

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of the Joint Application of)
)
Zayo Group, LLC, Assignee,)
)
and) WC Docket No. 18-_____
)
Near North Partners, LLC, Assignor,)
)
for Authority Pursuant to Section 214 of the)
Communications Act of 1934, as amended, and)
the Commission’s Rules to Assign Certain)
Assets, including Customers, of Assignor to)
Assignee)

JOINT APPLICATION

Zayo Group, LLC (“Zayo” or “Assignee”) and Near North Partners, LLC (“NNP” or “Assignee”) (together, “Applicants”), pursuant to Section 214 of the Communications Act of 1934, as amended (the “Act”), 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission’s Rules, 47 C.F.R. §§ 63.04 & 63.24, request Commission approval to assign certain assets, including customers, of NNP to Zayo (the “Transaction”).¹ The proposed Transaction will not result in a discontinuance, loss, or impairment of service

In support of this Application, Applicants provide the following information:

I. DESCRIPTION OF THE APPLICANTS

A. Zayo Group, LLC

Zayo is a wholly owned subsidiary of Zayo Group Holdings, Inc. (“ZGH”), a publicly traded Delaware corporation (NYSE: ZAYO). ZGH has no majority owner. Zayo is a provider of bandwidth infrastructure and network neutral colocation and interconnection services over

¹ NNP does not hold an international Section 214 authorization or provide international services. Therefore, this is the only application requesting approval for the Transaction under Section 214 of the Act.

regional and metropolitan fiber networks. These services enable customers to manage, operate, and scale their telecommunications and data networks. Zayo's customers consist primarily of wireless service providers, national and regional communications service providers, media/internet/content companies, schools, hospitals, governments, banks and other bandwidth-intensive enterprises.

Through Zayo's acquisitions of Allstream and Electric Lightwave, the Allstream business, which is operated as a distinct segment of Zayo, provides a unified communications business that consists of the Canadian small and medium-sized enterprise (SME) and voice businesses through Allstream Business Inc., an indirect, wholly owned Canadian subsidiary of Zayo, and the North American voice business through Allstream Business US, LLC, an Oregon limited liability company and indirect, wholly owned subsidiary of Zayo.

Charts depicting the ownership of Zayo and its subsidiaries that provide telecommunications services in the United States are provided in Exhibit A.

B. Near North Partners, LLC

NNP and its affiliate Neutral Path Communications, LLC ("NPC" and together with NNP, "Neutral Path") operate a fiber-based transport business providing facilities-based point-to-point transport communications facilities and related services.² Neutral Path makes its facilities available to Internet service providers, wireless carriers, government, data center operators and other private network operators. Neutral Path generally provides dark fiber and related cross-connects and co-location facilities, point-to-point Ethernet, as well as passive and optical wave facilities in Colorado, Iowa, Minnesota, and Nebraska. Additionally, Neutral Path also terminates facilities in locations in Missouri and Illinois.

² NPC does not provide telecommunications services but rather only provides dark fiber, colocation, cross connect and related facilities to customers.

The ownership of NNP is provided in Exhibit B.

II. DESCRIPTION OF THE TRANSACTION

Pursuant to an Asset Purchase Agreement (the “Agreement”) by and among Zayo, as the Buyer, NPC and NNP, as the Sellers and Indemnitors (as defined in the Agreement), dated January 28, 2018, Zayo will acquire substantially all of the assets of Neutral Path, including all network facilities and customers (the “Neutral Path Assets”).³ Immediately following completion of the Transaction, NNP’s customers will continue to receive service on the same terms and conditions from Zayo without interruption or disruption. Neutral Path and Zayo will jointly notify customers by letter substantially in the form of Exhibit C stating that following completion of the Transaction that services currently provided by Neutral Path will be provided by Zayo under the Zayo brand name.

