## BINGHAM

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October 22, 2012

Via Electronic Filing

Marlene H. Dortch, Secretary Federal Communications Commission International Bureau Applications P.O. Box 979093 St. Louis, MO 63197-9700

#### Re: In the Matter of the Joint Application of First Communications, Inc., Transferor, First Telecom Services, LLC, Licensee, and Zayo Group, LLC, Transferee, for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, and Sections 63.04 and 63.24 of the Commission's Rules to Complete a Transfer of Control of First Telecom Services, LLC to Zayo Group, LLC

Dear Ms. Dortch:

On behalf of First Communications, Inc., First Telecom Services, LLC ("FTS"), and Zayo Group, LLC ("Zayo") attached please find an application for approval of the transfer of control of FTS to Zayo.

Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined <u>domestic</u> section 214 transfer application and <u>international</u> section 214 transfer applications ("Combined Application"). Applicants are simultaneously filing the Combined Application with the Wireline Competition Bureau, in accordance with the Commission's rules.

This filing and the applicable credit card payments in the amount of \$1,050.00 which satisfy the filing fees required for the applications under line 2.b of Section 1.1105 of the Commission's rules, are being submitted electronically through the MyIBFS.

Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

ett P Ferenchie

Jean L. Kiddoo Brett P. Ferenchak

Counsel for Applicants

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

| In the Matter of the Joint Application of   | ) ) |
|---|-----|
| First Communications, Inc., Transferor,<br>First Telecom Services, LLC, Licensee, | ))) |
| and   | )   |
| Zayo Group, LLC, Transferee,  | )   |
| For Grant of Authority Pursuant to  | ý   |
| Section 214 of the Communications Act of 1934,                                    | Ś   |
| as amended, and Sections 63.04 and 63.24 of the                                   | )   |
| Commission's Rules to Complete a Transfer of                                      | )   |
| Control of First Telecom Services, LLC to   | )   |
| Zayo Group, LLC   | )   |

WC Docket No. 12-\_\_\_\_

IB File No. ITC-T/C-2012\_\_\_\_\_

## JOINT APPLICATION

)

First Communications, Inc. ("FCI" or "Transferor"), First Telecom Services, LLC ("FTS" or "Licensee"), and Zayo Group, LLC ("Zayo" or "Transferee") (collectively, "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, respectfully request Commission approval for a Transaction (as defined below) where-by Zayo will acquire direct control of Licensee.

Although the proposed Transaction will result in a change in the ownership and control of Licensee, no assignment of authorizations, assets, or customers will occur as an immediate consequence of the proposed Transaction. Upon completion of the Transaction, Licensee will provide service to its existing customers under the same rates, terms and conditions. According-

ly, this Transaction will have no effect on the rates, terms and conditions of service of the customers of Licensee.

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

#### II. DESCRIPTION OF THE APPLICANTS

#### A. First Communications, Inc. and First Telecom Services, LLC.

FCI is a Delaware corporation located at 3340 West Market Street, Akron, Ohio 44333. FCI is a holding company that operates through two distinct subsidiary groups: (1) FTS, which offers high capacity metro and long-haul fiber optic network facilities and services across the Midwest and Mid-Atlantic states; and (2) a business services group of carriers comprised of First Communications, LLC ("FirstComm"), Globalcom, Inc. ("Globalcom"), and Xtension Services, Inc. ("Xtension"), that offers data and switched voices services in 49 states. Only FTS is affected by the instant Transaction.

FTS is an Ohio limited liability company that provides telecommunications services over its fiber-based network spanning 7,742 route miles, including 676 metro route miles and over 450,000 fiber miles. FTS offers a fiber infrastructure solution primarily to carriers and large enterprises including both dark and interstate lit fiber.

FTS is a wholly owned direct subsidiary of FCI. Currently, the following persons or entities hold a 10% or greater interest in FCI:

| Marbel Investments, LLC ("Marbel") |
|------------------------------------|
| 612 Market Ave., South             |
| Canton, OH 44702                   |
| U.S.                               |
| 19.3%                              |
| Investment                         |
|                                    |

No person or entity holds a 10% or greater indirect ownership interest in FCI through Marbel.

| Name:               | FirstEnergy Corp. ("FirstEnergy") |
|---------------------|-----------------------------------|
| Address:            | 76 S. Main Street, Suite 1600     |
|                     | Akron, OR 44308                   |
| Citizenship:        | U.S.                              |
| Percentage Owned:   | 27.4%                             |
| Principal Business: | Energy                            |

FirstEnergy is a publicly traded company and no person or entity holds a 10% or greater indirect ownership interest in FCI through FirstEnergy.

#### B. Zayo Group, LLC

Zayo is a Delaware limited liability company and a wholly owned subsidiary of Zayo Group Holdings, Inc. ("Zayo Holdings"), a Delaware corporation that, in turn, is a wholly owned direct subsidiary of Communications Infrastructure Investments, LLC ("CII"), a Delaware limited liability company. CII has no majority owner.

Zayo (itself and through certain operating subsidiaries) is a provider of bandwidth infrastructure and network neutral colocation and interconnection services over dense regional and metropolitan fiber networks that enable customers to manage, operate, and scale their telecommunications and data networks. Zayo's services are primarily used by wireless service providers, national and regional carriers, and other communications service providers, media and content companies, and bandwidth-intensive enterprises. Zayo's fiber network spans over 68,500 route miles and serves approximately 9,000 buildings, including major data centers, telecommunications hubs, enterprise buildings, and cellular towers. Zayo, together with its operating subsidiaries, operate in 45 states and in the District of Columbia in the U.S., and in 7 countries in North America and Europe. Its extensive network enables Zayo to provide bandwidth infrastructure services to customers over redundant fiber facilities between key customer locations.

