# **Morgan Lewis**

Catherine Wang Brett P. Ferenchak catherine.wang@morganlewis.com brett.ferenchak@morganlewis.com

December 13, 2016

### VIA ELECTRONIC FILING

Steven V. King, Executive Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive Olympia, WA 98504-7250 records@wutc.wa.gov

Re: Notification Regarding the Proposed Transfer of Indirect Control of Electric Lightwave, LLC, Integra Telecom of Washington, Inc., Eschelon Telecom of Washington, Inc., Advanced TelCom, Inc., Shared Communications Services, Inc., Oregon Telecom, Inc., United Communications, Inc., and World Communications, Inc. to Zayo Group, LLC

Dear Mr. King:

By this letter, Electric Lightwave Parent, Inc. ("EL Parent"); Integra Telecom of Washington, Inc. ("Integra"); Eschelon Telecom of Washington, Inc. d/b/a Integra Telecom ("Eschelon"); Electric Lightwave, LLC ("Electric Lightwave"); Advanced TelCom, Inc. d/b/a Integra Telecom ("Advanced"); Shared Communications Services, Inc. ("SCS"), Oregon Telecom, Inc. ("Oregon Telecom"); United Communications, Inc. d/b/a UNICOM ("UNICOM"); World Communications, Inc. ("WCI"); and Zayo Group, LLC ("Zayo") (collectively, the "Parties") notify the Commission of the proposed transfer of indirect control of Licensees to Zayo. Since Commission action is not required for the Transaction (as defined below), the Parties submit this letter for informational purposes.

### **Description of the Parties**

### A. Zayo Group, LLC

Zayo is a Delaware limited liability company with principal offices at 1805 29th Street, Boulder, Colorado 80301. Zayo is a wholly owned subsidiary of Zayo Group Holdings, Inc. ("Holdings"), a publicly traded Delaware corporation (NYSE: ZAYO). Holdings has no majority owner.

Zayo is a provider of bandwidth infrastructure and network neutral colocation and interconnection services over regional and metropolitan fiber networks. These services enable

### Morgan, Lewis & Bockius LLP

2020 K Street, NW Washington, DC 20006-1806 United States

**1** +1.202.373.6000 **b** +1.202.379.6001 Steven V. King, Executive Secretary December 13, 2016 Page 2

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 Washington, Zayo is authorized to provide intrastate telecommunications services pursuant to its registration as a telecommunications company with competitive classification granted in Docket No. UT-110349. Zayo is also authorized by the FCC to provide interstate and international telecommunications services.

### B. EL Parent and Licensees

Electric Lightwave Parent, Inc. is a privately held Delaware corporation with principal offices at 18110 SE 34th Street; Building One, Suite 100; Vancouver, Washington 98683. EL Parent functions as a holding company and does not provide telecommunications in its own right. Through its wholly owned subsidiaries, EL Parent owns and operates a number of telecommunications providers that operate primarily in Arizona, California, Colorado, Idaho, Minnesota, Montana, Nevada, North Dakota, Oregon, Utah, and Washington. EL Parent's subsidiaries provide a broad range of communication and networking services primarily to business customers, wholesale carriers, web content providers, government organizations, and educational institutions. These services include but are not limited to facilities-based, integrated, resold and facilities-based local, resold long distance, Internet, broadband transport and data services. EL Parent operates an extensive network with access to over 12,500 fiber miles and over 3,200 fiber-lit buildings.

In Washington, Licensees hold the following authorizations:

1. Integra, an Oregon corporation, is authorized to provide facilities-based and resold local exchange and interexchange telecommunications services pursuant to authority granted in Docket No. UT-970032 and amended in Docket Nos. UT-971128 and UT-970874, and was granted competitive classification in Docket No. UT-970874.

2. Eschelon, a Minnesota corporation, is authorized to provide local exchange and interexchange telecommunications services as a telecommunications company with competitive classification granted in Docket No. UT- 970538.