III. PUBLIC INTEREST CONSIDERATIONS

The Transaction will serve the public interest. Zayo is one of the premier fiber communications providers in the country. The Neutral Path Assets are highly complementary to Zayo’s mid-western long haul fiber footprint. Zayo has determined that the acquisition of the Neutral Path Assets will enable it to expand its operations in a cost-efficient manner, thereby enhancing its competitive position and enabling it to expand the innovative and diversified services it provides in Colorado, Illinois, Iowa, Minnesota, Missouri, and Nebraska. These enhancements in turn will ultimately inure to the benefit of consumers as a whole, by promoting innovation, expansion of integrated services, and furthering competition among providers in the telecommunications marketplace in those states.

Neutral Path customers will benefit from the Transaction by seamlessly gaining access to Zayo’s much larger service platform, including greater geographic reach, more diversified

³ See *supra* note 1.

product portfolio, more extensive customer service, and more extensive operational support. At the same time, the Transaction will have no adverse impact on the customers of Neutral Path. The Transaction will not result in an interruption, disruption or impairment of service. Following the Transaction, supported by Zayo's experienced and well-qualified management team, Zayo will provide high-quality services to the customers of Neutral Path at the same rates and on the same terms and conditions as are currently in effect pursuant to individual contracts that will be assumed by Zayo at closing of Transaction.⁴ Any future changes in the rates, terms and conditions of service to the affected customers, if any, will be undertaken pursuant to the applicable federal and state notice and tariff requirements and Zayo's contractual obligations. Other than the change in carrier name and access to the benefits of Zayo's larger platform as described above, the Transaction will be seamless to Neutral Path customers. Following completion of the Transaction, the services that the affected customers currently receive from Neutral Path will be provided by Zayo.

The public interest therefore will be served by approval of this Application.

IV. INFORMATION REQUIRED BY SECTION 63.04

Pursuant to Section 63.04 of the Commission's Rules, the Applicants submit the following information in support of their request for domestic Section 214 authority to transfer control of certain NNP assets to Zayo in order to address the requirements set forth in Commission Rule 63.04(a)(1)-(12):

⁴ To the extent that the regulatory classification of services provided to customers changes, there may be additional surcharges applicable to such services.

(a)(1) Name, address and telephone number of each Applicant:

Assignee:

Zayo Group, LLC
1805 29th Street, Suite 2050
Boulder, CO 80301
Tel: 303-381-4683

FRN: 0016555849

Assignor:

Near North Partners, LLC
c/o Neutral Path
3 Civic Center Plaza, Suite 204
Mankato, MN 56001
Tel: 612-877-6500

FRN: 0024287500

(a)(2) Jurisdiction of Organizations:

Assignee: Zayo is a limited liability company formed under the laws of Delaware.

Assignor: NNP is a limited liability company formed under the laws of Illinois.

(a)(3) Correspondence concerning this Application should be sent to:

For Zayo:

Catherine Wang
Brett P. Ferenchak
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Ave, N.W.
Washington, DC 20004-2541
202-739-3000 (tel)
202-739-3001 (fax)
catherine.wang@morganlewis.com
brett.ferenchak@morganlewis.com

With copies for Zayo to:

Wendy Cassity
VP, Secretary & General Counsel
Zayo Group
1805 29th St., Suite 2050
Boulder, CO 80301
wendy.cassity@zayo.com

For Neutral Path to:

H. Russell Frisby, Jr.
Brandon R. Nagy
Stinson Leonard Street LLP
1775 Pennsylvania Avenue, N.W.
Suite 800
Washington, DC 20006
202-785-9100 (tel)
202-572-9945 (fax)
russell.frisby@stinson.com
brandon.nagy@stinson.com

With copies for Neutral Path to:

Scott J. Bergs
c/o Neutral Path Communications
3 Civic Center Plaza, Suite 204
Mankato, MN 56001
Sbergs@neutralpath.net

(a)(4) The following entities hold, directly or indirectly, a ten percent (10%) or greater interest⁵ in Zayo as calculated pursuant to the Commission's ownership attribution rules for wireline and international telecommunications carriers:

The following entity directly, wholly owns **Zayo**:

Name:	Zayo Group Holdings, Inc. ("ZGH")
Address:	1805 29th Street Boulder, CO 80301
Citizenship:	U.S. (Delaware)
Principal Business:	Holding Company
% Interest:	100% (directly in Zayo)

The following entities and individuals currently hold a ten percent (10%) or greater, direct or indirect, interest in **ZGH**:

Name:	GTCR Partners X/A&C LP
Address:	300 N. LaSalle Street, Suite 5600 Chicago, IL 60654
Citizenship:	U.S. (Delaware)
Principal Business:	Investments
% Interest:	Approx. 10.9% (indirectly in ZGH as the general partner of GTCR Fund X/A LP, GTCR Fund X/C LP and GTCR Investors (CII) LP, each of which holds a direct interest in ZGH but individually does not hold a 10% or greater interest in ZGH)

⁵ Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

Name: GTCR Investment X LLC
Address: 300 N. LaSalle Street, Suite 5600
Chicago, IL 60654
Citizenship: U.S. (Delaware)
Principal Business: Investments
% Interest: Approx. 11.0% (indirectly in ZGH as the general partner of (i) GTCR Partners X/A&C LP and (ii) GTCR Co-Invest X LP, which holds less than a 0.1% direct interest in ZGH))

The following individuals are members of the board of managers of GTCR Investment X LLC, are all U.S. citizens, and can be reached through GTCR Investment X LLC:

Mark M. Anderson
Craig A. Bondy
Philip A. Canfield
David A. Donnini
Constantine S. Mihas
Collin E. Roche
Sean L. Cunningham
Aaron D. Cohen

To Zayo's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in ZGH through GTCR Partners X/A&C LP or GTCR Investment X LLC.

ZGH is a publicly traded company (NYSE: ZAYO) whose stock ownership varies on a daily basis. Based on information filed with the SEC with respect to ZGH and other information provided to ZGH, to the knowledge of Zayo's management, no other person or entity currently holds a 10% or greater direct or indirect interest in Zayo. Additional information regarding ZGH's ownership is available in ZGH's most recent proxy statement available at: <https://www.sec.gov/Archives/edgar/data/1608249/000104746917006037/0001047469-17-006037-index.htm>.

(a)(5) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a; *see also* 47 C.F.R. §§ 1.2001-1.2003.

(a)(6) A description of the proposed transaction is set forth in **Section II** above.

(a)(7) (i) NNP provides interstate telecommunications services (primarily point-to-point Ethernet, as well as passive and optical wave facilities) in Colorado, Iowa, Minnesota and Nebraska.⁶ NNP holds authorization to provide intrastate telecommunications services in Minnesota and Nebraska.

(ii) Zayo is authorized to provide competitive local exchange, competitive access and/or interexchange in the District of Columbia and every state except Alaska and Hawaii. Zayo's primary telecommunications service offerings include high-capacity bandwidth services such as private line, Ethernet, wavelength and higher services.

The following subsidiaries of Zayo provide telecommunications services as follows:

- Electric Lightwave, LLC provides business and carrier customers a suite of integrated telecommunications products and services (including competitive local exchange, interexchange data, Internet access and broadband transport services) primarily in metropolitan areas in Arizona, California, Colorado, Idaho, Minnesota, Montana, Nevada, North Dakota, Oregon, Utah and Washington. Electric Lightwave, LLC is also authorized to provide intrastate interexchange services in Alabama, Arkansas, Delaware, Florida, Georgia, Hawaii, Illinois (and competitive local exchange), Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Jersey, New Mexico, New York (also authorized to provide local exchange), North Carolina, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas (and competitive local exchange), Virginia, Wisconsin and Wyoming, where it primarily serves satellite location of customers whose primary service locations are located in a core market(s).
- Scott-Rice Telephone Co. ("Scott-Rice") is an incumbent local exchange carrier in Minnesota serving the Prior Lake, New Market and Webster exchanges and al-

⁶ Neutral Path also terminates facilities in locations in Missouri and Illinois.

so provides interexchange, international and telecommunications services to residential and business customers. Scott-Rice also provides cable services in certain communities of Scott County, Minnesota.

