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Attorney for ZAYO NETWORK SERVICES, LLC

BEFORE THE UTAH PUBLIC SERVICE COMMISSION

In the Matter of the Application of ZAYO NETWORK SERVICES, LLC for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Public Telecommunications Services within the State of Utah

Docket No. 25-2656-01

APPLICATION

APPLICATION

Zayo Network Services, LLC ("Applicant"), by its undersigned counsel and pursuant to Chapter 8b of Title 54 of the Utah Code; the Utah Public Service Commission's ("Commission") Rules of Practice and Procedure, Utah Admin. Code R746-349-1 et seq.; and the federal Telecommunications Act of 1996, 47 U.S.C. §§ 151 et seq., applies to the Commission for a certificate of public convenience and necessity ("Certificate") authorizing Applicant to operate as a provider of facilities-based and resold intrastate public telecommunications services in the State of Utah.

In support of its Application, Applicant provides the following information pursuant to Utah Admin. Code R746-349:

I. GENERAL INFORMATION

A. <u>Corporate Information</u>

Applicant's legal name is "Zayo Network Services, LLC." Applicant may be reached at its

principal place of business:

1401 Wynkoop Street, Suite 500

Denver, Colorado 80202

Tel: 303-381-3239

Website: www.zayo.com

Applicant is a Delaware limited liability originally formed as "Zayo Northeast, LLC" on

April 18, 2024. Applicant underwent a legal name change to "Zayo Network Services, LLC" on

June 1, 2025. Applicant's formation documents, including the name change documents, and its

Utah Foreign Registration Statement are attached as **Exhibit A** and **Exhibit B**, respectively.

Applicant is a wholly owned, indirect subsidiary of Zayo Group, which is a wholly owned,

direct subsidiary of Zayo Group Holdings, Inc. ("Holdings" and together with its subsidiaries,

including Applicant, "Zayo"). Applicant, Zayo Group, and Holdings have their principal offices

located at 1401 Wynkoop Street, Suite 500, Denver, Colorado 80202.

Zayo is a leading provider of bandwidth infrastructure and interconnection services over

regional and metropolitan fiber networks. These services enable customers to manage, operate,

and scale their telecommunications and data networks. Zayo customers consist primarily of

wireless service providers, national and regional communications service providers,

media/Internet/content companies, governments, banks, and other bandwidth-intensive

enterprises. Zayo Group is authorized to provide competitive local exchange, competitive access,

and/or interexchange services in the District of Columbia and every state except Alaska. In Utah,

Zayo Group is authorized to provide public telecommunications services within Utah pursuant to

Certificate No. 2536 granted in Docket No. 11-2536-01. Under the Zayo brand, Zayo Group's

primary telecommunications service offerings include high-capacity bandwidth services such as private line, Ethernet, and wavelength services. Under the Allstream brand, Zayo Group provides voice services, including TDM-based local exchange and interexchange voice services and VoIP services.

B. **Contact Information**

Correspondence or communications pertaining to this Application should be directed to:

Adam E. Weinacker Parsons Behle & Latimer 201 South Main Street, Suite 1800 Salt Lake City, Utah 84111 801-536-6911 (tel) 801-536-6111 (fax) AWeinacker@parsonsbehle.com

With a copy to:

Catherine Wang Patricia Cave Morgan Lewis & Bockius LLP 1111 Pennsylvania Ave., N.W. Washington, DC 20004 202-739-3000 (tel) 202-739-3001 (fax) catherine.wang@morganlewis.com patricia.cave@morganlewis.com

And:

Lauren Lantero 1401 Wynkoop Street, Suite 500 Denver, CO 80202 Tel: 303-381-3239 lauren.lantero@zayo.com

Questions concerning the ongoing operations of Applicant following certification should

be directed to:

Lauren Lantero 1401 Wynkoop Street, Suite 500 Denver, CO 80202

Tel: 303-381-3239

lauren.lantero@zayo.com

Applicant's registered agent in the State of Utah is:

Corporation Service Company 15 West South Temple, Suite 600 Salt Lake City, UT 84101

II. R746-349-3 FILING REQUIREMENTS

1. R746-349-3(1)(a)(i). Technical, Financial, and Managerial Abilities

Applicant has sufficient financial resources and managerial and technical qualifications to initiate and maintain the services and related operations in Utah as proposed in this Application. Applicant's financial, technical, and managerial qualifications are stated in the body of this Application, specifically in Sections II.7, II.10, and II.11, and in the Exhibits hereto.

