

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14A-0777T

IN THE MATTER OF THE JOINT APPLICATION OF ZAYO GROUP, LLC AND ZAYO GROUP HOLDINGS, INC. TO EXECUTE A TRANSFER TO BECOME EFFECTIVE SEPTEMBER 30, 2014.

DECISION GRANTING APPLICATION

Mailed Date: August 29, 2014
Adopted Date: August 27, 2014

I. BY THE COMMISSION

A. Statement

1. This matter comes before the Commission for consideration of a joint application filed by Zayo Group, LLC (Zayo), and Zayo Group Holdings, Inc. (Zayo-H) the parent company of Zayo on July 18, 2014. The joint applicants request Commission authorization for a transaction involving the elimination of Zayo-H's corporate parent, Communications Infrastructure Investments, LLC (CII) from the companies' corporate organizational structure. The joint application was made pursuant to Rule 4 *Code of Colorado Regulations* 723-2-2109, of the Rules Regulating Telecommunications Providers, Services, and Products.

2. The joint applicants represent that a transaction is pending for an initial public offering (IPO) by Zayo-H, that if approved and advances, will eliminate CII as the parent company of Zayo-H and in turn will make Zayo-H the sole and direct parent company of Zayo.

3. Zayo received its authority to provide local exchange telecommunications services and emerging telecommunications services in Decision No. C10-1185, Proceeding No. 10A-581T on November 2, 2010.

4. Zayo-H is the corporate parent of Zayo. It holds no Commission issued telecommunications authorities.

5. CII is the direct corporate parent of Zayo-H and the indirect corporate parent of Zayo. It holds no Commission issued telecommunications authorities.

6. Zayo-H is the entity that will become the single corporate parent of Zayo, and will fully control Zayo following the contemplated IPO.

7. The joint applicants represent that there will be no changes to Zayo's services following the completion of the transaction. Customers' rates, terms, and conditions will not be modified as a result of the organizational change.

8. On July 18, 2014, notice of the 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 August 18, 2014. No interventions were filed.

B. Discussion

9. We find that the Commission has jurisdiction in this matter.

10. The joint application contains all information required by applicable Commission Rules and is therefore deemed complete.

11. The joint applicants represent that the transaction will provide greater flexibility for equity transactions that will serve to strengthen Zayo's financial qualifications.

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

13. The Commission finds the proposed transfer of control is not contrary to the public interest and therefore will grant the joint application.

II. ORDER**A. The Commission Orders That:**

1. The joint application to effectuate a transfer of control filed by Zayo Group, LLC (Zayo) and Zayo Group Holdings, Inc. (Zayo-H) on July 18, 2014 is deemed complete and is granted.

2. Applicants Zayo and Zayo-H shall jointly notify the Commission if the transaction has been terminated, is not completed, or if the proposed transfer terms are changed. This notice shall include the proceeding and decision numbers which granted the authority to execute the transfer.

3. The 20-day time period provided by § 40-6-114, C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the effective date of this Decision.

4. This Decision is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
August 27, 2014.**

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

JOSHUA B. EPEL

PAMELA J. PATTON

GLENN A. VAAD

Commissioners