# BINGHAM

Jean L. Kiddoo Brett P. Ferenchak jean.kiddoo@bingham.com brett.ferenchak@bingham.com

November 28, 2012

#### Via DIS

Barcy F. McNeal, Secretary Public Utilities Commission of Ohio Attention: Docketing Division 180 East Broad Street Columbus, Ohio 43215-3793

**Re:** <u>Case No 12-3098-TP-AMT</u>

In the Matter of the Application of Zayo Group, LLC and American Fiber Systems, Inc. to Enter Into Certain *Pro Forma* Intra-Company Transactions

Dear Secretary McNeal:

On behalf of Zayo Group, LLC and American Fiber Systems, Inc. (together, "Applicants"), attached for filing is an electronic copy of the above-referenced Application in PDF Format.

Please acknowledge receipt and acceptance of this filing. Should you have any questions, please do not hesitate to contact us.

Respectfully submitted,

But P Ferenchar

Jean L. Kiddoo Brett P. Ferenchak

Counsel to Applicants

Beijing
Boston
Frankfurt
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#### The Public Utilities Commission of Ohio

#### TELECOMMUNICATIONS FILING FORM

(Effective: 01/20/2011)

This form is intended to be used with most types of required filings. It provides check boxes with rule references for the most common types of filings. It does not replace or supersede Commission rules in any way.

In the Matter of the Application of Zayo Group, LLC and American Fiber Systems, Inc. to Enter Into Certain <i>Pro Forma</i> Intra-Company Transactions	) ) )	TRF Docket No. 90- Case No. 12-3098-TP-A NOTE: Unless you have reserved a C BLANK.	
Name of Registrant(s) Zayo Group, LLC ("Zayo") and Am	erican Fil	oer Systems, Inc. ("AFS")	
DBA(s) of Registrant(s)			
Address of Registrant(s) 400 Centennial Parkway, Suite 200	0, Louisvil	le, CO 80027	
Company Web Address www.zayo.com			
Regulatory Contact Person(s) Jill Sandford, Associate Gene	ral Couns	<u>el</u> Phone <u>914-421-7585</u>	Fax <b>914-421-6793</b>
Regulatory Contact Person's Email Address jill.sandford@z	ayo.com		
Contact Person for Annual Report Tim Gentry, Controller			Phone <b>303-381-4662</b>
Address (if different from above) Same as above			
Consumer Contact Information Jill Sandford, Associate Ger	neral Cour	nsel	Phone <b>914-421-7585</b>
Address (if different from above) 360 Hamilton Avenue, 7th	floor, Wl	nite Plains, New York 10601	
Motion for protective order included with filing? $\square$ Yes $\boxtimes$	No		
Motion for waiver(s) filed affecting this case? $\square$ Yes $\boxtimes$ N	o [Note: V	Waivers may toll any automatic	timeframe.]
Notes:			
Section I and II are Pursuant to Chapter 4901:1-6 OAC.			

(1) Indicate the Carrier Type and the reason for submitting this form by checking the boxes below.

Section IV - Attestation.

Section III - Carrier to Carrier is Pursuant to 4901:1-7 OAC, and Wireless is Pursuant to 4901:1-6-24 OAC.

- (2) For requirements for various applications, see the identified section of Ohio Administrative Code Section 4901 and/or the supplemental application form noted.
- (3) Information regarding the number of copies required by the Commission may be obtained from the Commission's web site at www.puco.ohio.gov under the docketing information system section, by calling the docketing division at 614-466-4095, or by visiting the docketing division at the offices of the Commission.
- (4) An Incumbent Local Exchange Carrier (ILEC) offering basic local exchange service (BLES) outside its traditional service area should choose CLEC designation when proposing to offer BLES outside its traditional service area or when proposing to make changes to that service.

All Filings that result in a change to one or more tariff pages require, at a minimum, the following exhibits.

Exhibit	Description:
A	The tariff pages subject to the proposed change(s) as they exist before the change(s). <b>Not applicable. Zayo</b>
	and AFS do not offer any services subject to tariffing.
В	The Tariff pages subject to the proposed change(s), reflecting the change, with the change(s) marked in the
	right margin. Not applicable.
С	A short description of the nature of the change(s), the intent of the change(s), and the customers affected.
D	A copy of the notice provided to customers, along with an affidavit that the notice was provided according to
	the applicable rule(s).

