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110000-07

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Sent: Tuesday, November 01, 2011 12:02 PM
To: Filings@psc.state.fl.us
Subject: Notification Regarding the Indirect Transfer of Control of 360networks (USA) inc. to Zayo Group, LLC
Attachments: FL Notification.pdf

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b. Non-Docket Filing

c. 360networks Corporation, 360networks (USA) inc. and Zayo Group, LLC

d. 12 Pages Total

e. Notification Regarding the Indirect Transfer of Control of 360networks (USA) inc. to Zayo Group, LLC

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11/1/2011

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November 1, 2011

Via Electronic Filing

Ann Cole, Commission Clerk
Florida Public Service Commission
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Tallahassee, Florida 32399-0850
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110000-07

**RE: Notification Regarding the Transfer of Indirect Control of
360networks (USA) inc. to Zayo Group, LLC**

Dear Ms. Cole:

360networks Corporation ("360-Parent"), 360networks (USA) inc. ("360networks") and Zayo Group, LLC ("Zayo") (collectively, the "Parties"), by undersigned counsel, notify the Commission of a proposed transaction between Zayo and 360-Parent through which Zayo will acquire indirect control of 360networks (the "Transaction").

It is the Parties' understanding that Commission approval is not required to complete the transaction described herein. The Parties submit this letter for informational purposes only to ensure the continuing accuracy of the Commission's records. In support, the Parties state as follows:

Description of the Parties

A. 360networks Corporation and 360networks (USA) inc.

360-Parent is a corporation organized under the laws of British Columbia with principal offices located at 2101 4th Avenue, Suite 2000, Seattle, Washington 98121. 360networks holdings (USA) inc. ("360-Holdings") is a Nevada corporation and indirect subsidiary of 360-Parent. 360networks is a Nevada corporation and a wholly owned direct subsidiary of 360-Holdings.

360networks is 360-Holdings' operating subsidiary that provides regulated telecommunications services. 360networks provides Private Line Transport, Ethernet, and IP Transit services to telecommunications providers and end users. 360networks facilities-based fiber optic backbone provides coverage spanning 18,000 route miles

¹ 360-Holdings is currently an indirect subsidiary of 360-Parent. Immediately prior to completion of the transaction that is the subject of this filing, 360-Parent will undergo a *pro forma* amalgamation resulting in 360-Holdings becoming a direct subsidiary of 360-Parent.

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covering 22 states and British Columbia. 360networks also provides wholesale Voice over Internet Protocol services and switched access service in 17 states.

360networks is authorized to provide local exchange and interexchange services in 36 states. In Florida, 360networks is authorized to provide local exchange service pursuant to CLEC Certificate No. 7665 and interexchange telecommunications services pursuant to IXC Certificate No. 7297.

B. Zayo Group, LLC

Zayo is a Delaware limited liability company with principal offices at 400 Centennial Parkway, Suite 200, Louisville, Colorado 80027. Zayo is a wholly owned subsidiary of Zayo Group Holdings, Inc., a Delaware corporation and wholly owned subsidiary of Communications Infrastructure Investments, LLC ("CII"), a Delaware limited liability company. CII has no majority owner. Zayo is a provider of bandwidth infrastructure and network neutral collocation and interconnection services over dense regional and metropolitan fiber networks, enabling its 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 certain bandwidth-intensive enterprises.

Zayo's fiber networks span over 24,000 route miles, serve 153 geographic markets in the District of Columbia and 31 states and connect to over 4,300 buildings, including approximately 1,978 cellular towers. These networks allow Zayo to provide bandwidth infrastructure services to customers over redundant fiber facilities between key customer locations. The majority of the markets that Zayo serves and buildings to which Zayo connects have few other networks capable of providing similar bandwidth infrastructure services.