#### **III.** DESCRIPTION OF THE TRANSACTION

Pursuant to the Membership Interest Purchase Agreement, dated as of October 12, 2012, by and among FCI and Zayo (the "Agreement"), Zayo will acquire all of the outstanding membership units in FTS from FCI (the "Transaction"). As a result, FTS will become a whollyowned direct subsidiary of Zayo. Diagrams depicting the pre- and post-Transaction corporate organization structures are appended hereto as <u>Exhibit A</u>.

Upon completion of the Transaction, Licensee will be directly owned by Zayo, but the current customers of Licensee will remain customers of Licensee. Shortly after the Transaction is completed, Licensee will no longer use "First Communications" on marketing or customer materials and will adopt a "Zayo" brand name, but otherwise the Transaction will be virtually transparent to customers, who will continue to enjoy the same rates, terms and conditions of service as prior to closing.

Zayo is managerially, technically, and financially qualified to complete the Transaction. As noted above, Zayo and its subsidiaries are currently authorized to provide telecommunications services and/or dark fiber in the District of Columbia and in 48 states and, where required, hold the necessary state regulatory certifications and registrations necessary to provide such services. For additional detail on the financial and managerial qualifications of Zayo, please see <u>www.zayo.com</u>. Licensee will continue to have the managerial, technical and financial qualifications to provide high quality telecommunications services to consumers, as augmented and supported by experienced Zayo management. Licensee will also be supported by the financial resources of Zayo.

## IV. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e)(2) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

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

## Transferor

| First Communications, Inc.<br>3340 West Market Street<br>Akron, Ohio 44333<br>(330) 835-2323  | FRN: 0015806979 |
|---|-----------------|
| Licensee:   |                 |
| First Telecom Services, LLC<br>3340 West Market Street<br>Akron, Ohio 44333<br>(330) 835-2323 | FRN: 0018651927 |
| Transferee:   |                 |
| Zayo Group, LLC   | FRN: 0016555849 |

Zayo Group, LLC F 400 Centennial Parkway, Suite 200 Louisville, CO 80027 303-381-4664

## (b) Jurisdiction of Organizations:

| Transferor: | FirstComm is a corporation formed under the laws of Delaware.               |
|-------------|---|
| Licensee:   | FTS is a limited liability company formed under the laws of Ohio.           |
| Transferee: | Zayo is a limited liability company formed under the laws of Del-<br>aware. |

## (c) (Answer to Question 10) Correspondence concerning this Application should be

sent to:

For Applicants:

Jean L. Kiddoo Brett P. Ferenchak Bingham McCutchen LLP 2020 K Street, N.W., Suite 1100 Washington, DC 20006-1806 202-373-6000 (tel) 202-373-6001 (fax) jean.kiddoo@bingham.com brett.ferenchak@bingham.com

## For Zayo:

Jill Sandford Associate General Counsel Zayo Group, LLC 360 Hamilton Road, 7<sup>th</sup> floor White Plains, NY 914-421-7585 (tel) 914-421-6793 (fax) jill.sandford@zayo.com For FirstComm and FTS:

Sandi Murphy General Counsel First Communications, Inc. 3340 West Market Street Akron, OH 44333 330-835-2664 (tel) 330-835-2330 (fax) smurphy@firstcomm.com

## (d) Section 214 Authorizations

<u>Transferor:</u> FCI does not hold international or domestic Section 214 authority. In addition to Licensee, FCI's subsidiaries hold the following Section 214 authorizations:

<u>FirstComm</u> holds international Section 214 authority to provide facilities-based service granted in File No. ITC-214-19951215-00030 (Old IB File ITC-95-622).<sup>1</sup> FirstComm is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

<u>Globalcom</u> holds international Section 214 authority to provide individual switched resale service granted in IB File No. ITC-214-19960718-00323 (old IB File No. ITC-96-406). Globalcom is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

<sup>&</sup>lt;sup>1</sup> The international Section 214 authority was originally granted to BN1 Telecommunications, Inc. and assigned to FirstComm in IB File No. ITC-ASG-20011001-00509.

<u>Xtension</u> holds international Section 214 authority to provide global or limited global resale services granted in IB File No. ITC-214-20010305-00116. Xtension is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

- Licensee: FTS holds international Section 214 authority to provide global or limited global facilities-based and resale services granted in IB File No. ITC-214-20100827-00347. FTS is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.
- <u>Transferee:</u> Zayo holds international Section 214 authority to provide global or limited global facilities-based and resale services granted in IB File No. ITC-214-20091106-00475. Zayo is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

The following subsidiaries of Zayo also hold Section 214 authority:

<u>360networks holdings (USA) inc. ("360-holdings")</u> holds international Section 214 authority to provide global or limited global facilities-based and resale services granted in IB File No. ITC-214-20010117-00029.<sup>2</sup> 360-holdings does not hold blanket domestic Section 214 authority.

<u>360networks (USA) inc. ("360networks")</u> is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. 360networks provides international telecommunications services, pursuant to Section 63.21(h), under the international Section 214 authority of its direct parent, 360holdings.

