



State of Utah
Department of Commerce
Division of Public Utilities

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Executive Director

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Director, Division of Public Utilities

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Governor
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Lieutenant Governor

MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Ron Slusher, Utility Technical Consultant

Date: July 25, 2019

Re: In the Matter of the Joint Application of Zayo Group, LLC and Electric Lightwave, LLC
Transfer of Indirect Control to Front Range TopCo, Inc. Docket Numbers 19-2202-01
and 19-2536-01

RECOMMENDATION (Allow):

The Division of Public Utilities (“Division”) has reviewed the joint application between Zayo Group, LLC, Electric Lightwave, LLC, and Front Range TopCo, Inc. The public interest will be promoted by the Public Service Commission (“Commission”) allowing this Transfer of Control. As a result of the acquisition, the Companies should be in a better position to provide expanded and advanced telecommunications services in the State of Utah.

The Division expects that, based on history that a filing of this type and with the information submitted by the company, there will be no objections or opposition to this recommendation. Therefore, the Division requests that this docket be adjudicated informally in accordance with R746-110-1.

EXPLANATION:

On or about July 09, 2019, Zayo Group, LLC (“Zayo”), Electric Lightwave, LLC (“Electric Lightwave”) and Front Range TopCo, Inc. (“Front Range”) notified the Commission of a transaction, which will result in a transfer of control of Zayo and Electric Lightwave to Front Range.

Zayo Group, LLC is a Delaware corporation headquartered at 1821 30th Street, Unit A, Boulder, Colorado 80301. Zayo is authorized to provide public telecommunications services in the State of Utah by the Commission on March 10, 2011, Docket No. 11-2536-01.

Electric Lightwave, LLC is a Delaware corporation headquartered at 1220 Augusta Drive, Suite 500, Houston, Texas 77057-2261. Electric Lightwave is authorized to provide public telecommunications services in the State of Utah by the Commission on August 16, 1995, Docket No. 94-2202-01.

Both Zayo and Electric Lightwave are subsidiaries of Zayo Group Holdings, Inc.

Front Range TopCo, Inc. is a Delaware corporation headquartered at 1114 Avenue of the Americas, 45th Floor, New York, New York 10036. It is holding company created for purposes of the transaction to aggregate the ownership of various investments.

Zayo Group Holdings and Front Range have entered into an agreement where the two companies will merge with Zayo Group continuing its existence as the surviving corporation. The merger will result in Zayo Group Holdings transitioning from a publicly traded company to a private company. The Transaction will occur entirely at the holding company level and will have no adverse impact on Licensees' customers. As such, the Transaction will not result in service disruption, termination, or customer confusion.

The Applicants submit that the transaction described herein will serve the public interest. 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 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.

cc. William J. Evans, Parsons Behle & Latimer
Catherine Wang, Morgan, Lewis & Bockius LLP
Michael Mooney, General Counsel for Zayo Group
Justin Jetter, Assistant Attorney General, State of Utah
Office of Consumer Services, State of Utah