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# $Section \ I-Part \ I-Common \ Filings$

Carrier Type  Other (explain below	)	For Pro	fit ILEC	Not For	Profit ILEC	CI	LEC	
Change terms & condition existing BLES				ATA 1-6 (Auto 30 day			ΓΑ 1-6-14(H) 30 days)	
Introduce non-recurring ch surcharge, or fee to BLES	arge,						ΓΑ <i>1-6-14(H)</i> 30 days)	
Introduce or Increase Late	□ ATA 1-		ys)	ATA 1-0 (Auto 30 day			ΓΑ <i>1-6-14(I)</i> 30 days)	
Revisions to BLES Cap.		ZTA 1-0 (0 day Notic	ee)					
Introduce BLES or expand service area (calling area)	local	ZTA 1-0 (0 day Notic			ZTA 1-6-14(H) (0 day Notice)		TA 1-6-14(H) Notice)	
Notice of no obligation to facilities and provide BLE	ice of no obligation to construct ZTA		6-27(C) ce)	ZTA 1-6 (0 day Notice				
Change BLES Rates	☐ TRF 1-6			TRF 1-6-	TRF 1-6-14(F)(4) day Notice)		TRF 1-6-14(G) (0 day Notice)	
To obtain BLES pricing flexibility		BLS 1-6-14 (C)(1)(c) (Auto 30 days)						
Change in boundary		ACB 1-6-32 (Auto 14 days)		ACB 1-6-32 (Auto 14 days)				
Expand service operation area							RF 1-6-08(G)(0 day)	
BLES withdrawal					_	TA 1-6-25(B) Notice)		
Other* (explain)	ther* (explain)							
Section I – Part II – Cus	stomer Not	ification Of	ferings Pur	rsuant to Chap	ter 4901:1-6-7	OAC		
Type of Notice	Direc	ct Mail	Bill	Insert	Bill Nota	ation	Electronic Mail	
	[							
30-day Notice								
Date Notice Sent: At le	ast 30 days	prior to trans	sfer of custo	omers.				
Section I – Part III –IO	S Offerings	s Pursuant to	Chapter 49	001:1-6-22 OA	C			
IOS	Introdu	ice New	Tarif	f Change	Price Cha	ange	Withdraw	
	Г	7		П				

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#### Section II - Part I - Carrier Certification - Pursuant to Chapter 4901:1-6-08, 09 & 10 OAC

	ILEC	CLEC	Telecommunications	CESTC	CETC
Certification	(Out of Territory)		Service Provider		
			Not Offering Local		
* See Supplemental	☐ ACE 1-6-08	ACE 1-6-08	☐ ACE 1-6-08	☐ ACE 1-6-10	UNC1-6-09
form	* (Auto 30- day)	*(Auto 30 day)	*(Auto 30 day)	(Auto 30 day)	*(Non-Auto)

<sup>\*</sup>Supplemental Certification forms can be found on the Commission Web Page.

#### Section II - Part II - Certificate Status & Procedural

Certificate Status	ILEC	CLEC	Telecommunications Service Provider Not Offering Local
Abandon all Services		ABN 1-6-26 (Auto 30 days) Only for AFS upon completion of merger	ABN 1-6-26 (Auto 30 days) Only for AFS upon completion of merger
Change of Official Name *	ACN 1-6-29(B) (Auto 30 days)	ACN 1-6-29(B) (Auto 30 days)	CIO 1-6-29(C) (0 day Notice)
Change in Ownership *	ACO 1-6-29(E) (Auto 30 days)	ACO 1-6-29(E) (Auto 30 days)	CIO 1-6-29(C) (0 day Notice)
Merger *	AMT 1-6-29(E) (Auto 30 days)	<ul><li>✓ AMT 1-6-29(E)</li><li>(Auto 30 days)</li></ul>	☐ CIO <i>1-6-29(C)</i> (0 day Notice)
Transfer a Certificate *	ATC 1-6-29(B) (Auto 30 days)	ATC 1-6-29(B) (Auto 30 days)	CIO 1-6-29(C) (0 day Notice)
Transaction for transfer or lease of property, plant or business *	ATR 1-6-29(B) (Auto 30 days)	ATR 1-6-29(B) (Auto 30 days)	CIO 1-6-29(C) (0 day Notice)

<sup>\*</sup> Other exhibits may be required under the applicable rule(s). ACN, ACO, AMT, ATC, ATR and CIO applications see the 4901:1-6-29 Filing Requirements on the Commission's Web Page for a complete list of exhibits.