<u>AboveNet Communications, Inc. ("AboveNet"</u>) holds international Section 214 authority to provide global or limited global facilitiesbased and resale services granted in IB File No. ITC-214-19990218-00110. AboveNet is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

Zayo Group EU Limited (f/k/a AboveNet Communications Europe Limited) ("Zayo-EU") provides international telecommunications services, pursuant to Section 63.21(h), under the international Sec-

<sup>&</sup>lt;sup>2</sup> The international Section 214 authority was originally granted to Dynegy Connect, L.P. and assigned to 360networks Corporation, the parent company of 360-holdings, in IB File No. File No. ITC-ASG-20041217-00510. The authority was then assigned to 360-holdings in IB File No. ITC-ASG-20110923-00304.

tion 214 authority of its parent, AboveNet. Zayo-EU does not hold blanket domestic Section 214 authority.

<u>AboveNet International, Inc. ("ABN-Intl")</u> holds international Section 214 authority to provide global or limited global facilitiesbased and resale services granted in IB File No. ITC-214-19990923-00617. ABN-Intl does not hold blanket domestic Section 214 authority.

<u>Arialink Telecom, LLC ("Arialink")</u> is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. Arialink does not hold international Section 214 authority.

<u>American Fiber Systems, Inc. ("AFS"</u>) holds international Section 214 authority to provide global facilities-based service and global resale service granted in IB File No. ITC-214-20000929-00551. AFS is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

<u>USCarrier Telecom, LLC ("USC"</u>) holds international Section 214 authority to provide global resale services granted in IB File No. ITC-214-19980224-00140.<sup>3</sup> USC is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

Through Zayo Holdings, Zayo is also affiliated with the following carriers that hold Section 214 authority:

<u>Onvoy, Inc. ("Onvoy"</u>) is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. Onvoy also holds international Section 214 authority (1) to provide global resale services granted in IB File No. ITC-214-19970722-00425 (old IB File No. ITC-97-452) and (2) to operate as a facilities-based carrier by constructing and operating a fiber optic telecommunications facility between the United States and Canada granted in IB File No. ITC-214-19971205-00766 (old IB File No. ITC-97-769).<sup>4</sup>

Minnesota Independent Equal Access Corporation ("MIEAC") holds Section 214 authority to lease transmission facilities to pro-

<sup>&</sup>lt;sup>3</sup> USC's international Section 214 authority was originally granted under USC's prior name, Georgia Independent Telco Group, L.L.C., in IB File No. ITC-98-170.

<sup>&</sup>lt;sup>4</sup> The international Section 214 authorities were originally granted to Minnesota Independent Interexchange Corporation, which subsequently merged into its parent company Onvoy, Inc. (f/k/a Minnesota Equal Access Network Services). *See* IB File No. ITC-ASG-20070913-00379.

vide centralized equal access ("CEA") service to interexchange carriers. See File No. W-P-C6400 (August 22, 1990).

Zayo Enterprise Networks, LLC ("ZEN") is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. ZEN also holds international Section 214 authority to provide global or limited global resale service granted in IB File No. ITC-214-20091016-00444 (Nov. 27, 2009).

(h) (Answer to Questions 11 & 12) The following entities will hold, directly or

indirectly, a 10% or greater interest<sup>5</sup> in Applicants upon completion of the Transaction, as

calculated pursuant to the Commission's ownership attribution rules for wireline and

international telecommunications carriers:

### Post-Transaction Ownership of Licensee:

The following entities will hold a ten percent (10%) or greater, direct or indirect, interest in **<u>First Telecom Services, LLC</u>**:

| Name:               | Zayo Group, LLC                   |
|---------------------|-----------------------------------|
| Address:            | 400 Centennial Parkway, Suite 200 |
|                     | Louisville, CO 80027              |
| Citizenship:        | U.S.                              |
| Principal Business: | Telecommunications                |
| % Interest:         | 100%                              |

### Current and Post-Transaction Ownership of Zayo:

The following entities hold a ten percent (10%) or greater, direct or indirect, interest in **Zayo Group, LLC**:

| Zayo Group Holdings, Inc.         |
|-----------------------------------|
| 400 Centennial Parkway, Suite 200 |
| Louisville, CO 80027              |
| U.S.                              |
| Holding Company                   |
| 100% (directly in Zayo)           |
|                                   |

<sup>&</sup>lt;sup>5</sup> Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

| Name:               | Communications Infrastructure Investments, LLC           |
|---------------------|--|
| Address:            | 400 Centennial Parkway, Suite 200                        |
|                     | Louisville, CO 80027                                     |
| Citizenship:        | U.S.   |
| Principal Business: | Holding Company  |
| % Interest:         | 100% (indirectly in Zayo as the 100% owner of Zayo Hold- |
|                     | ings)  |

#### Current and Post-Transaction Ownership of CII:

The following entities and individuals hold a ten percent (10%) or greater, direct or indirect, interest in <u>Communications Infrastructure Investments, LLC</u>:

| Name:               | Oak Investment Partners XII, Limited Partnership ("Oak |   |
|---------------------|--|---|
|                     | Investment XII")                                       |   |
| Address:            | 525 University Avenue, Suite 1300                      |   |
|                     | Palo Alto, CA 94301                                    |   |
| Citizenship:        | U.S.   |   |
| Principal Business: | Investments  |   |
| % Interest:         | 15.06% (directly in CII)                               |   |
|                     |  |   |
| Name:               | Oak A  | ssociates XII, LLC ("Oak Associates")       |
| Address:            | 525 Ui   | niversity Avenue, Suite 1300                |
|                     | Palo A   | lto, CA 94301                               |
| Citizenship:        | U.S.   |   |
| Principal Bus       | ness: Investr  | nents                                       |
| % Interest:         | 15.06%   | 6 (indirectly as general partner of Oak In- |
|                     | vestme   | ent XII)                                    |
|                     |  |   |