While Zayo is not authorized to provide telecommunications in Florida, it is authorized to provide telecommunications in the District of Columbia and 31 states, as well as from the Federal Communications Commission. Zayo has the technical, managerial, and financial qualifications to complete the Transactions. Zayo is operated by a highly qualified management team, all of whom have extensive backgrounds in the telecommunications industry. Zayo Group's managerial expertise will further strengthen 360networks's operations. For additional detail on the financial and managerial qualifications of Zayo, please see www.zayo.com. 360networks will therefore continue to have the managerial, technical and financial qualifications to provide high quality telecommunications services to consumers in Florida supported by experienced Zayo management. 360networks will also be supported by the financial resources of Zayo.

Contact Information

The designated contacts for questions concerning this filing are:

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Description of the Transaction

Pursuant to the Stock Purchase Agreement, dated as of October 6, 2011, by and among 360-Parent, 360networks (fiber holdco) ltd., 360networks (fiber subco) ltd. and Zayo (the "Agreement"), Zayo will acquire all of the outstanding shares of 360-Holdings (the "Transaction").² As a result of the Transaction, 360-Holdings will become a direct subsidiary of Zayo. 360networks will remain a direct subsidiary of 360-Holdings and therefore, an indirect subsidiary of Zayo. Diagrams depicting the pre- and post-Transaction corporate structures of the companies are appended hereto as Exhibit A.

The current customers of 360networks will remain customers of 360networks immediately following the Transaction. Accordingly, the Transaction will be seamless to customers, who will continue to enjoy the same rates, terms and conditions of service as they do prior to closing. The only immediate change resulting from the Transaction will

² As stated above, immediately prior to the transaction, the intermediate subsidiaries between 360-Parent and 360-Holdings will undergo a *pro forma* amalgamation resulting in 360-Holdings becoming a direct subsidiary of 360-Parent.

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be that 360networks will be ultimately owned by Zayo. Shortly after the 360 Transaction, however, Zayo may modify 360networks' name to reflect the "Zayo" brand. Zayo emphasizes that any modifications to the name of 360networks that may occur following the consummation of the 360 Transaction will be undertaken pursuant to the requirements of applicable law and Commission rules.³

Public Interest Considerations

The Parties submit that the Transaction described herein will serve the public interest. As part of Zayo Group, 360networks will continue to provide high-quality telecommunications services to consumers, while gaining access to the additional resources and operational expertise of Zayo. 360networks will also benefit by being able to offer services to multi-location business and enterprise customers across a much larger footprint in combination with Zayo. 360networks' network complements Zayo's network and the acquisition will increase Zayo's existing fiber footprint, giving the combined companies greater market depth and breadth as a result of the Transaction. The Transaction will make 360networks and Zayo 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 360networks to its customers will not change as a result of the Transaction.

* * * *

Please acknowledge receipt and acceptance of this filing. Please do not hesitate to contact us if you have any questions.

Respectfully submitted,



Jean L. Kiddoo
Tamar E. Finn
Brett P. Ferenczak

Counsel for the Parties

³ The Parties will file an updated authorization to transact business in Florida and, to the extent necessary, revised tariff(s) to reflect the modified name of 360networks. In addition, Zayo confirms that 360networks will provide its customers notice of the name modification.