# Section III – Carrier to Carrier (Pursuant to 4901:1-7), and Wireless (Pursuant to 4901:1-6-24)

Carrier to Carrier	ILEC	CLEC
Interconnection agreement, or amendment to	☐ NAG 1-7-07	☐ NAG <i>1-7-07</i>
an approved agreement	(Auto 90 day)	(Auto 90 day)
Degreet for Arbitration	☐ ARB <i>1-7-09</i>	☐ ARB <i>1-7-09</i>
Request for Arbitration	(Non-Auto)	(Non-Auto)
Introduce or change c-t-c service tariffs,	☐ ATA 1-7-14	☐ ATA <i>1-7-14</i>
introduce of change c-t-c service tariffs,	(Auto 30 day)	(Auto 30 day)
Request rural carrier exemption, rural carrier	☐ UNC1-7-04 or 05	
suspension or modification	(Non-Auto)	
Changes in rates, terms & conditions to Pole	$\square$ UNC 1-7-23(B)	
Attachment, Conduit Occupancy and Rights-	(Non-Auto)	
of-Way.		
	RCC	□NAG
Wireless Providers See 4901:1-6-24	[Registration &	[Interconnection
	Change in Operations]	Agreement or

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#### Registrant hereby attests to its compliance with pertinent entries and orders issued by the Commission.

**AFFIDAVIT** 

# Compliance with Commission Rules I am an officer/agent of the applicant corporation, \_\_\_\_\_ , and am authorized to make this statement on its behalf. (Name) Please Check ALL that apply: I attest that these tariffs comply with all applicable rules for the state of Ohio. I understand that tariff notification filings do not imply Commission approval and that the Commission's rules as modified and clarified from time to time, supersede any contradictory provisions in our tariff. We will fully comply with the rules of the state of Ohio and understand that noncompliance can result in various penalties, including the suspension of our certificate to operate within the state of Ohio. I attest that customer notices accompanying this filing form were sent to affected customers, as specified in Section II, in accordance with Rule 4901:1-6-7, Ohio Administrative Code. I declare under penalty of perjury that the foregoing is true and correct. Executed on (Date) at (Location) \*(Signature and Title) \_\_\_\_\_ (Date) This affidavit is required for every tariff-affecting filing. It may be signed by counsel or an officer of the applicant, or an authorized agent of the applicant. VERIFICATION verify that I have utilized the Telecommunications Filing Form for most proceedings provided I, Brett P. Ferenchak by the Commission and that all of the information submitted here, and all additional information submitted in connection with this case, is true and correct to the best of my knowledge. \*(Signature and Title)/s/ Brett P. Ferenchak (Date) 11/28/12 \*Verification is required for every filing. It may be signed by counsel or an officer of the applicant, or an authorized agent of the applicant.

Send your completed Application Form, including all required attachments as well as the required number of copies, to:

Public Utilities Commission of Ohio Attention: Docketing Division 180 East Broad Street, Columbus, OH 43215-3793

Or

Make such filing electronically as directed in Case No 06-900-AU-WVR

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# **LIST OF EXHIBITS AND ATTACHMENTS**