2. R746-349-3(1)(b). Proof of Bond

Applicant does not plan to collect customer deposits or offer any prepaid services in Utah. Further, Applicant will primarily provide point-to-point telecommunications services such as Private Line and other similar services to wholesale customers (*e.g.*, other carriers and providers) and enterprise customers. Accordingly, Applicant hereby respectfully requests a waiver of the bond requirement pursuant to Utah Admin. Code R746-349-3(1)(b)(iii).

3. R746-349-3(1)(c). Facilities to Be Used

This Application is filed in connection with certain restructuring and financing arrangements in which Applicant's parent, Zayo Group, is expected to assign to Applicant certain assets including communications optical fiber, customer contracts, rights in third party fibers, and

associated telecommunications equipment used to provision services or facilities to the affected customers (the "*Pro Forma Asset Transfer*"). 1

Applicant seeks authority to provide facilities-based and resold intrastate public telecommunications services in the State of Utah, primarily to provide point-to-point telecommunications services, such as Ethernet and other similar high-bandwidth circuits, for high-speed data transport. Applicant will provide services to enterprise customers and to other communications providers on a wholesale basis and does not intend to directly serve residential customers. Applicant will offer its service on a non-discriminatory basis and at competitive rates through individual case-basis contracts, as may be necessary or appropriate.

Consistent with Zayo Group's existing operations, Applicant plans to use fiber optic cable along with other equipment and facilities to originate, terminate, and amplify signals. Applicant does not currently own or lease facilities in Utah but rather will use the communications optical fiber and associated telecommunications equipment assigned to Applicant by Zayo Group or leased from an affiliate or another provider. Though Applicant has no current plans to construct additional facilities, Applicant seeks the authority to do so should future market conditions warrant. Applicant will provide services primarily using its own facilities and facilities leased from other carriers, but also seeks authority to provide service via resale arrangements. Applicant will perform network and equipment maintenance necessary to ensure compliance with any quality-of-service requirements. Applicant will comply with all applicable Commission rules, regulations and standards, and will provide safe, reliable and high-quality telecommunications services in Utah.

¹ Zayo Group intends to transfer certain fiber assets and customers to Applicant and provides a courtesy notice, as it understands Commission approval is not required for such asset transfers.

Applicant does not currently intend to offer retail end-user voice services. However, Applicant's facilities will be capable of transmitting communications of any nature. Applicant therefore requests to be granted a Certificate.

4. R746-349-3(1)(d). Services to Be Offered

(a) R746-349-3(1)(d)(i). Classes of customers

Initially, Applicant will primarily provide services to wholesale customers (*e.g.*, other carriers and providers) and enterprise customers. Applicant will primarily provide point-to-point telecommunications services such as Private Line and other similar services.

(b) R746-349-3(1)(d)(ii). Location of service

Applicant seeks authority to provide its proposed services to and from all points in Utah where demand for its services arises. Importantly, however, Applicant does not seek authority to provide local exchange service (as defined in Utah Code § 54-8b-2(11)) or other circuit-switched services within any local exchange that has fewer than 5,000 lines and that is owned or controlled by an incumbent telephone corporation with fewer than 30,000 access lines in the state.

(c) R746-349-3(1)(d)(iii). Types of services to be offered

As described above, Applicant proposes to primarily provide point-to-point telecommunications services such as Private Line and other similar services. Applicant will provide services primarily using its own facilities and facilities leased from other carriers, but also seeks authority to provide service via resale arrangements. Applicant does not currently own or lease facilities in Utah but will use facilities assigned from its parent, Zayo Group. Applicant does not plan to furnish switched voice services or dial tone at this time.

5. R746-349-3(1)(e). Access to Standard Services

Applicant does not plan to furnish switched voice services or dial tone at this time, and therefore requirements to provide access to directory assistance, directory listings, operator services and emergency services do not apply. If Applicant desires to provide local exchange service to end users in the future, it will seek to amend its CPCN to provide local exchange service and, at that time, explain how it proposes to provide access to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services.

6. R746-349-3(1)(f). Implementation Schedule

Applicant anticipates offering services in Utah as soon as reasonably practicable after it has obtained approval of its Application for a Certificate and completed the assignment of assets from its parent, Zayo Group.