LIST OF EXHIBITS

Exhibit A

Diagrams of the Pre- and Post-Transaction Corporate
Organizational Structure

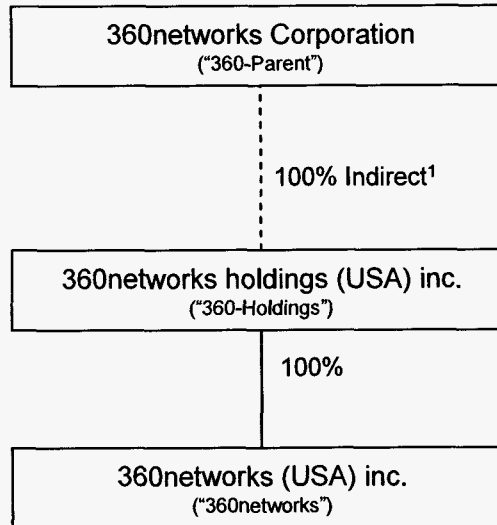
Verifications

EXHIBIT A

Diagrams of the Pre- and Post-Transaction Corporate Organizational Structure

Pre-Transaction Corporate Structure of 360networks*

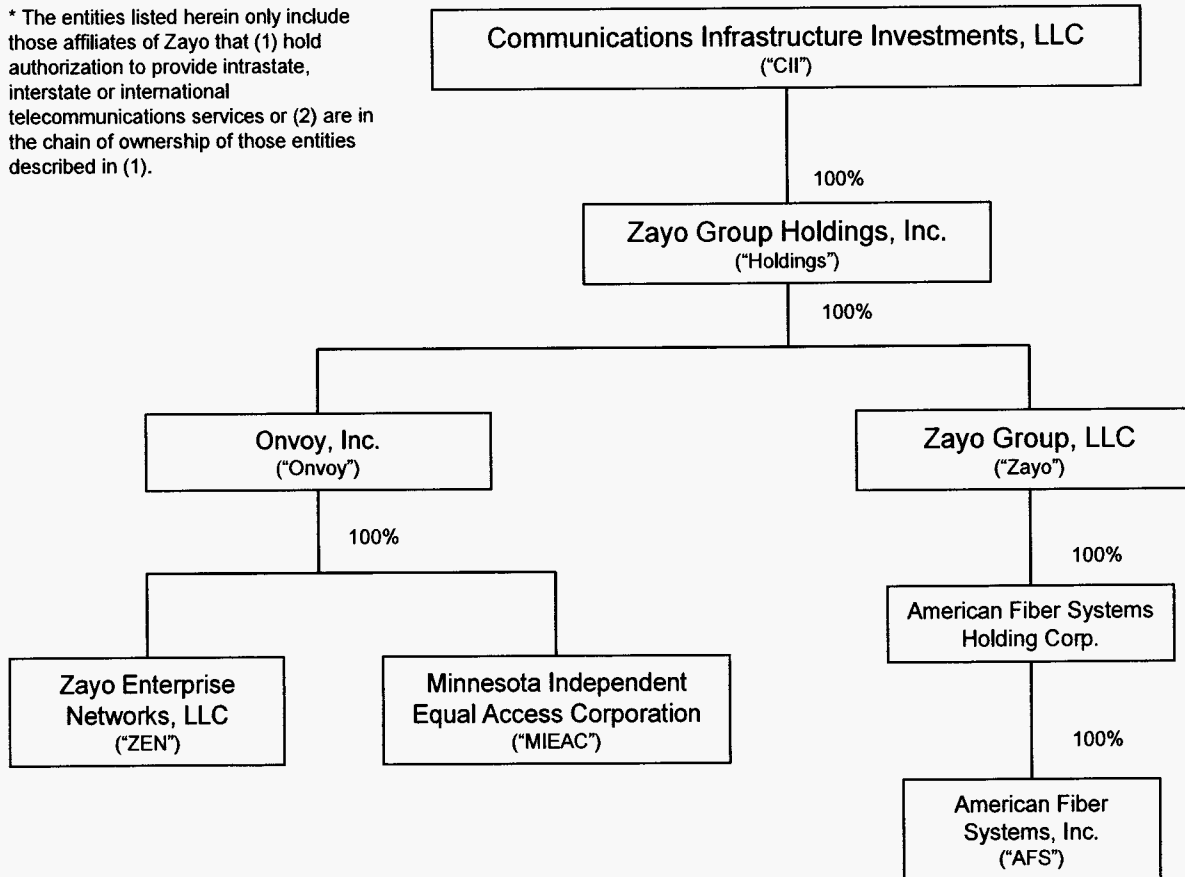
* The entities listed herein only include those affiliates of 360networks that (1) hold authorization to provide telecommunications services in this state or (2) are in the chain of ownership of those entities described in (1).



¹ Immediately prior to the Transaction, the intermediate subsidiaries between 360-Parent and 360-Holdings will undergo a *pro forma* amalgamation resulting in 360-Holdings becoming a direct subsidiary of 360-Parent.

