Article 15 of Title 40.

II. ORDER

A. The Commission Orders That:

1. The Joint Application to transfer of control filed by MetroNet Holdings, LLC, and its wholly-owned subsidiary Metro Fibernet, LLC, is deemed complete.

2. The request to transfer control of the Commission issued authorities held by Metro Fibernet, LLC, is granted.

3. Metro Fibernet, LLC and MetroNet Holdings, LLC as the transferor or their authorized representatives shall jointly notify the Commission if the transfer has been terminated or is not completed within 60 days of the proposed effective date stated in the application or if

the proposed transfer terms are changed prior to the consummation date. The notice shall include the proceeding and decision numbers which granted the authority to execute the transfer.

4. The 20-day period provided for in § 40-6-114, C.R.S., within which to file applications for rehearing, reargument, or reconsideration begins on the first day following the effective date of this Decision.

5. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
September 28, 2022.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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JOHN GAVAN

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Commissioners