

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of)

Zayo Group, LLC)

For a Certificate of Service Authority to)
Provide Resold and Facilities-Based Basic Local)
Exchange and Interexchange and Non-Switched)
Local Exchange Telecommunications Services)
in the State of Missouri and to Classify Those)
Services and the Company as Competitive)

Case No. _____

APPLICATION OF
ZAYO GROUP, LLC

I. INTRODUCTION

Comes now Zayo Group, LLC (“Zayo” or “Applicant” or the “Company”), by its undersigned counsel, hereby files this verified application pursuant to Ch. 392, RSMo, 4 CSR 240-2.060, and 4 CSR 240-3.510, and respectfully requests that the Missouri Public Service Commission (“Commission”) grant Zayo the following: (a) a Certificate of Service Authority to provide resold and facilities-based basic local exchange telecommunications service in the territories of Southwestern Bell Telephone, L.P. d/b/a AT&T Missouri, Embarq Missouri, Inc. d/b/a Embarq, CenturyTel of Missouri, LLC d/b/a CenturyTel, and Spectra Communications Group, LLC d/b/a CenturyTel, (b) a Certificate of Service Authority to provide resold and facilities-based interexchange telecommunications service throughout the state of Missouri, (c) a Certificate of Service Authority to provide non-switched local exchange telecommunications service throughout the State of Missouri, (d) designation as a competitive telecommunications

provider, as all of its services are provided on a competitive basis, and (d) waiver of certain Commission rules and statutory provisions pursuant to Section 392.420, RSMo 2000.¹

This Application is being filed in connection with an intra-corporate reorganization that Zayo will undertake with its various subsidiaries to simplify its existing corporate structure. Among other things, the reorganization will include the merger of Zayo Fiber Solutions, LLC (“ZFS”)² into Zayo, with Zayo surviving. The intra-corporate transactions will not affect the rates, terms or conditions of service to customers, and customers will continue to see the same “Zayo” name on invoices and other communications. Moreover, upon completion of the reorganization, the Company will continue to be operated by the same well-qualified and highly experienced managerial, operational and technical personnel. However, the consolidation of business entities will reduce the Company’s reporting and accounting burdens and provide other operational efficiencies. In order for Zayo to provide telecommunications services to the current Missouri customers of ZFS following the consolidation, Zayo requests that the Commission grant Zayo authority to provide telecommunications services in Missouri.

The Applicant submits the following information in support of its request.

II. APPLICATION FOR AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICE

A. Description of the Applicant

1. Applicant’s legal name is Zayo Group, LLC. Applicant may be reached at its principal place of business:

Zayo Group, LLC

¹ All statutory citations herein are to RSMo. 2000 unless otherwise indicated.

² ZFS is authorized to provide interexchange and non-switched local service pursuant to an authorization granted to AGL Networks, LLC, by Commission Order dated April 30, 2008, in Case No. CA-2008-0306. The Commission approved the change of name from AGL Networks, LLC, to ZFS by Order dated September 27, 2010, in Case No. XN-2011-0026.

400 Centennial Parkway, Suite 200
Louisville, CO 80027
800-390-6094 (tel)
www.zayo.com

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

Mark P. Johnson (MO Bar #30740)
4520 Main Street
Suite 1100
Kansas City, MO 64111-7700
816-460-2424 (tel)
816-531-7545 (fax)
mark.johnson@snrdenton.com

and

Jean L. Kiddoo
Brett P. Ferenchak
Bingham McCutchen LLP
2020 K Street, N.W.
Washington, DC 20006-1806
202-373-6000 (tel)
202-373-6001 (fax)
jean.kiddoo@bingham.com
brett.ferenchak@bingham.com

3. Questions concerning the Applicant's ongoing operations following certification should be directed to:

Peter Chevalier
Associate General Counsel
Zayo Group, LLC
400 Centennial Parkway, Suite 200
Louisville, CO 80027
303-414-4008 (tel)
303-226-5039 (fax)
pchevalier@zayo.com

4. Applicant's registered agent in the State of Missouri is:

CT Corporation
120 South Central Avenue
Clayton, MO 63105

5. The Commission's contact for purposes of consumer inquiries is:

Peter Chevalier
Associate General Counsel
Zayo Group, LLC
400 Centennial Parkway, Suite 200
Louisville, CO 80027
303-414-4008 (tel)
303-226-5039 (fax)
pchevalier@zayo.com

Customers should contact the following with questions or inquiries:

Zayo Customer Care
400 Centennial Parkway, Suite 200
Louisville, CO 80027
800-390-6094 (Toll Free)
303-604-6869 (Fax)
billing@zayo.com

B. Qualifications

6. Zayo is a Delaware limited liability company with its corporate headquarters located at 400 Centennial Parkway, Suite 200, Louisville, Colorado 80027. Zayo is a direct subsidiary of Zayo Group Holdings, Inc. ("Holdings"), a Delaware corporation. A copy of Zayo's Certificate of Formation is provided as Exhibit A. A copy of Zayo's Authority to Transact Business in the State of Missouri is provided in Exhibit B.