The following individuals are the executive managing members of Oak Associates, are all U.S. citizens, and can be reached through Oak Associates:

Bandel L. Carano Edward F. Glassmeyer Ann H. Lamont Fredric W. Harman

To the Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or more interest in CII through Oak Investments XII.

| Name:               | M/C Venture Partners VI, L.P. ("MCVP VI")                     |  |  |
|---------------------|---|--|--|
| Address:            | 75 State Street, Suite 2500                                   |  |  |
|                     | Boston, MA 02109  |  |  |
| Citizenship:        | U.S.  |  |  |
| Principal Business: | Investments   |  |  |
| % Interest:         | 13.24% (directly in CII)                                      |  |  |
| Name:               | M/C VP VI, L.P.   |  |  |
| Address:            | 75 State Street, Suite 2500                                   |  |  |
|                     | Boston, MA 02109  |  |  |
| Citizenship:        | U.S.  |  |  |
| Principal Busi      | ness: Investment Management                                   |  |  |
| % Interest:         | 13.24% (indirectly as the general partner of MCVP             |  |  |
|                     | VI)   |  |  |
| Name:               | M/C Venture Partners, LLC                                     |  |  |
| Address:            | 75 State Street, Suite 2500                                   |  |  |
|                     | Boston, MA 02109  |  |  |
| Citizenship:        | U.S.  |  |  |
| Principal Busi      | ness: Investment Management                                   |  |  |
| % Interest:         | 13.24% (indirectly as the general partner of M/C VP VI, L.P.) |  |  |

The following individuals are the managing members of M/C Venture Partners, LLC, are all U.S. citizens, and can be reached through M/C Venture Partners, LLC:

> James F. Wade David D. Croll Matthew J. Rubins John W. Watkins John Van Hooser

Mr. Wade and Mr. Croll are also two of the five managers of M/C Venture Investors, L.L.C., which has a 0.42% direct interest in CII.

To the Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or more interest in CII through MVCP VI.

| Name:               | Columbia Capital Equity Partners IV (QP), L.P. ("Colum- |
|---------------------|---|
|                     | bia Capital IV")  |
| Address:            | 201 N. Union Street, Suite 300                          |
|                     | Alexandria, VA 22314                                    |
| Citizenship:        | U.S.  |
| Principal Business: | Investments   |
| % Interest:         | 12.07% (directly in CII)                                |

| Name:<br>Address:   | Columbia Capital IV, LLC<br>201 N. Union Street, Suite 300<br>Alexandria, VA 22314 |  |
|---------------------|--|--|
| Citizenship:        | U.S.   |  |
| Principal Business: | Investment Management  |  |
| % Interest:         | 13.65% (indirectly in CII as the general partner of                                |  |
|                     | (i) Columbia Capital Equity Partners IV, L.P. which                                |  |
|                     | is the general partner of both Columbia Capital IV                                 |  |
|                     | and Columbia Capital Equity Partners IV (QPCO),                                    |  |
|                     | L.P. (1.49% direct interest in CII) and (ii) of Co-                                |  |
|                     | lumbia Capital Employee Investors IV, L.P. (0.09%                                  |  |
|                     | direct interest in CII))   |  |

The following individuals are the managing members of Columbia Capital IV, LLC, are all U.S. citizens, and can be reached through Columbia Capital IV, LLC

James B. Fleming, Jr. R. Philip Herget, III Harry F. Hopper III

These individuals also have indirect control of other entities that have, in the aggregate, a 0.29% direct interest in CII.

To the Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in CII through Columbia Capital IV or Columbia Capital IV, LLC.

| Name:               | Charlesbank Equity Fund VI, Limited Partnership<br>("Charlesbank VI") |   |  |
|---------------------|---|---|--|
| Address:            | 200 Clarendon, 5th Floor  |   |  |
|                     |   | n, MA 02116   |  |
| Citizenship:        | U.S.  |   |  |
| Principal Business: | Investment Management   |   |  |
| % Interest:         | 11.22% (directly in CII)  |   |  |
| Name:               |   | Charlesbank Equity Fund VI GP, Limited Partner-     |  |
|                     |   | ship ("Charlesbank VI GP")                          |  |
| Address:            |   | 200 Clarendon, 5th Floor                            |  |
|                     |   | Boston, MA 02116                                    |  |
| Citizenship:        |   | U.S.  |  |
| Principal Business: |   | Investment Management                               |  |
| % Interest:         |   | 13.06% (indirectly in CII as the general partner of |  |
|                     |   | the following funds that have direct ownership in-  |  |
|                     |   | terests in CII (i) Charlesbank VI, (ii) CB Offshore |  |
|                     |   | Equity Fund VI, (iii) Charlesbank Equity Coin-      |  |

vestment Fund VI, LP, and (iv) Charlesbank Equity Coinvestment Partners, LP)

| Name:               | Charlesbank Capital Partners, LLC        |  |
|---------------------|--|--|
| Address:            | 200 Clarendon, 5th Floor                 |  |
|                     | Boston, MA 02116                         |  |
| Citizenship:        | U.S.                                     |  |
| Principal Business: | Investment Management                    |  |
| % Interest:         | 13.06% (indirectly in CII as the general |  |
|                     | partner of Charlesbank VI GP)            |  |

Charlesbank Capital Partners, LLC is owned by its nine (9) managing members who are all U.S. citizens, and can be reached through Charlesbank Capital Partners, LLC:

Michael Eisenson Tim Palmer Kim Davis Mark Rosen Michael Choe Brandon White Jon Biotti Andrew Janower Michael Thonis

To the Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in CII through Charlesbank VI GP.

| Name:               | GTCR Fund X/A LP                                    |  |  |
|---------------------|---|--|--|
| Address:            | 300 N. LaSalle Street, Suite 5600                   |  |  |
|                     | Chicago, IL 60654                                   |  |  |
| Citizenship:        | U.S.  |  |  |
| Principal Business: | Investments   |  |  |
| % Interest:         | 11.08% (directly in CII)                            |  |  |
| Name:               | GTCR Partners X/A&C LP                              |  |  |
| Address:            | 300 N. LaSalle Street, Suite 5600                   |  |  |
|                     | Chicago, IL 60654                                   |  |  |
| Citizenship:        | U.S.  |  |  |
| Principal Busi      | ness: Investments                                   |  |  |
| % Interest:         | 14.46% (indirectly in CII as the general partner of |  |  |
|                     | (i) GTCR Fund X/A LP, and (ii) GTCR Fund X/C        |  |  |
|                     | LP (3.38% direct interest in CII))                  |  |  |

| Name:               | GTCR Investment X LLC                               |  |
|---------------------|---|--|
| Address:            | 300 N. LaSalle Street, Suite 5600                   |  |
|                     | Chicago, IL 60654                                   |  |
| Citizenship:        | U.S.  |  |
| Principal Business: | Investments   |  |
| % Interest:         | 14.56% (indirectly in CII as the general partner of |  |
|                     | (i) GTCR Partners X/A&C LP, and (ii) GTCR Co-       |  |
|                     | Invest X LP (0.10% direct interest in CII))         |  |

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 David S. Katz Constantine S. Mihas Collin E. Roche Sean L. Cunningham Aaron D. Cohen

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

To the Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in Zayo through CII.

Except for its following subsidiaries and affiliates, which have substantially the same of-

ficers and directors as Zayo, Zayo does not have any interlocking directorates with a foreign carrier: Zayo-EU, AboveNet Canada Inc. ("ABN-Canada"), Zayo Group UK Limited (f/k/a AboveNet Communications UK Limited) ("Zayo-UK"), MFN Japan KK ("ABN-Japan"), 360networks, 360networks Vancouver, Ltd. ("360-Vancouver"), Onvoy and ZEN. ABN-Canada, 360networks, 360-Vancouver, Onvoy and ZEN are each a non-dominant foreign carrier in Canada. Zayo-EU is a non-dominant foreign carrier in France, Germany and the Netherlands. Zayo-UK is a non-dominant foreign carrier in Germany and the United Kingdom. ABN-Japan is a non-dominant foreign carrier in Germany and the United Kingdom. ABN-Japan is

License for Basic International Telecommunications Services ("BITS") in Canada and thus is a non-dominant foreign carrier.

(i) (Answer to Question 14) Transferee certifies that it is a non-dominant foreign carrier in Canada. Transferee is also currently affiliated within the meaning of Section 63.09(e) of the Commission's rules, 47 C.F.R. § 63.09(e), with the following foreign carriers:

| Entity        | <u>Country</u> | Type of Authority  |
|---------------|----------------|--|
| Zayo          | Canada         | Reseller Registration  |
|               |                | BITS License   |
| ABN-Canada    | Canada         | Reseller Registration  |
|               |                | BITS License   |
| Zayo-EU       | France         | Telecommunications Services  |
|               | Germany        | Telecommunications Services  |
|               | Netherlands    | Public electronic communications service                             |
| Zayo-UK       | Germany        | Telecommunications Services  |
|               | United Kingdom | Code Powers for electronic com-<br>munications networks and services |
| ABN-Japan     | Japan          | Telecommunications Carrier   |
|               |                | Registration   |
| 360networks   | Canada         | Reseller Registration  |
| 360-Vancouver | Canada         | Reseller Registration  |
|               |                | BITS License   |
| ZEN           | Canada         | Reseller Registration  |
|               |                | BITS License   |
| Onvoy         | Canada         | Reseller Registration  |

Upon completion of the Transactions, Zayo will also be affiliated with FTS, which is a non-dominant foreign carrier in Canada by virtue of its Reseller Registration and BITS License.

(j) (Answer to Question 15) Transferee certifies that, through its acquisition of control of Licensee, Transferee does not seek to provide international telecommunications services

to any destination country where two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Transferee and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States. However, Transferee certifies that it is a foreign carrier and also is affiliated with 8 foreign carriers as described in (i) above. Upon completion of the Transaction, Transferee and Licensee will be affiliated with multiple foreign carriers, as described in (i) above.

(k) Transferee certifies that Canada, France, Germany, Japan, the Netherlands and the United Kingdom are each a Member of the World Trade Organization ("WTO"). Zayo, ABN-Canada, Zayo-EU, Zayo-UK, ABN-Japan, 360networks, 360-Vancouver, Onvoy, ZEN and FTS are not on the Commission's List of Foreign Telecommunications Carriers that are presumed to Possess Market Power in Foreign Telecommunications Markets, released on January 26, 2007. In addition, each of these foreign carriers offers services in competition with dominant foreign carriers and others.