3. Electric Lightwave, a Delaware limited liability company, is authorized to provide interexchange private line or special access, intraexchange dark fiber, services, and intrastate interexchange switched telecommunications services pursuant to authorization granted in Docket No. UT-970032, as amended in Docket. Nos. UT- 971128 and UT-970874, and was granted competitive classification in Docket No. UT- 970874.

4. Advanced TelCom, a Delaware corporation, is authorized to provide authorized intrastate telecommunications services pursuant to its registration as a telecommunications company with competitive classification granted in Docket No. UT- 981279.

Steven V. King, Executive Secretary December 13, 2016 Page 3

5. SCS, an Oregon corporation, is authorized to provide authorized intrastate telecommunications services pursuant to its registration as a telecommunications company with competitive classification granted in Docket No. UT-931389, as amended in Docket No. UT-971019.

6. Oregon Telecom, an Oregon corporation, is authorized to provide authorized intrastate telecommunications services pursuant to its registration as a telecommunications company with competitive classification granted in Docket No. UT-020811.

7. UNICOM, an Oregon corporation, is authorized to provide authorized intrastate telecommunications services pursuant to its registration as a telecommunications company with competitive classification granted in Docket No. UT-960466 (as amended).

8. WCI, a Washington corporation, is authorized to provide resold and facilitiesbased local service, resold interexchange service, and intrastate telecommunications services as a telecommunications company with competitive classification pursuant its registration granted in Docket No. UT-950810 (as amended).

### **Contacts**

For the purposes of this filing, contacts are as follows:

Catherine Wang Brett P. Ferenchak Morgan, Lewis & Bockius LLP 2020 K Street, N.W. Washington, DC 20006-1806 202-373-6000 (tel) 202-373-6001 (fax) catherine.wang@morganlewis.com brett.ferenchak@morganlewis.com

With a copy to:

Gregg Strumberger General Counsel Zayo Canada 1805 29th St., Suite 2050 Boulder, CO 80301 gregg.strumberger@zayo.com and:

Douglas Denney Vice President, Costs & Policy Electric Lightwave 18110 SE 34<sup>th</sup> St Building One, Suite 100 Vancouver, WA 98683 dkdenney@electriclightwave.com

### Description of the Transaction

Pursuant to the Agreement and Plan of Merger, dated as of November 29, 2016, by and among Zayo, ZELMS, Inc. (a direct, wholly owned subsidiary of Zayo created for purposes of

Steven V. King, Executive Secretary December 13, 2016 Page 4

the merger) ("Merger Sub"), EL Parent, and Fortis Advisors LLC, as the Equityholder Representative (the "Agreement"), Zayo will acquire all of the outstanding equity interests in EL Parent (the "Transaction"). Specifically, Merger Sub will merge with and into EL Parent, whereupon the separate existence of Merger Sub will cease and EL Parent will be the surviving corporation. As a result, EL Parent will become a direct, wholly owned subsidiary of Zayo. Licensees will remain indirect subsidiaries of EL Parent and, therefore, Licensees will become indirect subsidiaries of Zayo. Diagrams depicting the pre- and post-Transaction corporate ownership structures are appended hereto as Exhibit A.

The Transaction described herein will serve the public interest. As part of Zayo, Licensees will continue to provide high-quality telecommunications services to consumers (under the same rates, terms and condition of services as currently provided) while gaining access to the additional resources and operational expertise of Zayo. Licensees will also benefit by being able to offer services to multi-location business and enterprise customers across a larger footprint in combination with Zayo. The network of EL Parent and its subsidiaries, including Licensees, complements Zayo's network and the acquisition will increase Zayo's existing fiber footprint. The Transaction also will provide Licensees with access to greater financial resources that will allow them to become more effective competitors to larger incumbent telecommunications providers. In essence, the Transaction will make Licensees and Zayo stronger competitors and thereby benefit consumers.