Exhibit A Existing Tariff Pages - **NOT APPLICABLE** 

Exhibit B Revised Tariff Pages - **NOT APPLICABLE** 

Exhibit C Description of Transaction

Exhibit C-1 Corporate Organization of the OH Certificated Entities Before and

After the Pro Forma Intra-Company Changes

Exhibit D-1 Customer Notice

Exhibit D-2 Customer Notice Affidavit

Attachment A Certificates of Good Standing

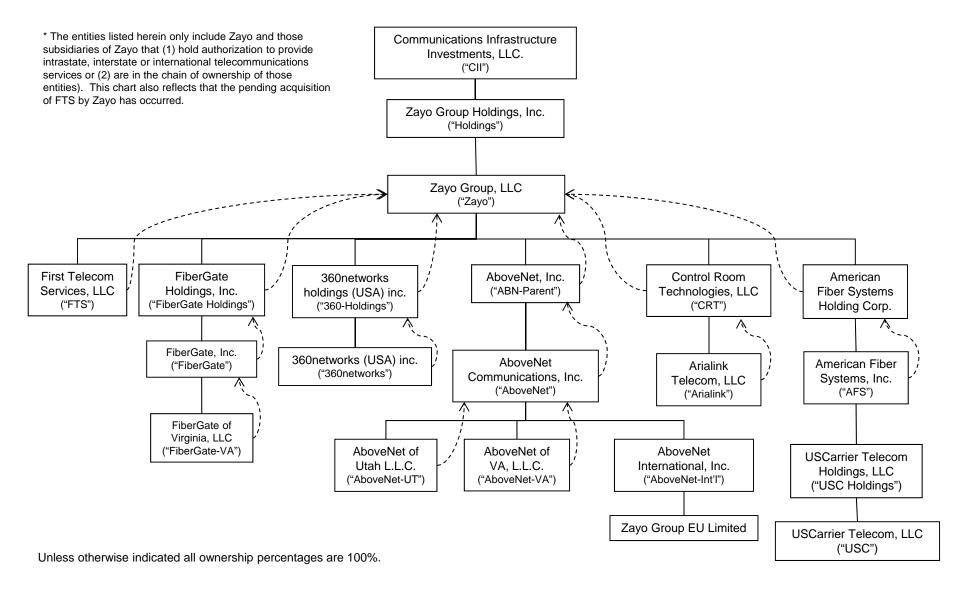
Attachment B List of Officers and Directors

Verification

# **EXHIBIT C-1**

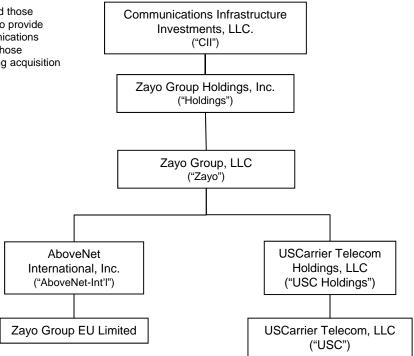
Corporate Organization of the OH Certificated Entities Before and After the Pro Forma Intra-Company Changes

# Corporate Organizational Structure of the Company Before the *Pro Forma* Transactions



# Corporate Organizational Structure of the Company After the Pro Forma Transactions

\* The entities listed herein only include Zayo and those subsidiaries of Zayo that (1) hold authorization to provide intrastate, interstate or international telecommunications services or (2) are in the chain of ownership of those entities). This chart also reflects that the pending acquisition of FTS by Zayo has occurred.



#### **EXHIBIT C**

#### DESCRIPTION OF THE TRANSACTION

Zayo Group, LLC ("Zayo") and American Fiber Systems, Inc. ("AFS") (together, "Applicants" or the "Company"), by their undersigned counsel, respectfully request Commission approval, to the extent required, of certain *pro forma* intra-company transactions that will result in the transfer of the assets and customers of AFS to Zayo (the "*Pro Forma* Transactions"). As described in more detail below, the *Pro Forma* Transactions will be accomplished through (1) the roll-up of AFS into Zayo through a series of *pro forma* mergers, with Zayo as the surviving entity, and/or (2) the *pro forma* assignment of the assets and customers of AFS to Zayo. The *Pro Forma* Transactions are part of a series of intra-company transactions that will simplify the corporate structure of Zayo. Subject to receipt of applicable regulatory approvals, Applicants propose to complete the *pro forma* intra-company transactions as soon as possible and no later than January 30, 2013.

#### **Introduction**

Since the time that it completed a *pro forma* intra-company consolidation in 2011, Zayo has acquired a number of additional existing communications businesses, including AFS. As a result of these acquisitions, the corporate structure of Zayo has again become overly complex, with numerous operating entities, many of whose services overlap. Through the consolidation of those entities, Zayo will greatly simplify its corporate structure and reduce the reporting and accounting burdens of Zayo (and the regulatory agencies who receive such reports) and provide operational efficiencies.

#### **Description of the Applicants**

Zayo is a Delaware limited liability company with principal offices at 400 Centennial Parkway, Suite 200, Louisville, Colorado 80027. AFS is a Delaware corporation that is a wholly owned indirect subsidiary of Zayo. Zayo is a wholly-owned direct subsidiary of Zayo Group Holdings, Inc. ("Holdings"), a Delaware corporation, which in turn is a wholly owned direct subsidiary of Communications Infrastructure Investments, LLC ("CII"), a Delaware limited liability company. CII has no majority owner.

The Company is a provider of bandwidth infrastructure and network neutral colocation and interconnection services over regional and metropolitan fiber networks. These services enable customers to manage, operate, and scale their telecommunications and data networks. Such customers consist primarily of wireless service providers, national and regional

telecommunications carriers and other communications service providers, media and content companies, schools, hospitals, governments, banks and other bandwidth-intensive enterprises.