- opticAccess, LLC provides competitive local exchange and/or interexchange telecommunications services in California, Oregon and Washington.
- X2 Telecom, LLC operates a U.S. domestic festoon cable off the coast of California and provides dark fiber to Zayo and its subsidiaries. It does not provide service directly to end user customers.

Zayo is in the process of acquiring Spread Holdings, LLC and its subsidiaries, Spread Telecommunications, LLC (“Spread”), Northeastern ITS, LLC (“NITS”) and Job 8, LLC (“Job 8”),⁷ which transaction is expected to close in February, 2018. Spread provides interstate telecommunications services in Illinois, New Jersey, New York, Ohio and Pennsylvania and intrastate telecommunications services (primarily wireless) in New Jersey. Spread does not hold authorization to provide intrastate telecommunications services in any state. NITS is authorized to provide: (1) competitive local exchange and interexchange telecommunications services in New Jersey; (2) competitive telecommunications services (interexchange) in Ohio; and (3) competitive access provider services in Pennsylvania. Job 8 is authorized to provide competitive local exchange and interexchange telecommunications in Illinois. NITS and Job 8 provide a *de minimis* amount of intrastate telecommunications services in the states indicated. The following affiliates of Spread hold millimeter wave licenses from the Commission: Midwest Industrial Communications Services, LLC (Call Sign WQOX949); and mmW Backhaul Solutions, LLC (Call Sign WQOD968).

(iii) Through GTCR Investment X, LLC, to its knowledge, Assignee is currently affiliated (as defined in the Act) with the following domestic telecommunications services

⁷ See WC Docket No. 17-350.

providers: (1) Onvoy, LLC and its subsidiaries, which provide or are authorized to provide competitive local exchange and/or interexchange telecommunications services in every state and the District of Columbia and (2) GreatCall a wireless reseller whose subsidiary, Accessible Wireless, LLC, holds a cellular license (Call Sign KNKR334).

(iv) To Transferee's knowledge, Assignee is not affiliated with any other telecommunications carriers.

(a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(ii) because, immediately following the Transaction, (i) Assignee (and its Affiliates, as defined in the Act) will have a market share in the interstate, interexchange market of less than ten percent (10%), (ii) the Assignee (and its Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction;⁸ and (iii) no Neutral Path Assets are located in, or adjacent to, the service territory of Scott-Rice, an incumbent local exchange carrier.⁹

⁸ As stated above, however, Scott-Rice is an incumbent local exchange carrier in Minnesota serving the Prior Lake, New Market and Webster exchanges but is not party to the transaction. Also as stated above, Zayo is affiliated (as defined in the Act) with Onvoy, LLC through common ownership by investment funds ultimately controlled by GTCR Investment X LLC. As stated in the Second Supplement filed in WC Docket No. 16-401 on December 26, 2016, Onvoy, LLC (collectively with its subsidiaries, "Onvoy") provides (a) Operator Service, (b) Busy Line Verification Service, (c) Directory Assistance, and (d) Access Tandem Services to Scott-Rice. *See Domestic Section 214 Application Granted for the Transfer of Control of the Subsidiaries of Electric Lightwave Parent, Inc. to Zayo Group, LLC*, WC Docket No. 16-401, Second Supplement (dated Dec. 26, 2016) (explaining the potential overlap of Onvoy with Scott-Rice in connection with Zayo's acquisition of Electric Lightwave Parent, Inc. and its subsidiaries, including Scott-Rice). The Onvoy trunks over which these services are delivered to Scott-Rice's end office switch from Onvoy's tandem switch are partially in Scott-Rice territory. *Id.* Onvoy is not a competitor to Scott-Rice for this trunking. *Id.*

⁹ In addition, Scott-Rice has fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide.