7. R746-349-3(1)(g). Professional Experience and Education of Managerial Personnel

Applicant has the managerial and technical qualifications necessary to provide the proposed services in Utah. Applicant is managed by a highly skilled team with substantial expertise and experience in the communications industry, including extensive telecommunications business, technical, and managerial expertise. Existing personnel of Applicant's parent companies will be responsible for Applicant's technical and operational management. Applicant's managing member and officers are as follows:

Managing Member:

Zayo Issuer, LLC

Officers:

Steve Smith, Chief Executive Officer
Jeff Noto, Chief Financial Officer & Treasurer
Lauren Lantero, Chief Legal Officer & Secretary
Robert Merkel, Assistant Treasurer
Gabriela Torresani, Assistant Secretary

All management can be reached through Applicant's place of business or by telephone at

303-381-3239. Descriptions of the qualifications and backgrounds for the key personnel responsible for the management of Applicant are attached hereto as **Exhibit C**. These biographies reflect management's substantial communications industry experience and expertise and demonstrate that the Applicant possesses significant managerial and technical expertise operating a variety of communications services.

8. R746-349-3(1)(h). Employee Organization Chart

Applicant attaches as <u>Exhibit D</u> its employee organizational chart. Applicant's management team is based in Colorado and will direct its Utah operations. Applicant may utilize Utah-based contractors and personnel to maintain networks in Utah.

9. **R746-349-3(1)(i).** Chart of Accounts

The requirement for a chart of accounts is typically necessary with an entity using regulated rate base or rate of return methodology so that authorities can be confident of the proper classification of revenue and expenses for end-user price calculations in a monopoly environment. This is not the financial environment surrounding the services Applicant will offer. Therefore, Applicant asks that the requirement for a chart of accounts be waived. Applicant will utilize Generally Accepted Accounting Principles ("GAAP") and be able to track its revenue in Utah for purposes of financial reporting.

10. R746-349-3(1)(j). Financial Statements

Applicant does not maintain financial statements separate from the consolidated financial statement of its parent company, Holdings. For purposes of this Application, Applicant will rely on the financial resources of Holdings to demonstrate its financial qualification to operate within Utah. Applicant attaches as **Confidential Exhibit E** the financial statements of Holdings (the

"Financial Statements").² The Financial Statements demonstrate the financial resources available to Applicant to provide the proposed telecommunications services in Utah.

Applicant and Holdings are privately owned companies that do not release financial information to the public. The Financial Statements are highly confidential and not publicly available. Release of the financial information could disadvantage Applicant by giving its competitors insight into Applicant's ability to compete. Further, release of financial information, including revenue estimates, would substantially harm Applicant's ability to negotiate with vendors, incumbent local exchange carriers, and other local and interexchange carriers for services and equipment. The release of financial information would also harm Applicant's relationship with investors.

Applicant requests that the Financial Statements appended hereto as **Confidential Exhibit**E be treated as confidential and proprietary. Applicant takes all reasonable steps to protect the privacy of the financial information. In situations where Applicant must provide financial information to public utilities commissions or governmental entities, it does so under seal and requests confidential treatment. Therefore, the information provided in **Confidential Exhibit E** is proprietary and is being uploaded to the Commission's SFTP for confidential filings with the stamp "Confidential – Subject to Utah Public Service Commission Rules R746-1-602 and 603." As the submission contains sensitive information regarding Applicant's business operations, Applicant respectfully requests that this information be treated confidentially and not be released to any member of the public absent Applicant's prior written permission.

² Because *all* information in <u>Confidential Exhibit E</u> is confidential, Applicant has not highlighted select information pursuant to R746-1-601(1)(b) or provided a redacted version for public access pursuant to R746-1- 601(3)(a).

(a) R746-349-3(1)(j)(i). Balance sheet, income statement and cash flow statement

As described above, Applicant will rely on the Financial Statements of Holdings. Applicant therefore attaches as **Confidential Exhibit E** the Financial Statements, which demonstrate the financial resources available to provide the proposed telecommunications services in Utah. Applicant respectfully requests that **Confidential Exhibit E** be treated as Confidential Information subject to R746-1-602 and 603.

