

FORWARD  
CASE MANAGEMENT

LAURA M. MILLER | Counsel  
lmiller@sh-law.com  
Direct Phone: 201-896-7121 | Fax: 201-896-7122

2019 JUL 22 P 12:43  
BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

BOARD OF PUBLIC UTILITIES

PUBLIC VERSION

JUL 22 2019

July 19, 2019

MAIL RECEIVED

RECEIVED  
CASE MANAGEMENT

Via Electronic (aida.camacho@bpu.nj.gov) and FedEx Overnight Mail

JUL 22 2019

Aida Camacho-Welch, Secretary  
Board of Public Utilities  
44 South Clinton Avenue  
3rd Floor, Suite 314  
Trenton, NJ 08625

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

**Re: I/M/O the Verified Joint Petition of Zayo Group, LLC and Front Range TopCo, Inc. for Approval for Zayo Group, LLC to Participate in Certain Financing Arrangements**  
**Docket No. TF19060751**  
**Our File No. 41049.1200**

Dear Secretary Camacho-Welch:

We write on behalf of Petitioners Zayo Group, LLC and Front Range TopCo, Inc. ("Petitioners") in response to a letter dated July 5, 2019, from Renee Greenberg, Deputy Attorney General, on behalf of the Office of the Economist, seeking additional information and/or documentation in connection with the Board's review of the above-captioned matter. Attached please find Petitioners' responses (the "Responses") to said discovery.

Please note that Attachment A consists of a Balance Sheet (the "Financial Statement"), Attachment B consists of a Resolution (the "Resolution"), and Attachment C consists of a Commitment Letter (the "Commitment Letter"). The Financial Statement, Resolution and Commitment Letter, along with other confidential and proprietary data set forth in the Responses (collectively, the "Confidential Information"), are deemed proprietary and confidential by Petitioners as they consist of or contain highly sensitive information regarding Petitioners' operations. Were such information to be disclosed to Petitioners' competitors or potential competitors, it may prove harmful to Petitioners. The telecommunications industry continues to face competition from a growing number of sources. Hence, the need for confidential treatment of such information is acute. Accordingly, Petitioners request that the Confidential Information be determined to be proprietary and confidential by the Board of Public Utilities and, therefore, that it not be disclosed to members of the public.

*EMS*  
*J. Melchior, Esq., Conf & Records*  
*C. Antale, Esq.*

Aida Camacho-Welch, Secretary

July 19, 2019

Page 2

We are providing in a separate envelope, marked "CONFIDENTIAL", a confidential and unredacted copy of the Responses, inclusive of the Confidential Information. In addition, we are providing herewith a public copy thereof, with the Confidential Information having been redacted therefrom.

In accordance with N.J.A.C. 14:1-12.8, Zayo submits herewith the Affidavit of Michael Mooney, Senior Vice President, General Counsel and Secretary of Zayo Group Holdings Inc. Mr. Mooney sets forth in his Affidavit the reasons as to why protection is sought as well as further information in support of Petitioners' request.

Please direct any communications concerning this matter to the undersigned.

It would be appreciated if you would kindly date stamp the extra copy of this letter and the Responses as "FILED" and return same in the self-addressed, stamped envelope enclosed herewith for your convenience.

As always, should you require any further information, please do not hesitate to contact me.

Very truly yours,



Laura M. Miller  
For the Firm

enc.

cc: Renee Greenberg, Deputy Attorney General (w/enc. renee.greenberg@law.njoag.gov & FedEx)  
Dr. Ben Witherell, Director (w/enc. ben.witherell@bpu.nj.gov and FedEx)  
Christine Lin, Administrative Analyst (w/enc. christine.lin@bpu.nj.gov and FedEx)  
Lawanda R. Gilbert, Director (w/enc. lawanda.gilbert@bpu.nj.gov and FedEx)  
Harold Bond, Chief, Engineering and Rates (harold.bond@bpu.nj.gov)  
Rocco Della Serra, Administrative Analyst II (w/enc. rocco.dellaserra@bpu.nj.gov and FedEx)  
Stefanie A. Brand, Director (w/enc. sbrand@rpa.nj.gov and FedEx)  
Maria T. Novas-Ruiz, Assistant Deputy Rate Counsel (w/enc. mnovas-ruiz@rpa.nj.gov and FedEx)