(a)(9) There are no other Commission applications related to this Transaction.

(a)(10) No party is requesting special consideration because it is facing imminent business failure. However, the parties to the Transaction are targeting completion of the assignment of assets approximately 60 days of signing the Agreement. Therefore, Applicants respectfully request expedited processing of the review and approval of this application in order to allow the parties to meet this schedule.

(a)(11) Not applicable.

(a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in Section IV, above.

VI. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience and necessity would be furthered by a grant of this Application to substantially all of the assets, including customers, of NNP to Zayo.

Respectfully submitted,

/s/ *Russell Frisby, Jr.* _____

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russell.frisby@stinson.com
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Counsel for Near North Partners, LLC

/s/ *Catherine Wang* _____

Catherine Wang
Brett P. Ferenchak
MORGAN, LEWIS & BOCKIUS LLP
1111 Pennsylvania Avenue, N.W.
Washington, DC 20004
202-739-3000 (tel)
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Counsel for Zayo Group, LLC

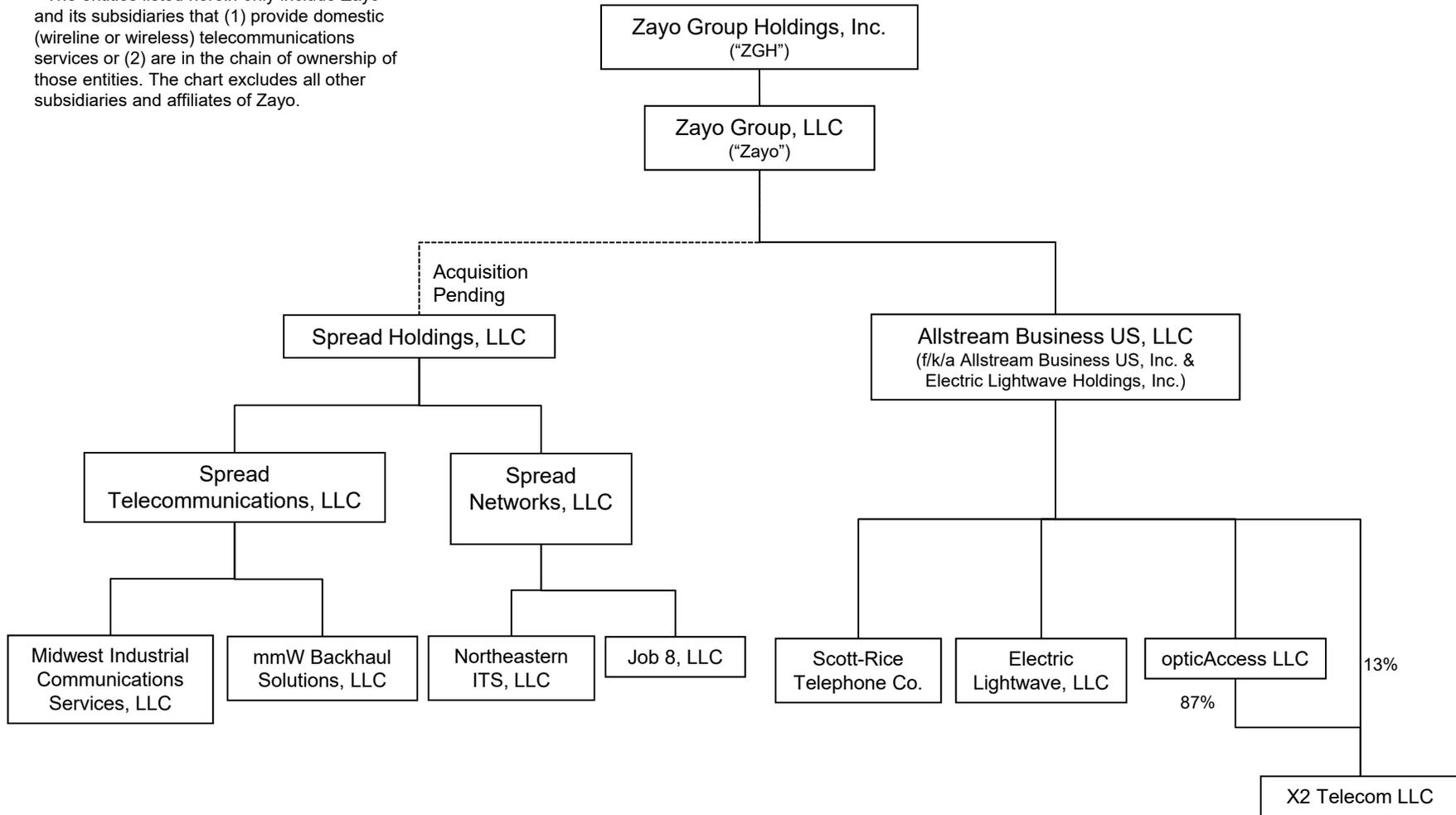
Dated: February 15, 2018

EXHIBIT A

Corporate Ownership Structure Chart for Zayo and its Subsidiaries

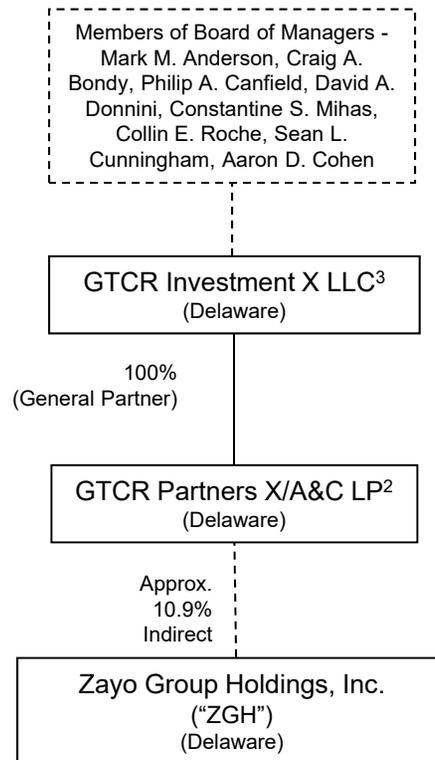
Corporate Ownership Structure of Zayo* (U.S. Domestic Carrier Subsidiaries)

* The entities listed herein only include Zayo and its subsidiaries that (1) provide domestic (wireline or wireless) telecommunications services or (2) are in the chain of ownership of those entities. The chart excludes all other subsidiaries and affiliates of Zayo.



Unless otherwise indicated all ownership percentages are 100%.

Entities Controlling 10% or More of ZGH



² GTCR Partners X/A&C LP indirectly controls approximately an 10.9% interest in ZGH as the general partner of GTCR Fund X/A LP, GTCR Fund X/C LP and GTCR Investors (CII) LP, each of which holds a direct interest in ZGH but individually does not hold a 10% or greater interest in ZGH.

³ GTCR Investment X LLC indirectly controls approximately an 11.0% interest in ZGH as the general partner of (i) GTCR Partners X/A&C LP and (ii) GTCR Co-Invest X LP, which holds less than a 0.1% direct interest in ZGH.