In Ohio, Zayo is authorized to provide local exchange and interexchange telecommunications services pursuant to Certificate No. 90-6063 issued in Case No. 09-0014-TP-ACE and transferred to Zayo in Case No. 11-1347-TP-CIO; and AFS is authorized to provide facilities based and resold interexchange telecommunications service and local exchange telephone service pursuant to Certificate No. 90-9180 issued in Case No. 00-2265-TP-ACE. Zayo and AFS are also authorized by the FCC to provide domestic and international telecommunications services. Additional information concerning Zayo's legal, technical, managerial and financial qualifications has been submitted to the Commission with various prior filings with respect to Zayo's certification and various transactions and is therefore already a matter of public record. Applicants request that the Commission take official notice of these existing descriptions of Zayo's qualifications and incorporate them by reference herein. In support of its financial qualifications, Zayo's consolidated financial statements from its most recent SEC Form 10-K are available at

http://www.zayo.com/sites/default/files/Annual%20Report%20FY%202012.PDF.

#### **DESIGNATED CONTACTS**

Questions, correspondence or other communications concerning this Petition should be directed to Applicants' counsel of record:

Jean L. Kiddoo Brett P. Ferenchak Bingham McCutchen LLP 2020 K Street, N.W. Washington, DC 20006-1806 202-373-6697 (Tel) 202-373-6001 (Fax) jean.kiddoo@bingham.com brett.ferenchak@bingham.com

#### With Copies To:

Scott E. Beer, General Counsel
Jill Sandford, Associate General Counsel
Zayo Group, LLC
400 Centennial Parkway, Suite 200
Louisville, CO 80027
914-421-7585 (tel)
914-421-6793 (fax)
scott.beer@zayo.com
jill.sandford@zayo.com

#### **Description of** *Pro Forma* **Intra-Company Transactions**

In order to simplify its corporate structure, Zayo is undertaking certain *pro forma* intracompany transactions that will result in customers and assets moving from AFS to Zayo. Depending on the timing of various state regulatory approvals, the *Pro Forma* Transactions will be accomplished by (1) the roll-up of AFS into Zayo through a series of *pro forma* mergers, with Zayo as the surviving entity (i.e. its merging subsidiaries will cease to exist as separate corporate

entities); and/or (2) the *pro forma* assignment of assets and customers of AFS to Zayo, followed by the series of *pro forma* mergers. Ultimately, Zayo will be the Company entity that provides of telecommunications services throughout the United States. Diagrams illustrating the organizational structure of the Company before and after the *Pro Forma* Transactions are provided in Exhibit C-1.

The proposed *Pro Forma* Transactions will not result in any changes to the services received by customers, including rates, terms and conditions of service. Each customer's service will be assigned to Zayo pursuant to terms of that customer's service contract that permit assignment to affiliates and/or pursuant to the customer's authorization. In addition, each of the affected customers will receive notice of the *Pro Forma* Transactions that affect their service. A sample of the notice that will be sent to customers that will become Zayo customers is provided as Exhibit D.

As noted above, upon completion of the proposed *Pro Forma* Transactions, AFS will no longer provide any telecommunications services and will cease to exist as a separate corporate entity. Applicants therefore request that the Commission cancel AFS's Certificate <u>effective upon receipt of notice</u> from Applicants that the *Pro Forma* Transactions are complete and that AFS no longer provides telecommunications services in Ohio.

#### **Public Interest Considerations**

Applicants submit that the *pro forma* intra-company transactions described herein are in the public interest. The *Pro Forma* Transactions will simplify the Company's existing corporate structure and thereby reduce its reporting and accounting burdens and provide other operational efficiencies. As a result of the efficiencies and focus, the Company will become a stronger competitor to the ultimate benefit of consumers.

Furthermore, the *Pro Forma* Transactions will be virtually transparent to customers and will not result in any change in their services. Since all affected customers are already familiar with and are receiving invoices including the "Zayo" brand, the *Pro Forma* Transactions will not result in customer confusion. Moreover, the rates, terms and conditions of their services will not change as a result of these purely intra-company transactions.

Finally, all of Zayo's subsidiaries, including AFS, have the same corporate officers. Therefore, there will be no change in the managerial qualifications of the telecommunications provider serving the customers affected by the *Pro Forma* Transactions, nor will there be a change in the management policies of the Company as a result of the *Pro Forma* Transactions.