7. Zayo is well-qualified to provide telecommunications services in Missouri. Zayo is not currently authorized to provide telecommunications service in any state, but is seeking such authority in every state where its subsidiaries, including ZFS, currently provide telecommunications services so that it can provide those services to their customers upon completion of the intra-corporate consolidation described herein. Collectively, Zayo's subsidiaries are currently authorized to provide telecommunications services in the District of Columbia and the following states: Arizona, California, Colorado, Delaware, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky,

Maryland, Michigan, Minnesota, Missouri, Nevada, New Jersey, New York, North Carolina, Ohio, Oregon, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington and West Virginia. Zayo has not been denied requested certification in any jurisdiction, nor has any permit, license, or certificate been revoked by any authority. Thus, Zayo is technically qualified to provide local exchange and interexchange telecommunications services in Missouri.

8. Neither Applicant nor any of its officers, directors, partners or managers has been or are currently the subject of any civil or criminal proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency, that could adversely affect the company's ability to provide telecommunications services in Missouri.

9. As outlined in more detail below, Applicant possesses the requisite financial resources to provide all forms of resold and facilities-based telecommunications service. In support of Applicant's financial qualification, financial information for Applicant is provided as Exhibit C. Applicant does not maintain Missouri specific financial information and therefore has provided company-wide financial information. As shown in the attached information, Applicant is financially qualified to operate within the State of Missouri.

10. Applicant is technically and managerially qualified to provide competitive local exchange and interexchange services it proposes as required by Section 392.455(1), RSMo. Zayo has retained many of the key technical personnel of the entities it has acquired who have extensive experience in the telecommunications industry. Zayo has augmented this experience with the extensive telecommunications experience of Zayo's management. The Applicant's senior management and its highly-qualified technical staff will ensure that its operations will meet high standards for service quality and reliability. Descriptions of the technical and managerial experience of key personnel are attached hereto as Exhibit D.

11. Applicant does not have any pending action or final unsatisfied judgment or decisions against it from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within 3 years of the date of this Application.

12. Applicant does not have any overdue annual report or assessment fees to the State of Missouri.

Description of Services

13. Zayo seeks authority to provide facilities-based and resold local exchange, access, and interexchange telecommunications services. Applicant's business is building communications solutions for business and other commercial wireline and wireless carrier customers on an individual case basis for each project's needs.³ Zayo will primarily provide Private Line, Ethernet, Wavelength, Dedicated Internet Access and collocation. Although Applicant will not initially offer switched local exchange and interexchange services, it seeks authority to provide such service so that it has flexibility to add those services in the future. Applicant intends to provide facilities-based telecommunications services primarily using its own facilities (including those acquired from its subsidiaries as part of the intra-corporate transactions described above). Zayo may also lease facilities from other carriers and may provide service on a resold basis. Applicant has not yet begun negotiations with the ILEC for an interconnection agreement, but may do so in the near future or after the Commission grants this Application.

14. Granting this Application will promote the public interest by providing high-quality service at competitive prices and by creating greater economic incentives for the development and improvement for all competing providers and interexchange carriers in Missouri. Applicant will provide customers high quality, cost effective telecommunications

³ Zayo does not currently plan to serve residential customers.

services, with an emphasis on customer service. In addition to driving prices closer to costs, thereby ensuring just and reasonable rates, competition also promotes efficiency in the delivery of services and in the development of new services. These benefits work to maximize the public interest by providing continuing incentives for carriers to reduce costs while, simultaneously, promoting the availability of potentially desirable services.

15. To the extent Applicant provides voice services, Applicant will, through interconnection with other carriers or resale of other carriers' services, provide access to 911 and enhanced 911 emergency services and provide directory assistance and operator assisted calling of the same quality as similar services currently provided by incumbent local exchange carriers.

16. Applicant will provide comprehensive customer service to its customers. Customers may report complaints to the customer service department. Customer service will be available to answer customer service inquiries in connection with new service, repair or billing. Furthermore, customer service is prepared to respond to a broad range of service matters, including inquiries regarding: (1) the types of services offered by Applicant and the rates associated with such services; (2) monthly billing statements; (3) problems or concerns pertaining to a customer's current service; and (4) general matters. Zayo will continuously monitor and maintain a high level of control over its network on a 24-hours-a-day, 7-days-a-week basis. Customers may contact Zayo in writing at Applicant's headquarters located at 400 Centennial Parkway, Suite 200, Louisville, CO 80027, or by calling a toll-free customer service number at (800) 390-6094, or via e-mail at billing@zayo.com. Applicant will give equitable access to all Missourians, regardless of where they might reside or their income, to affordable telecommunications services in Applicant's proposed service areas in accordance with Section 392.455(5), RSMo.