(*I*) Transferee may resell international switched services of unaffiliated U.S. carriers in order to provide telecommunications services to countries where it has a foreign carrier affiliation. As demonstrated above and because Zayo, ABN-Canada, Zayo-EU, Zayo-UK, ABN-Japan, 360networks, 360-Vancouver, Onvoy, ZEN and FTS have less than 50 percent market share in the international transport and the local access markets on the foreign end of the route, Transferee should be presumptively found to be non-dominant pursuant to Section 63.10(a)(3) of the Commission's rules, 47 C.F.R. § 63.10(a)(3).

(m) Transferee qualifies for a presumption of non-dominance under Section 63.10(a)(1) and (3) of the Commission's rules, 47 C.F.R. § 63.10(a)(1,3), because it is not a

foreign carrier and is affiliated with non-dominant foreign carriers in countries that are Members of the WTO.

(n) Transferee and Licensee certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

(o) 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.

(p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's rules, 47 C.F.R. § 63.12(a)-(b). Transferee qualifies for streamlined treatment under Section 63.12(c) because Transferee is not a foreign carrier itself and otherwise qualifies for a presumption of non-dominance under Section 63.10(a)(3) for the reasons detailed in response to paragraphs (k), (*l*) and (m) above.

### V. INFORMATION REQUIRED BY SECTION 63.04

Pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b), Applicants submit the following information in support of their request for domestic Section 214 authority to transfer control of FTS to Zayo in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12):

(a)(6) A description of the proposed Transaction is set forth in Section III above.

(a)(7) (i) FTS does not provide intrastate telecommunications services in any state and is currently seeking to surrender its authorization to provide intrastate telecommunications services in New York. FTS provides dark fiber and/or interstate telecommunications services in

the District of Columbia and the following states: Delaware, Illinois, Indiana, Maryland, Michigan, New Jersey, New York, Ohio, Pennsylvania, Virginia and West Virginia.

The following subsidiaries of FTS do not provide intrastate or interstate telecommunications services in any state and are currently seeking to surrender their authorizations to provide intrastate telecommunications services in Maryland, Virginia and West Virginia: First Communications Connect, Inc. (f/k/a Allegheny Communications Connect, Inc.) and ACC of Virginia, Inc. (f/k/a Allegheny Communications Connect of Virginia, Inc.).

(ii) Zayo and its subsidiaries, AboveNet, AboveNet of Utah, L.L.C., AboveNet of VA, L.L.C., 360networks, AFS, AriaLink, FiberGate, Inc. ("FiberGate"), FiberGate of Virginia, LLC ("FiberGate-VA") and USCarrier collectively provide dark fiber and/or telecommunications services in Alabama, Arizona, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin and Wyoming.<sup>6</sup> Zayo, AboveNet, 360networks, AFS, AriaLink, FiberGate, FiberGate-VA and/or USCarrier hold authorizations to provide local exchange and/or interexchange telecommunications services in each of those states as well as the following states where they do not currently provide such telecommunications services: New Hampshire, Oklahoma and Vermont.

(iii) Transferee is affiliated, through Zayo Holdings, with Onvoy, MIEAC and ZEN, which also provide telecommunications services. Onvoy provides or is authorized to

<sup>&</sup>lt;sup>6</sup> FiberGate and FiberGate-VA do not hold international or domestic Section 214 authority.

provide competitive local exchange and/or interexchange services in California, Colorado, Idaho (wholesale services only), Indiana, Iowa (IXC only), Michigan Minnesota, Montana Nebraska, New York, North Dakota, Ohio, Oregon, South Dakota, Texas, Utah, Wisconsin and Wyoming and is seeking such authority in Arizona. MIEAC provides CEA services in Minnesota and North Dakota. ZEN provides telecommunications services in Colorado, Idaho, Indiana, Michigan, Minnesota, Ohio, Tennessee and Washington. ZEN is authorized to provide intrastate (local exchange, interexchange and/or private line) telecommunications services in each of these states.

(iv) To Transferee's knowledge, Transferee is currently affiliated with the following carriers through MCVP VI and its affiliates:

Through MCVP VI, the Transferee is currently affiliated with: (1) Airband Communications, Inc., a fixed wireless provider; (2) Baja Broadband Operating Company, LLC, a cable provider and wireless license holder; (3) CNG Communications, Inc., a fixed wireless broadband provider, (4) CSDVRS, LLC, a video relay services provider; (5) Data Net Communication Group, Inc., KeySpan Communications Corp., Light Tower Holdings LLC and Veroxity Technology Partners, affiliated fiber providers; (6) PRWireless, Inc., a fixed wireless provider; (7) Sparkplug Central, Inc., Sparkplug Inc., Sparkplug Las Vegas, Inc., and Sparkplug Southwest, LLC, affiliated fixed wireless broadband providers; and (8) Triad 700, LLC, a 700 MHz provider.

The members of M/C Venture Partners, LLC also control a 10% or greater interest in M/C Venture Partners V, L.P., a Delaware limited partnership ("M/C Partners V"), through their membership interests in M/C VP V, LLC which is the sole general partner of M/C Partners V. In addition, three of the members of M/C Venture Partners, LLC also control a 10% or greater interest in M/C Venture Partners IV, L.P., a Delaware limited partnership ("M/C

Partners IV"), through their membership in M/C VP IV, LLC which is the sole general partner of M/C Partners IV. Specifically, the general partner of M/C Partners IV is M/C VP IV, LLC, a Massachusetts limited liability company. James F. Wade, David D. Croll and Matthew J. Rubins, all U.S. citizens, are the members of M/C VP IV, LLC. As stated in this Application, Messrs. Wade, Croll, and Rubins are also members of M/C Venture Partners, LLC.