# **Conclusion**

For the foregoing reasons, Applicant submits that the public interest, convenience, and necessity would be furthered by grant of this Application, authorizing Applicant to complete the *pro forma* intra-company changes described herein. Applicants also request that the Certificate of AFS be cancelled <u>effective upon notification</u> by Applicants that the *Pro Forma* Transaction was completed.

#### EXHIBIT D-1

#### **Customer Notice and Customer Notice Affidavit**

The applicable affected customers will receive notice of the *Pro Forma* Transactions through a bill notation. The notice will be provided to customers in their bill issued at least 15 days prior to the *Pro Forma* Transactions. The text of the bill notation will be substantially similar to the following:

On or about [DATE], subject to receipt of any necessary regulatory approvals, Zayo Group, LLC will undertake an internal corporate consolidation. Thus, the Zayo corporate entity that will provide your telecommunications services will be Zayo Group, LLC. Your services and the associated pricing and terms and conditions of service will not change as a result of this internal consolidation. There is no charge associated with this change. You will receive a bill from Zayo and we will continue to resolve any issues you may have with your account or service using the same customer service number: 1-866-236-2824.

We recognize that, subject to the terms of your contract, you always have a choice in providers and believe that this internal consolidation will enhance our ability to serve you. Zayo looks forward to continuing to provide you with the superior service you are accustomed to receiving and to the opportunity to provide you additional services.

# **EXHIBIT D-2**

# **Customer Notice Affidavit**

#### **CUSTOMER NOTICE AFFIDAVIT**

#### **AFFIDAVIT**

I, Scott E. Beer, am an authorized agent of the applicants, Zayo Group, LLC and American Fiber Systems, Inc., and am authorized to make this statement on its behalf. I attest that the customer notice(s) accompanying this affidavit will be sent to affected customers through bill notice in their invoice to be issued in at least 15 days prior to any transfer, in accordance with Rule 4901:1-6-07, Ohio Administrative Code. I declare under penalty of perjury that the foregoing is true and correct.

Signature

# **ATTACHMENT A**

# **Certificates of Good Standing**

# United States of America State of Ohio Office of the Secretary of State

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show ZAYO GROUP, LLC, a Delaware For Profit Limited Liability Company, Registration Number 1991171, filed on January 18, 2011, is currently in FULL FORCE AND EFFECT upon the records of this office.



Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 28th day of November, A.D. 2012

**Ohio Secretary of State** 

Validation Number: V2012332N69B75

# United States of America State of Ohio Office of the Secretary of State

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show AMERICAN FIBER SYSTEMS, INC., a Delaware corporation, having qualified to do business within the State of Ohio on September 12, 2000 under License No. 1180639 is currently in GOOD STANDING upon the records of this office.



Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 28th day of November, A.D. 2012

**Ohio Secretary of State** 

Validation Number: V2012332N25069

#### **ATTACHMENT B**

#### **List of Officers and Directors**

The officers and managers of Zayo and AFS are:

# **Officers**

Dan Caruso, Co-Founder, President and CEO Ken desGarennes, CFO Scott Beer, Vice President, General Counsel and Secretary Christopher Yost, Assistant Secretary

# **Directors**

Dan Caruso Rick Connor Michael Choe John Siegel Gillis Cashman John Downer

All of the officers and directs can be reached through Zayo's principal address and phone number.

# **VERIFICATION**

STATE OF COLORADO	8
	8
COUNTY OF BOULDER	8

#### VERIFICATION

I, Scott E. Beer, am Vice President, General Counsel and Secretary of Zayo Group, LLC and its subsidiaries (collectively, the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

Scott E. Beer

Vice President, General Counsel and Secretary

Zayo Group, LLC

Sworn and subscribed before me this quay of November, 2012.

LAURA C. MARTINEZ Notary Public State of Colorado

My commission expires 04.01.2016

#20084011076

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**Commission of Ohio Docketing Information System on** 

11/28/2012 11:30:41 AM

in

Case No(s). 12-3098-TP-AMT

Summary: Application Application of Zayo Group, LLC and American Fiber Systems, Inc. to Enter Into Certain Pro Forma Intra-Company Transactions electronically filed by Mr. Brett P Ferenchak on behalf of Zayo Group, LLC and American Fiber Systems, Inc.