\* \* \* \*

We would appreciate acknowledgement of receipt and acceptance of this filing, which is being submitted electronically. Should you have any questions, please do not hesitate to contact us.

Respectfully submitted,

### /s/ Brett P. Ferenchak

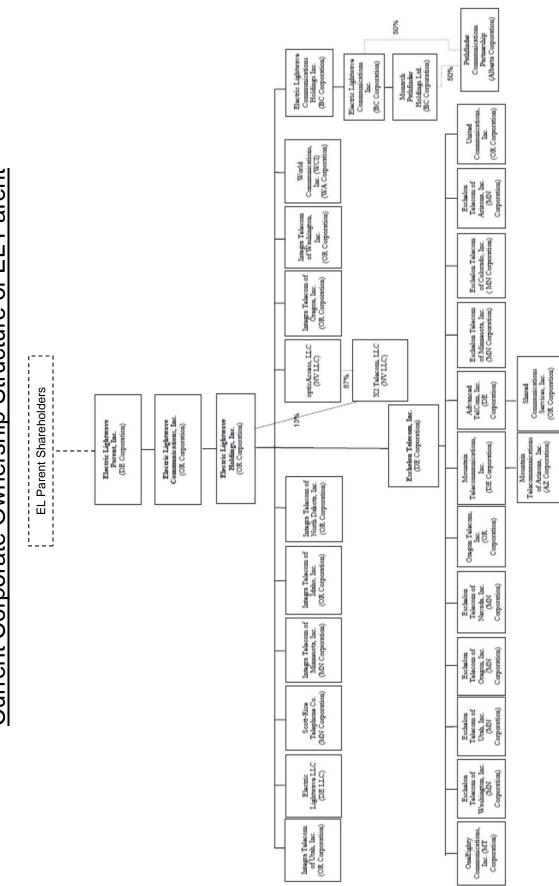
Catherine Wang Brett P. Ferenchak

Counsel for Zayo Group, LLC

# <u>EXHIBIT A</u>

Diagrams of the Pre- and Post-*Transaction* Corporate Ownership Structures

Current Corporate Ownership Structure of EL Parent

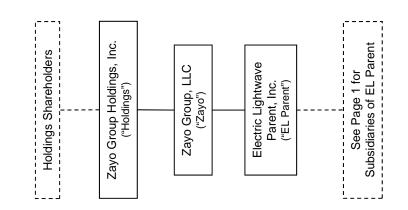


Unless otherwise indicated all ownership percentages are 100%.

Exhibit A - Page 1

# Post-Transaction Corporate Ownership Structure of EL Parent and Zayo

\* The entities listed herein only include Zayo and its subsidiaries that (1) hold authorization to provide intrastate, interstate or international telecommunications services or (2) are in the chain of ownership of those entities. The chart excludes subsidiaries and affiliates of Zayo that do not hold authorization to provide telecommunications services in the United States.



Unless otherwise indicated all ownership percentages are 100%.

Exhibit A - Page 2

# **Verifications**

STATE OF COLORADO COUNTY OF BOULDER \$ \$ \$

### VERIFICATION

I, Gregg Strumberger, am General Counsel Zayo Group, LLC (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.

Gregg Strumberger General Counsel Zayo Group, LLC

Sworn and subscribed before me this **30<sup>ft</sup>** day of <u>November</u> 2016.

My commission expires *Curfust 24,2018* 



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### VERIFICATION

I, Douglas K. Denney, am Vice President, Costs & Policy of Electric Lightwave Holdings, Inc.; that I am authorized to make this Verification on behalf of the Electric Lightwave Parent, Inc. and its subsidiaries (collectively, the "Company"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

Douglas K. Denney Vice President, Costs & Policy Electric Lightwave Holdings, Inc.

Sworn and subscribed before me this  $29^{th}$  day of <u>November</u>, 2016.

My commission expires

JENNIFER JOHNSON NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES JUNE 30, 2018