The general partner of M/C Partners V is M/C VP V, LLC, a Massachusetts limited liability company. The same four individual U.S. citizens that are members of M/C Venture Partners, LLC are also the members of M/C VP V, LLC. M/C Partners V has 10% or greater, direct or indirect, interest in the following telecommunications services providers: (1) Cleveland Unlimited, LLC, a non-dominant wireless local and long distance telecommunications service provider in Cleveland, Ohio; (2) TX-11 Acquisition, LLC (d/b/a Cellular One of East Texas), a non-dominant wireless carrier based in Lufkin, Texas; and (3) PRWireless, Inc., a fixed wireless provider.

(v) Through Columbia Capital IV, Transferee is currently affiliated with: (1) PRWireless, Inc., a fixed wireless provider; (2) New Global Telecom, Inc., wholesaler of managed VoIP services to communications services providers; (3) Triad AWS, LLC, a spectrum holding entity; (4) Horizon Wi-Com, LLC, a spectrum holding entity; (5) Baja Broadband Holding Company LLC, a cable provider and wireless license holder; (6) Progeny LMS Holdings, LLC, a spectrum holding entity; (7) TVCC One Six Holdings, LLC, a spectrum holding entity; and (8) Telecom Transport Management and its subsidiaries, TTM Operating Corporation, Inc. and TTM Virginia, Inc., providers of backhaul services to wireless operators.

(vi) To Transferee's knowledge, Transferee 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, with respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the Transaction, Transferee (and its Affiliates (as defined in the Act)) will have a market share in the interstate, interexchange market of less than 10 percent, and Transferee (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, and none of the Applicants (or their Affiliates) are dominant with respect to any service.

(a)(9) Other than its section 214 authorizations described in this Application, Licensee does not hold any other authorizations or licenses from the Commission. Therefore, no other applications are being filed with the Commission with respect to this Transaction.

(a)(10) No party is requesting special consideration because it is facing imminent business failure.

(a)(11) Not applicable.

(a)(12) Applicants submit that the Transaction described herein will serve the public interest. As part of Zayo, Licensee will continue to provide high-quality telecommunications services to consumers while gaining access to the additional resources and operational expertise of Zayo. Licensee will also benefit by being able to offer services to more multi-location business and enterprise customers across a larger footprint in combination with Zayo. FTS's network complements Zayo's network and the acquisition will increase Zayo's existing fiber footprint. Approval of the Transaction also will serve the public interest in promoting competition among telecommunications carriers by providing Licensee with access to greater financial

resources and allowing Applicants to combine their operations and thereby become more effective competitors to larger incumbent telecommunications providers. In essence, the Transaction will make Licensee and Zayo (and its operating subsidiaries) stronger competitors and thereby benefit consumers.

The Transaction described herein will not result in a change of carrier for any customers or any assignment of existing Commission authorizations. Further, the rates, terms and conditions of services currently provided by Licensee to its customers will not change as a result of the Transaction. However, shortly after the Transaction is completed, Licensee will no longer use "First Communications" on any marketing or customer materials and will adopt a "Zayo" branded name.

#### VI. <u>CONCLUSION</u>

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application for the direct transfer of control of First Telecom Services, LLC to Zayo Group, LLC.

Respectfully submitted,

PEenchry

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**Counsel for Applicants** 

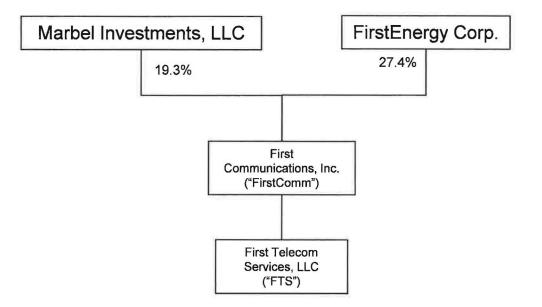
Dated: October 22, 2012

## EXHIBIT A

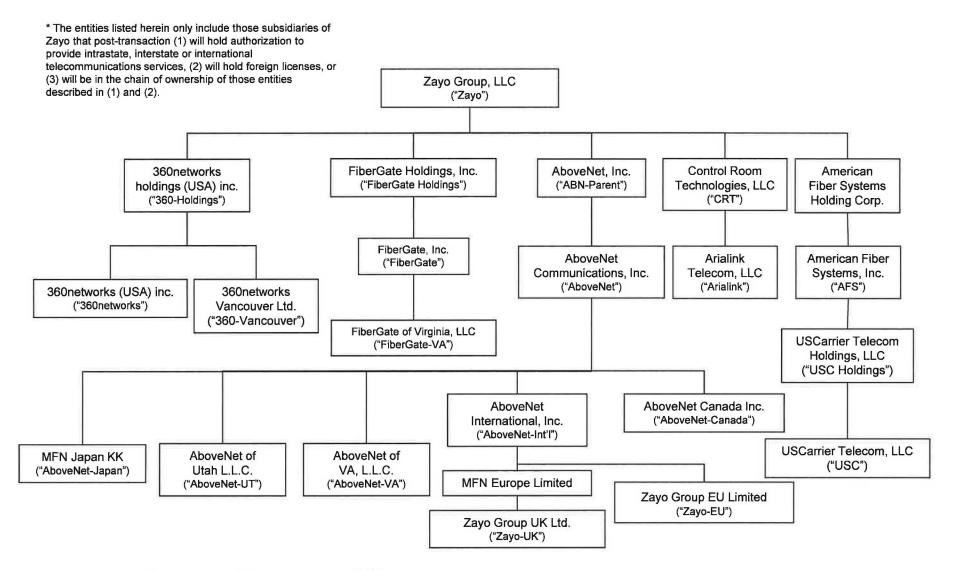
Diagrams of the Pre- and Post-Transaction Corporate Organization Structures

# Current Corporate Structure of FTS\*

\* The entities listed herein do not include the subsidiaries of FTS that do not provide telecommunications services. While they do not provide intrastate or interstate telecommunications services, the following subsidiaries of FTS are in the process of surrendering their authorizations to provide intrastate telecommunications services: First Communications Connect, Inc. (f/k/a Allegheny Communications Connect, Inc.) and ACC of Virginia, Inc. (f/k/a Allegheny Communications Connect of Virginia, Inc.)