EXHIBIT B

Current Ownership of NNP

The following is a summary of the entities that currently own or control a ten percent (10%) or greater interest in NNP:

Name: Neutral Path Holdings, LLC (“Neutral Path”)
Address: 3 Civic Center Plaza, Suite 204
Mankato, MN 56001
Citizenship: U.S. (Minnesota)
Principal Business: Holding Company
% Interest: 100% (directly)

Name: Scott J. Bergs
Address: 3 Civic Center Plaza, Suite 204
Mankato, MN 56001
Citizenship: U.S.
Principal Business: Individual (Fiber Transport)
% Interest: 30.555% (indirectly, as 30.555% direct owner of Neutral Path)

Name: Jason Hanke
Address: 3 Civic Center Plaza, Suite 204
Mankato, MN 56001
Citizenship: U.S.
Principal Business: Individual (Fiber Transport)
% Interest: 30.555% (indirectly, as 30.555% direct owner of Neutral Path)

Name: Charles A. Frenz
Address: 3 Civic Center Plaza, Suite 204
Mankato, MN 56001
Citizenship: U.S.
Principal Business: Individual (Fiber Transport)
% Interest: 24.010% (indirectly, as 24.010% direct owner of Neutral Path)

Name: Cityfront Partners, LLC
Address: 455 N. Cityfront Plaza Dr., Suite 2755
Chicago, IL 60611
Citizenship: U.S. (Illinois)
Principal Business: Fiber Transport
% Interest: 14.867% (indirectly, as 14.867% direct owner of Neutral Path)

The members of Cityfront Partners, LLC consist of the following U.S. citizens and Florida corporation: Christopher J. Jensen, Kenneth D. Anderson, Gerald E. Gill, and Near North Leasing Company, Inc.

No other person or entity owns a direct or indirect, 10 percent or greater interest in Neutral Path.

EXHIBIT C

Sample Customer Notice

Dear Valued Neutral Path Customer:

Neutral Path Communications, LLC and Near North Partners, LLC d/b/a Neutral Path Communications (together, "Neutral Path") have agreed to sell substantially all of their assets to Zayo Group, LLC ("Zayo"). The assets to be sold include the facilities used to provide your current service(s) and the current service contract(s) between you and Neutral Path. We expect that the transaction will be completed on or after _____, 2018 at which time you will become a customer of Zayo.

Zayo is one of the premier fiber communications providers in the country. Zayo has an outstanding reputation for customer service and will be able to offer you a wide range of services.

Please rest assured that the transaction will not affect the services and facilities you currently receive and will be completely seamless for you. The companies will take care of all the details. There will be no immediate changes to your service, pricing, or your service contract/order terms. Thus, the transaction should be transparent to you as the customer.

Once the transaction is complete, Zayo will provide you notice of their account representative, NOC and emergency numbers.

Should you have any questions regarding the proposed transaction, please do not hesitate to email us at info@neutralpath.net or serviceexperts@zayo.com. For service or account issues or questions, please continue to contact customer service at (612) 877-6500.

Sincerely,

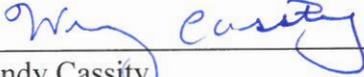
Neutral Path Communications

Zayo Group, LLC

VERIFICATION

I, Wendy Cassity, state I am the Senior Vice President, Secretary and General Counsel of Zayo Group, LLC (“the Company”); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared at my direction; and that the contents with respect to the Company and its affiliates are true and correct to my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 15th day of February, 2018.

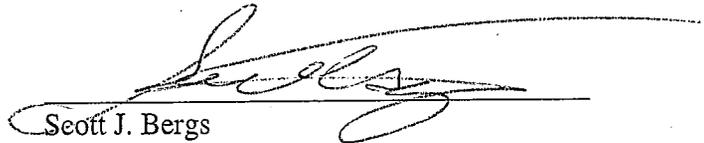


Wendy Cassity
Senior Vice President, Secretary & General Counsel
Zayo Group, LLC

VERIFICATION

I, Scott J. Bergs, state that I am the Chief Manager and Chief Executive Officer of Neutral Path Holdings, LLC ("NPH") and Chief Executive Officer of Near North Partners, LLC ("NNP"); that I am authorized to make this Verification on behalf of NPH and NPP; that the foregoing filing was prepared at my direction; and that the contents with respect to NPH and NNP and their affiliates are true and correct to my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 14 day of February, 2018.



Scott J. Bergs
Chief Executive Officer
Neutral Path Holdings, LLC
Near North Partners, LLC