

# UTAH DEPARTMENT OF COMMERCE Division of Public Utilities

MARGARET W. BUSSE Executive Director CHRIS PARKER Division Director

## **Action Request Response**

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Brenda Salter, Assistant Division Director

Abdinasir Abdulle, Utility Technical Consultant Supervisor

Ron Slusher, Utility Technical Consultant

Date: February 13, 2023

Re: Docket No(s). 23-2536-01 & 23-2202-01, In the Matter of the Joint Application

of Zayo Group, LLC and Electric Lightwave, LLC d/b/a Allstream for (1) Approval of a Pro Forma Consolidation and (2) Cancellation of Electric Lightwave, LLC's

Certificate of Public Convenience and Necessity.

### Recommendation (Acknowledge)

The Division of Public Utilities ("Division") has reviewed the notification of the Pro-Forma Consolidation of Zayo Group, LLC ("Zayo") and Electric Lightwave, LLC d/b/a Allstream ("Electric Lightwave") (together the "Applicants"). The public interest will be promoted by the Public Service Commission ("Commission") acknowledging this transaction. As a result of the consolidation, the companies should be in a better position to operate more effectively and become a stronger competitor in the telecommunications industry serving the State of Utah.

The Applicants also request that Electric Lightwave's Certificate of Public Convenience and Necessity ("CPCN"), number 2202, be cancelled once the merger has taking place.

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.

#### Discussion

On or about February 07, 2023, Zayo and Electric Lightwave notified the Commission of an intra-company transaction, which will result in the consolidation of the two companies with Zayo becoming the surviving entity.

Zayo is a Delaware limited liability corporation, headquartered at 1821 30<sup>TH</sup> Street, Unit A, Boulder Colorado 80301. It received authorization to provide public telecommunications services in the State of Utah by the Commission in Docket No. 11-2536-01. Zayo is a wholly owned direct subsidiary of Zayo Group Holdings, Inc.

Electric Lightwave is a Delaware limited liability corporation, headquartered at 18110 SE 34<sup>TH</sup> Street, Building One, Suite 100 Vancouver, WA 98683. It received authorization to provide public telecommunications services in the State of Utah by the Commission in Docket No. 94-2202-01. Electric Lightwave is a direct subsidiary of Zayo.

The Applicants have started to simplify the company's corporate structure and will be preforming intra-company transactions that will merge Electric Lightwave with Zayo. It is expected that the results of this merger will streamline management and operations of the two companies.

The Applicants submit that the transaction described herein will serve the public interest. The Applicants state the transaction will help create a stronger competitor by bringing together each of the 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 Applicants further submit that the transaction will be conducted in a manner that will be largely transparent its customers and no way result in the discontinuance, reduction, loss, or impairment of service to customers.

#### Conclusion

The Division has reviewed the notice filed by the Applicants for the pro-forma consolidation and concludes that the Applicants are in compliance with Commission Rule R746-349-7, and have provided reasonable documentation of the following:

- 1. The CLEC shall submit an application which includes but is not limited to:
  - a. Identification that it is not an ILEC,
  - b. Identification that it seeks approval of the application pursuant to this rule,
  - c. A reasonably detailed description of the transaction for which approval is sought,
  - d. A copy of any filings required by the Federal Communications
     Commission or any other state utility regulatory agency in connection with the transaction, and,
  - e. Copies of any notices, correspondence, or orders from any federal agency or any other state utility regulatory agency reviewing the transaction, which is the subject of the application.

The Division recommends the Commission acknowledge this notice and cancel the CPCN of Electric Lightwave.

cc: Brett P. Ferenchak, Counsel for the Parties
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Patrick Grecu, Assistant Attorney General, State of Utah
Office of Consumer Services, State of Utah