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December 11, 2017



BOARD OF PUBLIC UTILITIES

DEC 12 2017

MAIL RECEIVED

Via Electronic (irene.asbury@bpu.nj.gov) and FedEx Overnight Mail

Irene Kim Asbury, Secretary
Board of Public Utilities
44 South Clinton Avenue
3rd Floor, Suite 314
Trenton, NJ 08625

TF17121282

Re: Joint Petition of Zayo Group, LLC and Northeastern ITS, LLC for Approval for
Northeastern ITS, LLC to Participate in Certain Financing Arrangements
File No. 41049.1100

Dear Secretary Asbury:

Our office represents Petitioners Zayo Group, LLC, and Northeastern ITS, LLC ("Petitioners"),
in connection with the above-captioned matter. Enclosed herewith please find an original and 11
copies of Petitioners' Petition with regard to same.

It would be appreciated if you would kindly date stamp the extra copy of this letter and the
Petition and return same in the stamped, self-addressed envelope provided herein.

I thank you for your kind attention.

Very truly yours,

Dennis Linken /dp

Dennis C. Linken
For the Firm

DCL/dp

enc.

CMS
C. ARTALE
DHG
RPA
L. GILBERT
H. BRAND
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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

Joint Petition of

Zayo Group, LLC
and
Northeastern ITS, LLC

for Approval for Northeastern ITS, LLC to Participate
in Certain Financing Arrangements

Docket No. _____

BOARD OF PUBLIC UTILITIES

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VERIFIED JOINT PETITION

Zayo Group, LLC (“Zayo” or “Transferee”) and Northeastern ITS, LLC (“Northeastern” or “Licensee”) (together, “Petitioners”), pursuant to N.J.S.A. 48:3-7 and N.J.S.A. 48:3-9, and the regulations of the Board of Public Utilities (“Board”), request Board approval for Northeastern to participate in certain Financing Arrangements (as defined below) following consummation of the Transaction (as defined below).

In support of this Petition, Petitioners provide the following information:

I. INTRODUCTION

This Petition is being filed in connection with the proposed transfer of indirect control of Northeastern to Zayo.¹ Pursuant to the Agreement and Plan of Merger, dated as of November 26, 2017, by and among Zayo, SNMS, LLC (“Merger Sub”),² Spread Holdings, LLC (“Spread Holdings”), and Barksdale Communications, LLC (“Barksdale”), solely in its capacity as the Unitholder Representative, Zayo will acquire all of the outstanding equity in Spread Holdings (the

¹ A separate Petition requesting approval of the proposed Transaction (the “Transfer Petition”) was filed on December 11, 2017, 2017. See Docket No. [to be assigned]. Petitioners request that the Transfer Petition be considered independently from this Petition as Northeastern’s participation in the Financing Arrangements is not a condition for closing the Transaction and may occur at or after closing.

² Merger Sub is a Mississippi limited liability company and direct, wholly owned subsidiary of Zayo created for purposes of the merger.

“Transaction”). Specifically, Merger Sub will merge with and into Spread Holdings, whereupon the separate existence of Merger Sub will cease and Spread Holdings will survive as a direct, wholly owned subsidiary of Zayo. Northeastern will remain an indirect subsidiary of Spread Holdings and, therefore, Northeastern will become an indirect, wholly owned subsidiary of Zayo. Diagrams depicting the pre- and post-Transaction corporate ownership structures are provided as **Exhibit A**.

Following consummation of the Transaction, Northeastern is expected to participate in certain Financing Arrangements of Zayo or its affiliates. Therefore, this Petition seeks approval for Northeastern to participate in such Financing Arrangements.

II. DESCRIPTION OF THE PETITIONERS

A. Zayo Group, LLC

Zayo is a direct, wholly owned subsidiary of Zayo Group Holdings, LLC (“Holdings”), a publicly traded Delaware corporation (NYSE: ZAYO). Holdings has no majority owner. Zayo and Holdings have their corporate headquarters located at 1805 29th St., Suite 2050, Boulder, Colorado 80301. Zayo is a provider of bandwidth infrastructure and network neutral colocation and interconnection services over regional and metropolitan fiber networks. Zayo’s primary telecommunications service offerings include high-capacity bandwidth services such as private line, Ethernet, wavelength and higher services. These services enable 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.

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. In New

Jersey, Zayo is authorized to provide local exchange and interexchange telecommunications services pursuant to Board authorization granted I/M/O the Petition of Zayo Group, LLC for Approval to Provide Local Exchange, Interexchange and Exchange Access Telecommunications Services Throughout the State of New Jersey, Docket No. TE11020049 (Order dated May 16, 2011). Zayo is also authorized by the Federal Communications Commission to provide domestic and international telecommunications services.

Additional information concerning Zayo's legal, technical, managerial and financial qualifications has been submitted to the Board with various prior filings with respect to Zayo's certification and various transactions and is therefore already a matter of public record. Zayo therefore requests that the Board take official notice of these existing descriptions of Zayo's qualifications and incorporate them by reference herein. In support of Zayo's financial qualifications, the financial statements of Zayo from its most recent SEC Forms 10-K and 10-Q are available at <http://investors.zayo.com/sec-filings.aspx>. Biographies of Zayo's senior management team can be found at <https://www.zayo.com/company/executive-leadership/>.

Zayo has 41 employees in New Jersey.

B. Northeastern ITS, LLC

Northeastern is a limited liability company organized under the laws of the Commonwealth of Pennsylvania, with principal offices located at 800 Woodlands Parkway, Suite 205, Ridgeland, Mississippi 39157. Northeastern is an indirect, wholly owned subsidiary of Spread Holdings and is authorized to provide telecommunications service in New Jersey, Ohio and Pennsylvania, but currently does not provide intrastate telecommunications services except in Pennsylvania where it provides at most a *de minimis* amount of intrastate telecommunications services. In New Jersey, Northeastern is authorized to provide facilities-based and resold local exchange, interexchange and carrier exchange telecommunications service pursuant to authority granted I/M/O the Petition of

Northeastern ITS, LLC for Approval to Provide Local Exchange and Interexchange Telecommunications Services Throughout the State of New Jersey, Docket No. TE09030225.

Spread Holdings is a Mississippi limited liability company, with principal offices located at 800 Woodlands Parkway, Suite 205, Ridgeland, Mississippi 39157. Spread Holdings is a holding company for its subsidiaries, including Northeastern (collectively, "Spread Networks"), that built a carrier-neutral fiber network between New York City and Chicago. Spread Networks provides its customers with a state-of-the-art diverse and secure fiber optic network to allow data to run as close as possible to the true speed of light through fiber. Spread Holdings is majority-owned by Barksdale Communications, a Mississippi limited liability company whose principal business is its investment in Spread Holdings. Neither Spread Holdings nor Barksdale provide telecommunications services.

Spread Networks has four (4) employees located in New Jersey.

III. DESIGNATED CONTACTS

Questions, correspondence or other communications concerning this Petition should be directed to:

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