BOARD OF PUBLIC UTILITIES

JUL 22 2019

MAIL RECEIVED

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

RECEIVED  
CASE MANAGEMENT

JUL 22 2019

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

I/M/O the Verified Joint Petition of Zayo Group, LLC and Front Range TopCo, Inc. for Approval for Zayo Group, LLC to Participate in Certain Financing Arrangements

Docket No. TF19060751

**AFFIDAVIT**

I, Michael Mooney, being of full age and duly sworn according to law, does hereby depose and state as follows:

1. I am SVP, General Counsel and Secretary of Zayo Group Holdings, Inc., the parent company of Zayo Group, LLC and other subsidiaries (collectively, the “Company”). As such, I am familiar with the nature and contents of the above-referenced Petition and the Response to Information Requests (“Response”).<sup>1</sup>

2. I make this affidavit in support of the request that the Board protect from public disclosure the Confidential Information described below that is being provided to Board staff in connection with their review of the pending Petition.

3. The Response contains the number of customers Zayo Group, LLC serves in New Jersey, the annualized revenue of Zayo Group, LLC from New Jersey telecommunications services, current and *pro forma* financial information for the Company, information about the Company’s current and proposed debt and capital structures, and Resolutions of the Board of Directors of Zayo Group Holdings, Inc. (the “Confidential Information”), which are confidential, proprietary, non-public business, commercial, and financial information, and therefore, does not constitute a “government record” under N.J.S.A. 47:1A-1.1.

---

<sup>1</sup> The Response to Information Requests is being filed in response to correspondence from the Board’s Chief Economist (dated July 5, 2019) requesting information regarding the financing arrangements set forth in the Petition (the “Information Requests”).

4. I make this affidavit in accordance with N.J.A.C. 14:1-12 *et seq.* to substantiate the claim that the Confidential Information submitted is confidential.

5. To the best of my knowledge, the Confidential Information is protected by making it generally available only to the management and the outside accounting, financial, legal, and other professionals of the Petitioners. It is not contained in materials that are routinely available to the general public.

6. To the best of my knowledge, the Confidential Information has not previously been subject to a confidentiality determination by the Board or any other State or federal agency, or court of competent jurisdiction.

7. The Confidential Information contains information that is commercially sensitive. This information is not available to the general public. Unrestricted availability of the details of the Confidential Information would provide competitors with information regarding the Company's customers, revenues and existing and proposed debt, upon which competitors could evaluate the Petitioners' business strategies to Petitioners' detriment. Such availability would disclose certain non-public details of the Company's financial condition and business and could ultimately result in a competitive disadvantage to the Company. In contrast, confidential treatment will not adversely affect any interested party. Confidential treatment of the Confidential Information is therefore requested to avoid potential commercial injury.

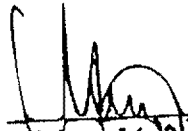
8. The Company requests the Confidential Information being provided to Board staff continue to be treated as confidential before, during, and after the proceedings in the above-captioned matter, unless the information or documents are adjudicated by the Board, the Office of Administrative Law, or other administrative agency of competent jurisdiction, or any court of competent jurisdiction to be non-confidential.

9. Due to the sensitive nature of this Confidential Information, the Company respectfully submits that it is appropriate for the Board to limit access to such information. The Confidential Information being provided is for the use of the Board, the Office of the New Jersey Attorney General (“AG”), and the New Jersey Division of Rate Counsel (“RC”) in exercising their governmental functions in the above-referenced proceeding. There is no legitimate purpose to be served in disclosing the Confidential Information to competitors or to any person other than the appropriate staff of the Board, AG and RC.

10. I hereby certify that the foregoing statements made by me are true and correct to the best of my knowledge, information, and belief.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

WHEREFORE, the Company respectfully requests that the Board issue a determination that the Confidential Information is confidential, and as such, exempt from public disclosure with the availability of such information limited accordingly.



---

Michael Mooney  
SVP, General Counsel and Secretary  
Zayo Group Holdings, Inc.

Dated: July 18, 2019

I/M/O VERIFIED JOINT PETITION OF  
ZAYO GROUP, LLC AND FRONT RANGE TOPCO, INC.  
FOR APPROVAL FOR ZAYO GROUP, LLC TO PARTICIPATE IN CERTAIN FINANCING  
ARRANGEMENTS

DOCKET NO. TF19060751

RESPONSES OF ZAYO GROUP, LLC AND FRONT RANGE TOPCO, INC. TO  
DISCOVERY REQUESTS OF THE OFFICE OF THE ECONOMIST  
DATED JULY 5, 2019

- 
1. Please provide Petitioners' current annual revenue from operations and current number of customers in New Jersey.

