

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 19A-0359T

IN THE MATTER OF THE JOINT APPLICATION OF ZAYO GROUP HOLDINGS, INC., ZAYO GROUP, LLC, ELECTRIC LIGHTWAVE, LLC, AND FRONT RANGE TOPCO, INC. FOR APPROVAL OF THE PROPOSED TRANSFER OF INDIRECT CONTROL OF ZAYO GROUP, LLC AND ELECTRIC LIGHTWAVE, LLC TO FRONT RANGE TOPCO, INC.

**COMMISSION DECISION
APPROVING JOINT TRANSFER**

Mailed Date: August 6, 2019
Adopted Date: July 31, 2019

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of a joint application filed by Zayo Group Holdings, Inc. (ZGH), Zayo Group, LLC (ZGL), Electric Lightwave, LLC (ELW), and Front Range TopCo, Inc. (FRTI) on June 25, 2019 (Joint Application). The applicants request Commission authorization for a change of control that indirectly involves entities that hold Commission issued telecommunications authorities, ZGL and ELW.

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

3. ZGL acquired a Certificate of Public Convenience and Necessity (CPCN) and a Letter of Registration (LOR) by a transfer granted in Decision No. C11-0425 in Proceeding No. 11A-210T on April 20, 2011.

4. ELW holds a CPCN to provide local exchange services and an LOR to provide emerging competitive services, including switched access. These were acquired by a transfer granted in Decision No. C17-1074 in Proceeding No. 17A-0767T on December 20, 2017.

5. FRTI is a recently formed holding company that was created for the purpose of effectuating a transaction that will result in ZGH transitioning from a publicly held company to a privately held company. FRTI does not hold any Commission issued telecommunications authorities.

6. The applicants state that as a part of a Plan of Merger, existing shareholders of ZGH will be paid \$35.00 for each share of common stock held.

7. On June 25, 2019, 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 July 25, 2019. No interventions were filed.

B. Discussion

8. The Commission has jurisdiction over this Joint Application pursuant to §§ 40-5-105, 40-15-204, and 40-15-303, C.R.S.

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

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

11. Following the transaction that will convert ZGH from a publicly held to a privately held company that are explicitly described and shown in before and after corporate organization charts in the Joint Application, the entities that possess Commission issued telecommunications authorities will continue as distinct companies under ZGH, with ZGH under

FRTI. The ownership structure of FRTI is shown with detail in Exhibit A of the Joint Application.

12. ZGL and ELW are competitive local exchange providers with Commission issued authorities. 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 by ZGL and ELW, 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 transfer of control of the part of the authorities addressing switched access services is not contrary to the public interest and therefore grant the Joint Application for transfers 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 filed on June 25, 2019 by Zayo Group Holdings, Inc. (ZGH), Zayo Group, LLC (ZGL), Electric Lightwave, LLC (ELW), and Front Range TopCo, Inc. is deemed complete. The request to transfer control of the Commission issued authorities held by ZGL and ELW as a part of a transaction to convert parent company ZGH from a publicly held entity to a privately held entity, is granted.

2. ZGH, ZGL, and ELW 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.

3. 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.

4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
July 31, 2019.**

(S E A L)



ATTEST: A TRUE COPY



Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JEFFREY P. ACKERMANN

FRANCES A. KONCILJA

JOHN GAVAN

Commissioners