(b) R746-349-33(1)(j)(ii). Letter from management

<u>Confidential Exhibit E</u> includes a verification attesting to the accuracy of the Financial Statements and that they were prepared according to GAAP. Applicant respectfully requests that <u>Confidential Exhibit E</u> be treated as Confidential Information subject to R746-1-602 and 603.

(c) R746-349-33(1)(j)(iii). Start-up company balance sheet

Applicant is relying on the Financial Statements of Holdings in <u>Confidential Exhibit E</u>.

Applicant respectfully requests that <u>Confidential Exhibit E</u> be treated as Confidential Information subject to R746-1-602 and 603.

(d) R746-349-33(1)(j)(iv). Financial statements of parent corporation

As stated above and provided in <u>Confidential Exhibit E</u>, Applicant is providing the Financial Statements of Holdings, which demonstrate the financial resources available to provide the proposed telecommunications services in Utah. Applicant respectfully requests that <u>Confidential Exhibit E</u> be treated as Confidential Information subject to R746-1-602 and 603.

11. R746-349-3(1)(k). Financial Statements to Demonstrate Sufficient Financial Ability on the Part of the Applicant's Statements

(a) R746-349-3(1)(k)(i). Positive net worth

As discussed above, the Financial Statements provided in **Confidential Exhibit E** demonstrate that Applicant has sufficient financial resources to initiate and maintain the services

and related operations in Utah as proposed in this Application. Applicant respectfully requests that **Confidential Exhibit E** be treated as Confidential Information subject to R746-1-602 and 603.

(b) R746-349-3(1)(k)(ii). Sufficient projected and verifiable cash flow to meet cash needs as shown in a five-year projection of expected operations.

As discussed above, the Financial Statements provided in <u>Confidential Exhibit E</u> show that Applicant has access to the capital necessary to conduct its telecommunications operations in Utah. Applicant respectfully requests that <u>Confidential Exhibit E</u> be treated as Confidential Information subject to R746-1-602 and 603.

(c) R746-349-3(1)(k)(iii). Proof of bond

As discussed above, Applicant does not plan to collect customer deposits or offer any prepaid services in Utah. Further, Applicant will provide service only to other communications carriers on a wholesale basis (*e.g.*, other carriers and providers) and to enterprise customers. Accordingly, Applicant hereby respectfully requests a waiver of the bond requirement.

12. R746-349-3(1)(*l*). Five-Year Projection of Expected Operations

(a) R746-349-3(1)(*l*)(i). Pro-forma income and cash flow statements.

As discussed above, the Financial Statements provided in <u>Confidential Exhibit E</u> show that Applicant has access to the capital necessary to conduct its telecommunications operations in Utah. Applicant respectfully requests that <u>Confidential Exhibit E</u> be treated as Confidential Information subject to R746-1-602 and 603.

- (b) R746-349-3(1)(l)(ii). Types of technology to be deployed.
- Applicant will deploy the technology specified above in Section II.3 of this Application.
 - (c) R746-349-3(1)(l)(iii). Maps of facilities locations.

Applicant does not have any existing facilities in Utah.

13. R746-349-3(1)(m). Implementation Schedule

Applicant anticipates offering services in Utah as soon as reasonably practicable after it has obtained approval of its Application for a Certificate and been assigned assets from its parent, Zayo Group.

14. R746-349-3(1)(n). Technical and Managerial Abilities

Applicant has the managerial and technical qualifications necessary to provide the proposed services in Utah. Applicant is managed by a highly skilled team with substantial expertise and experience in the communications industry, including extensive telecommunications business, technical, and managerial expertise. Descriptions of the qualifications and backgrounds for the key personnel of Applicant are attached hereto as **Exhibit C**. These biographies reflect management's substantial communications industry experience and expertise and demonstrate that the Applicant possesses significant managerial and technical expertise operating a variety of communications services. Thus, Applicant possesses the managerial and technical qualifications necessary to operate a competitive telecommunications company in Utah, consistent with the Commission's requirements.

(a) R746-349-3(1)(n)(i). Proof of certification in other jurisdictions

Applicant is currently authorized or registered to provide telecommunications services, and currently offers service, in the following jurisdictions: Colorado, Connecticut, Delaware, District of Columbia, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and Wisconsin. Many of the certifications or registrations were originally granted to Zayo Northeast, LLC, which undertook a change in legal name effective June 1, 2025, and is in the process of notifying the relevant state authorities of the change. Applicant also has pending, or plans to file, applications to provide telecommunications services in the following

states in addition to Utah: Alabama, Arkansas, Arizona, California, Florida, Georgia, Hawaii, Idaho, Kansas, Louisiana, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Washington, and Wyoming.

