Decision No. C22-0733

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 22A-0428T

IN THE MATTER OF THE JOINT APPLICATION OF ELECTRIC LIGHTWAVE, LLC (A.K.A. INTEGRA TELECOM) AND ZAYO GROUP, LLC TO EXECUTIVE A TRANSFER OR MERGER OF JURISDICTIONAL TELECOMMUNICATION PROVIDERS TO COMPLETE A PRO FORMA CONSOLIDATION.

COMMISSION DECISION APPROVING JOINT TRANSFER

Mailed Date: November 18, 2022 Adopted Date: November 16, 2022

I. <u>BY THE COMMISSION</u>

A. Statement

- 1. This matter comes before the Commission for consideration of a Joint Application filed by Zayo Group, LLC (Zayo Group) and Electric Lightwave, LLC doing business as Allstream (Electric Lightwave) (Electric Lightwave collectively, the Applicants), on October 6, 2022.
- 2. The Applicants request Commission authorization for the *pro forma* intracompany consolidations of Electric Lightwave and its parent company, Allstream Business US, LLC (Parent), into Zayo Group, with Zayo Group remaining as the surviving entity. The *pro forma* intracompany consolidation of Parent into Zayo Group is to be completed no later than December 31, 2022.
- 3. Applicants also request that the Certificate of Public Convenience and Necessity (CPCN) and Letter of Registration (LOR) of Electric Lightwave be canceled, following notification of the completed *pro forma* intracompany consolidation of Electric Lightwave into Zayo Group.

- 4. We will construe this filing as an application for approval of the *pro forma* intracompany consolidation of the Commission-issued telecommunications authorities held by the Licensees pursuant to 4 *Code of Colorado Regulations* 723-2-2110 of the Commission's Rules Regulating Telecommunications Services and Providers of Telecommunications Services.
- 5. Zayo Bandwidth, LLC was granted a CPCN and acquired a LOR to provide local exchange telecommunications services and emerging competitive telecommunications services in Proceeding No. 10A-581T by Decision No. C10-1185 on October 6, 2010. Zayo Bandwidth, LLC transferred its Commission issued authorities to Zayo Group on April 20, 2011, in Proceeding No. 11A-210T by Decision No. C11-0426. Zayo Group holds Federal Communications Commission (FCC) authority to provide domestic interstate and international telecommunications services and certain point-to-point wireless services.
- 6. Electro-Tel, Inc. was granted a CPCN and acquired a LOR to provide local exchange telecommunications services and emerging competitive telecommunications services in Proceeding No. 99A-197 by Decision No. C99-664 on June 1, 2005. Electro-Tel, Inc. transferred its Commission-issued authorities to Electric Lightwave in Proceeding No. 17A-0767T by Decision No. C17-1074. Electric Lightwave holds FCC authority to provide domestic interstate and international telecommunications services.
- 7. Allstream Business US, LLC (EL Parent), is the direct corporate parent of Electric Lightwave and a subsidiary of Zayo Group. EL Parent does not hold Commission issued authority.
- 8. Applicants, therefore, request Commission authorization to complete the *pro forma* intracompany consolidation of EL Parent and Electric Lightwave into Zayo Group.

9. On October 10, 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 November 9, 2022. No interventions were filed.

B. Discussion

- 10. The Commission has jurisdiction over this Joint Application pursuant to §§ 40-5-105, 40-15-04, and 40-15-303, C.R.S.
- 11. The application contains all of the information required by the applicable Commission Rules and is therefore deemed complete.
- 12. The application is unopposed and therefore may be considered without a formal hearing, pursuant to § 40-6-109(5), C.R.S.
- 13. Applicants request Commission approval of the pro forma intracompany consolidations of EL Parent and Electric Lightwave into Zayo Group. Zayo Group does hold Commission issued authorities.
- 14. The application represents that the Consolidation will simplify the Company's existing corporate structure and business will be more efficient from management and operations, become a stronger competitor, and ultimately benefit the consumers. The *pro forma* intracompany consolidation will be seamless for customers and will not result in any change in their services.
- 15. Applicants are competitive providers 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 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.

- 16. 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.
- 17. 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.
- 18. We find that the proposed *pro forma* intracompany consolidation of the telecommunications authorities held by the Applicants 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 Zayo Group, LLC and Electric Lightwave, LLC doing business as Allstream on October 6, 2022, is deemed complete. The request to complete a *pro forma* intracompany consolidation of the Commission issued authority held by Electric Lightwave, LLC is granted.

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2. Zayo Group and Electric Lightwave 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. Within 30 days of the completion of the transaction, Applicants shall file an Adoption Notice of Electric Lightwave, LLC's existing access tariffs on file with the Commission, by Zayo Group, LLC. The Adoption Notice shall include the Decision Number in this Proceeding.
- 4. Following the transfer of Electric Lightwave, LLC's customers and a notification filed in this proceeding that this transfer has been completed, Applicants shall file an updated Statement of Information (SOI) reflecting the discontinuance and relinquishment of Commission issued authorities.
- 5. 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.

6. This Decision is effective on its Mailed Date.

B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING November 16, 2022.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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JOHN GAVAN

ATTEST: A TRUE COPY

MEGAN M. GILMAN

Commissioners

Doug Dean, Director