17. All of the telecommunications services which Applicant proposes to offer in Missouri are subject to substantial competition in the form of similar services provided by competing carriers. The level of competition in Missouri will operate to force Applicant to design and price services in a manner to be attractive to potential customers. As competition will compel Applicant to provide services of high quality at reasonable prices, Applicant seeks classification of its services and itself as competitive.

D. Compliance with Rules and Request for Waiver

18. Applicant is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards, including, but not limited to, billing, quality of service, and tariff filing and maintenance in a manner consistent with the Commission's requirements for incumbent local exchange carriers with whom Applicant seeks to compete. Additionally, Applicant agrees that, pursuant to Section 392.455(3) & (4) RSMo., its basic local exchange service areas shall be no smaller than an exchange and, to the extent that Applicant offers basic local telecommunications service, Applicant will offer such service as a separate and distinct service. Pursuant to Section 392.420, RSMo, consistent with the Commission's treatment of other certificated competitive local exchange and interexchange telecommunications companies, Applicant requests that the following statutes and regulations be waived for Applicant and its basic local exchange service and interexchange service offerings:

<u>Statutes</u>	<u>Missouri Public Service Commission Rules</u>
392.210.2	4 CSR 240-10.020
392.240.1	4 CSR 240-30.040
392.270	4 CSR 240-3.550(5)(C)
392.280	
392.290	
392.300.2	
392.310	
392.320	

392.330

392.340

19. The above statutes and regulations have been waived previously for other applicants seeking certification. These rules and statutory provisions are principally designed to apply to non-competitive telecommunications carriers. As a result, it would be inconsistent with the goal and purpose of federal and state statutes to apply these rules and statutes to a competitive company such as Applicant.

20. Applicant further requests a temporary waiver of 4 CSR 240-3.510(1)(C), which requires that an application for a certificate of service authority shall include a proposed tariff with a forty-five day effective date. Applicant is in the process of developing its tariffs. At such time as Applicant has determined all of the information necessary to develop its tariffs, Applicant will promptly file the tariffs bearing no less than a 45-day effective date with the Commission in a manner consistent with the Commission's practice in similar cases. In any circumstance, Applicant will file a proposed basic local exchange telecommunications service tariff no later than 30 days after Commission approval of Applicant's interconnection and/or resale agreement.

21. Applicant submits, notwithstanding the provisions of Section 392.500 RSMo., as a condition of certification and competitive classification, Applicant agrees that, unless otherwise ordered by the Commission, Applicant's originating and terminating switched exchange access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for each ILEC within whose service area(s) Applicant seeks to provide service. Additionally, pursuant to the Commission's Report and Order in Case No. T0-99-596, Applicant agrees that if the ILEC in whose service area Applicant is operating decreases its originating and/or terminating access service rates, Applicant shall file an appropriate tariff amendment to

reduce its originating and/or terminating access rates within thirty (30) days of the ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap on switched exchange access rates.

22. Applicant, pursuant to Section 386.570 RSMo, will comply with all applicable Commission rules except those specifically waived by the Commission pursuant to Applicant's request.

E. Public Interest Considerations

23. Grant of this Application will permit Zayo to operate its business in a more efficient and streamlined manner by eliminating multiple separate operating entities and the corresponding accounting and regulatory burdens of that structure, which in turn will enable Zayo to be a more economically efficient competitor. Upon taking over the role of its operating subsidiaries, Zayo will continue to deploy and expand a competitive telecommunications infrastructure in the State and will provide customers high quality, cost effective telecommunications services, with an emphasis on customer service. In addition to driving prices closer to costs, thereby ensuring just and reasonable rates, competition also promotes efficiency in the delivery of services and in the development of new services. These benefits work to maximize the public interest by providing continuing incentives for carriers to reduce costs while, simultaneously, promoting the availability of potentially desirable services.

III. CONCLUSION

For the reasons stated above, Applicant respectfully submits that the public interest, convenience, and necessity would be furthered by a grant of this Application for the authority to provide all types of facilities-based and resold local and interexchange telecommunications services, as well as all other relief sought in this Application.

Respectfully submitted,

By: /s/ Mark P. Johnson
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mark.johnson@snrdenton.com

COUNSEL FOR APPLICANT

Dated: February 10, 2011

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was served via e-mail on this 11th day of February, 2011, to General Counsel's Office at gencounsel@psc.mo.gov; and Office of Public Counsel at opcservice@ded.mo.gov.

/s/ Mark P. Johnson
Mark P. Johnson

STATE OF COLORADO
COUNTY OF BOULDER

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VERIFICATION

Scott E. Beer, being duly sworn, deposes and say that I am the Vice President, General Counsel and Secretary of Zayo Group, LLC; that I am authorized to make this Verification on behalf of Zayo Group, LLC.; that the foregoing Application was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.



Scott E. Beer
Vice President, General Counsel and Secretary
Zayo Group, LLC

Sworn and subscribed before me this 20th day of January, 2011.



Notary Public LINDA BEER

My commission expires: 6-8-2011