

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Joint Application of Electric Lightwave Parent, Inc.; Electric Lightwave, LLC; Eschelon Telecom of Utah, Inc.; Integra Telecom of Utah, Inc.; and Zayo Group, LLC for Approval to Transfer Indirect Control	<u>DOCKET NOS. 16-2536-01, 16-2299-02, and 16-2263-01</u> <u>ORDER APPROVING JOINT APPLICATION</u>
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ISSUED: January 11, 2017

This matter is before the Public Service Commission of Utah (PSC) on a joint application filed by Electric Lightwave Parent, Inc. (EL Parent); Electric Lightwave, LLC (EL); Eschelon Telecom of Utah, Inc. (Eschelon); Integra Telecom of Utah, Inc. (Integra); and Zayo Group, LLC (Zayo). In brief, the Applicants request PSC approval of transactions through which Zayo will acquire all of the outstanding equity interests in EL Parent, and thereby gain indirect control of EL Parent's indirect subsidiaries EL, Eschelon, and Integra.

On December 28, 2016, in response to a PSC action request, the Division of Public Utilities (Division) recommended that the application be approved. In recommending approval, the Division stated:

The Applicants expect that the merger will enable the combined entities to better meet the needs of enterprises, wholesale buyers, and other customers. The transaction will bring together two successful carrier organizations that have proven themselves in a highly competitive marketplace. The transaction will help create a stronger competitor by bringing together each organization's respective strengths. Operating as an integrated company will allow each of the operating companies to be more competitive and to deliver greater value and variety of services to their customers than they do individually.

The PSC issued notices of filing, comment period, and hearing on December 5, 2016.

The Administrative Law Judge for the PSC held a hearing on January 11, 2017. William J. Evans

appeared as counsel for the Applicants, joined telephonically by Greg Strumberger for Zayo and Douglas Denney for EL Parent and its indirect subsidiaries. Assistant Attorney General Justin Jetter appeared for the Division, joined by Ron Slusher, utility technical consultant.

At hearing, the joint application, including all exhibits, and the Division's written comments were entered into the record, as were the following supplemental exhibits:

Applicants' Supplemental Exhibit 1: Joint Application of Zayo Group, LLC and Electric Lightwave Parent, Inc. for Grant of Authority to Transfer Indirect Control of Domestic and International Section 214 Authority Holders to Zayo Group, LLC, filed with the FCC on December 9, 2016, along with Supplements thereto, filed with the FCC on December 19, 2016; December 20, 2016; and December 21, 2016.

Applicants' Supplemental Exhibit 2: Public Notices issued by the FCC establishing pleading cycles for the Domestic Section 214 Application and the International Section 214 Application, dated December 22, 2016 and December 30, 2016 respectively.

Mr. Strumberger and Mr. Denney testified that there has been no opposition to the Applicants' petition with the FCC for approval of the proposed transaction, and that parallel applications with other state regulatory bodies are progressing without opposition.

Mr. Slusher testified on behalf of the Division that the transactions described in the application appear to be in the public interest. No one appeared at the hearing to object to the application.

Pursuant to Utah Admin. Code R746-349-7(A)(3):

If no objection to the proposed transaction is submitted in any filed comments or reply comments, the Commission will presume that approval of the transaction is in the public interest and use the information contained in the application and accompanying documents as evidence to support a Commission order.

There is no objection to the granting of the application. Therefore, under Utah Admin. Code R746-349-7(A)(3) and in light of the comments and testimony of record, the PSC presumes the application to be in the public interest.

ORDER

Given the foregoing, the Public Service Commission of Utah approves the joint application of Electric Lightwave Parent, Inc.; Electric Lightwave, LLC; Eschelon Telecom of Utah, Inc.; Integra Telecom of Utah, Inc.; and Zayo Group, LLC to complete transactions through which Zayo Group, LLC will take indirect control of Electric Lightwave, LLC; Eschelon Telecom of Utah, Inc.; and Integra Telecom of Utah, Inc.

DATED at Salt Lake City, Utah, January 11, 2017.

/s/ Jennie T. Jonsson
Administrative Law Judge

Approved and confirmed January 11, 2017 as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
DW#291185

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the Commission within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on January 11, 2017, a true and correct copy of the foregoing was served upon the following as indicated below:

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