**RESPONSE:** Zayo Group, LLC ("ZGL") has approximately [BEGIN CONFIDENTIAL] [END CONFIDENTIAL] customers and approximately [BEGIN CONFIDENTIAL] [END CONFIDENTIAL] of annualized telecommunications services revenue in New Jersey.

Front Range TopCo, Inc. ("Front Range") is a newly formed company for purposes of the transfer of control transaction described in the Petition. Front Range does not have any annual revenue from operations in New Jersey or any customers in New Jersey.

2. Please provide pro-forma financial statements of the Petition reflecting new debt.

**RESPONSE:** The *pro forma* financial statements of Zayo Group Holdings, Inc. and its subsidiaries including ZGL ("Zayo"), which statements reflect the expected debt at the closing of the transfer of indirect control of ZGL to Front Range (the "Transaction"), which statements do not include the full Aggregate Amount to be borrowed are provided in Confidential Attachment A.

3. Please provide the current capital structure analysis before and after the debt has been issued. Please provide the debt to equity ratio and the estimated cost of capital.

**RESPONSE:** Below is Zayo's consolidated *pro forma* capital structure based upon the expected debt at closing of the Transaction and assuming the full Aggregate Amount is borrowed: [BEGIN CONFIDENTIAL]

I/M/O VERIFIED JOINT PETITION OF  
ZAYO GROUP, LLC AND FRONT RANGE TOPCO, INC.  
FOR APPROVAL FOR ZAYO GROUP, LLC TO PARTICIPATE IN CERTAIN FINANCING  
ARRANGEMENTS

DOCKET NO. TF19060751

RESPONSES OF ZAYO GROUP, LLC AND FRONT RANGE TOPCO, INC. TO  
DISCOVERY REQUESTS OF THE OFFICE OF THE ECONOMIST  
DATED JULY 5, 2019

---

[END CONFIDENTIAL]

---



I/M/O VERIFIED JOINT PETITION OF  
ZAYO GROUP, LLC AND FRONT RANGE TOPCO, INC.  
FOR APPROVAL FOR ZAYO GROUP, LLC TO PARTICIPATE IN CERTAIN FINANCING  
ARRANGEMENTS

DOCKET NO. TF19060751

RESPONSES OF ZAYO GROUP, LLC AND FRONT RANGE TOPCO, INC. TO  
DISCOVERY REQUESTS OF THE OFFICE OF THE ECONOMIST  
DATED JULY 5, 2019

- 
4. Please provide a schedule of all of the outstanding debt of Borrowers. Please specify the principal terms of each debt issuance.

**RESPONSE:** The outstanding long-term debt of ZGL authorized by the Board in Docket No. TF16100937 is as follows:

[BEGIN CONFIDENTIAL]

[END CONFIDENTIAL]

I/M/O VERIFIED JOINT PETITION OF  
ZAYO GROUP, LLC AND FRONT RANGE TOPCO, INC.  
FOR APPROVAL FOR ZAYO GROUP, LLC TO PARTICIPATE IN CERTAIN FINANCING  
ARRANGEMENTS

DOCKET NO. TF19060751

RESPONSES OF ZAYO GROUP, LLC AND FRONT RANGE TOPCO, INC. TO  
DISCOVERY REQUESTS OF THE OFFICE OF THE ECONOMIST  
DATED JULY 5, 2019

---

5. Please provide the Board of Directors Resolution(s) for the proposed financing arrangements.

**RESPONSE:** Resolutions for the proposed financing arrangements expected at closing have not been prepared and are not expected to be prepared until shortly before closing. A copy of the Resolution authorizing the Transaction, of which the financing arrangements are a related, is provided Confidential Attachment B. ZGL expects that the Resolutions for the financing arrangements expected at closing and additional financing arrangements up to the Aggregate Amount (as defined in the Petition) will be similar to those provided.

6. Please provide term sheets for the proposed new long-term financings.

**RESPONSE:** A copy of term sheets for the proposed Financing Arrangements as described in the Petition is provided as Confidential Attachment C.

7. Please specify the amount of proceeds that will be allocated to refinancing outstanding credit facilities.

**RESPONSE:** [BEGIN CONFIDENTIAL]

[END

CONFIDENTIAL]

**ATTACHMENTS A, B & C ARE CONFIDENTIAL  
(FILED SEPARATELY UNDER SEAL)**