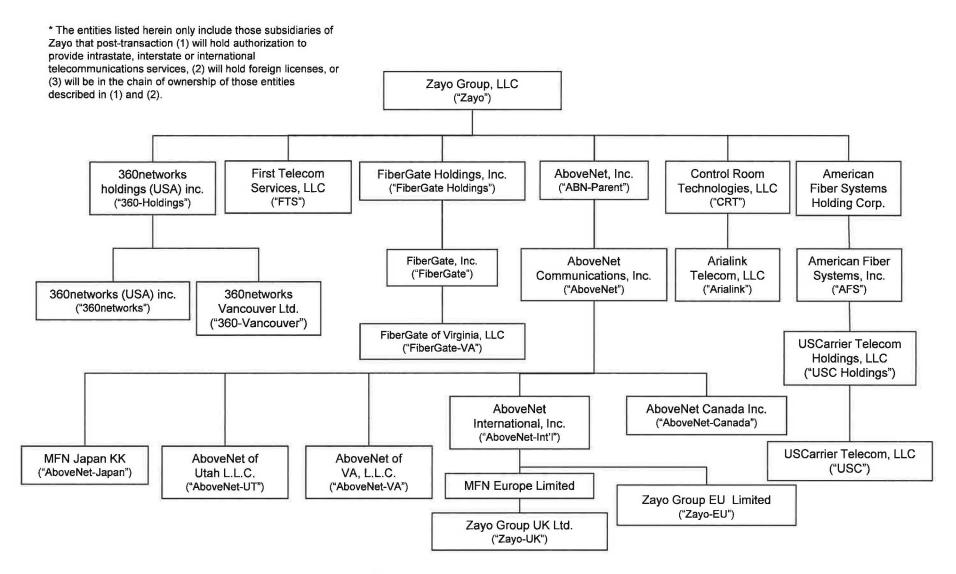


# Current Corporate Structure of Zayo



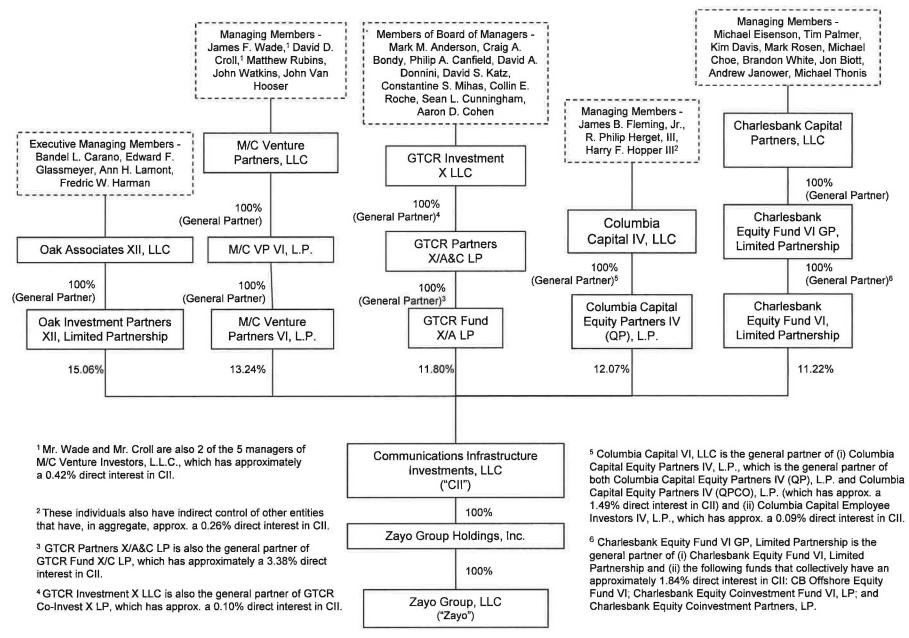
Unless otherwise indicated all ownership percentages are 100%.

## Post-Transaction Corporate Structure of Zayo and FTS



Unless otherwise indicated all ownership percentages are 100%.

## **Current and Post-Transaction Ownership of Zayo**



Verifications

#### VERIFICATION

I, Sandi R. Murphy, state that I am Senior Vice President and General Counsel for First Communications, Inc. and First Telecom Services, LLC; that I am authorized to make this Verification on behalf of First Communications, Inc. and First Telecom Services, LLC; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 22 day of October, 2012.

1. May

Name: Sandi R. Murphy Title: Senior Vice President and General Counsel

#### VERIFICATION

I, Scott E. Beer, am Vice President, General Counsel and Secretary of Zayo Group, LLC ("Zayo"); that I am authorized to make this Verification on behalf of Zayo; 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.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 22 day of October 2012.

Scott E. Beer

Vice President, General Counsel and Secretary Zayo Group, LLC