In addition to Zayo Group's authority to provide telecommunications services in the District of Columbia and all U.S. states except Alaska discussed above, Applicant's affiliate Zayo Midwest, LLC is authorized to provide telecommunications services in Illinois, Indiana, Michigan, Minnesota, and Wisconsin. Applicant also is affiliated with ENA Healthcare Services, LLC and Zayo Education, LLC (formerly known as ENA Services, LLC), which together provide telecommunications services in Arizona, Arkansas, California, Colorado, Florida, Georgia, Indiana, Kansas, Minnesota, Missouri, New Mexico, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, and West Virginia. Neither Applicant nor any of its affiliates have been denied requested certification in any jurisdiction, nor has any permit, license, or certificate been permanently revoked by any authority.

(b) R746-349-3(1)(n)(ii). 2 years of recent experience providing telecom service

Though Applicant was formed less than two years ago, on April 18, 2024, Applicant currently provides telecommunications services in Colorado, Connecticut, Delaware, District of Columbia, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and Wisconsin. Additionally, as discussed above, Applicant is managed by a highly skilled team with substantial expertise and significantly more than two years' experience in the communications industry, including extensive telecommunications business, technical, and managerial expertise.

15. R746-349-3(1)(o). Public Interest

Granting this Application will promote the public interest by increasing competition in the provision of telecommunications services in Utah. The entry of Applicant into the Utah telecommunications market will enhance competition in the provision of telecommunications services within Utah. By enhancing competition, Applicant will bring significant benefits to telecommunications users within Utah by providing: (a) lower-priced and better-quality service; (b) innovative telecommunications services; (c) efficient use of communications resources; and (d) increased diversification and reliability in the supply of communications services. Given the substantial expertise of Applicant's management team, Applicant's customers will benefit from that team's knowledge and experience in the Utah market. Applicant will operate its networks and offer services designed to meet the individual needs of its customers in providing high-quality services to their end-user customers in an efficient and cost-effective manner. Further, grant of this Application will allow Applicant to continue serving the existing customers of Zayo Group.

16. R746-349-3(1)(p). Authority to Conduct Business in Utah

Applicant's Foreign Registration Statement authorizing Applicant to conduct business in Utah is attached as **Exhibit B**.

17. R746-349-3(1)(q). Unauthorized Switching, Solicitation of New Customers, and Prevention of Unauthorized Switching

No complaints have been made, nor has any investigation or sanction been undertaken, against Applicant for unauthorized switching ("slamming") or any other illegal activities. As stated above, Applicant will not provide switched voice services, including dial tone.

18. R746-349-3(1)(r). Applicant's Written Solicitation Policies

Since Applicant does not provide switched voice services to end users currently, Applicant does not have a written solicitation policy. To the extent that Applicant provides local exchange

services to end users in the future, Applicant will comply with all applicable laws and regulations

to prevent the unauthorized switching of local service customers by the Applicant, its employees

or agents.

* * *

WHEREFORE, Applicant respectfully requests that the Utah Public Service Commission

issue a Certificate authorizing Applicant to provide, throughout the State of Utah, facilities-based

and resold public telecommunications services without authority to provide local exchange service

(as defined in Utah Code § 54-8b-2(11)) or other circuit-switched services within any local

exchange that has fewer than 5,000 lines and that is owned or controlled by an incumbent telephone

corporation with fewer than 30,000 access lines in the state. Applicant also requests that the

Commission waive the requirement for Applicant to provide a bond. Applicant further respectfully

requests that the Commission issue a CPCN to Applicant through an informal adjudication process,

to the extent permitted under Utah Code section 54-8b-3(1)(b).

Respectfully submitted this 14th day of August, 2025.

/s/ Adam E. Weinacker

Adam E. Weinacker

Parsons Behle & Latimer

Attorney for Zayo Network Services, LLC

LIST OF EXHIBITS

EXHIBIT A Formation Documents

EXHIBIT B Certificate of Authority to Transact Business in Utah

EXHIBIT C Management Biographies

EXHIBIT D Employee Organizational Chart

EXHIBIT E Financial Statements – **CONFIDENTIAL**

VERIFICATION