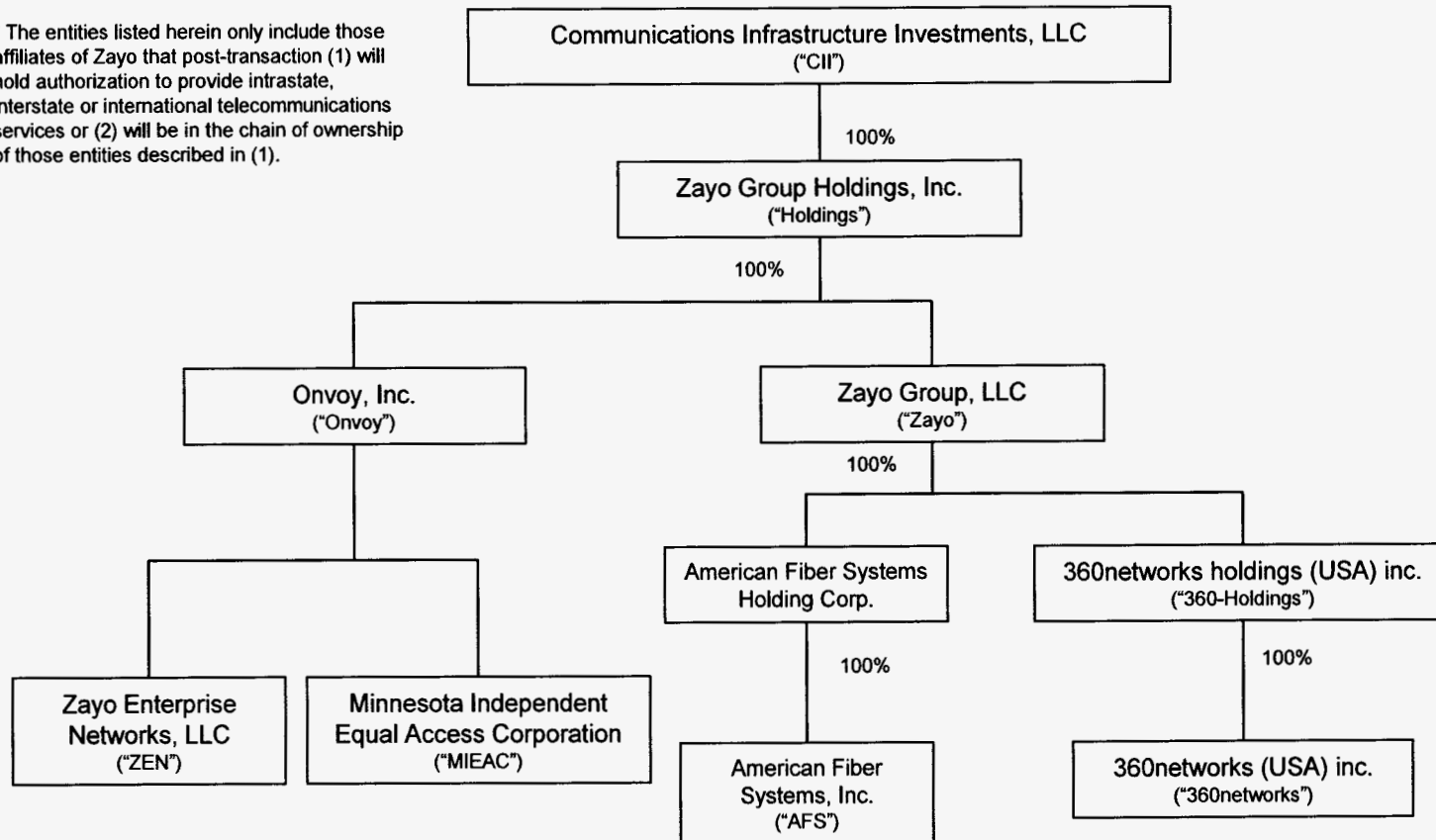
Pre-Transaction Corporate Structure of Zayo Group, LLC*

* The entities listed herein only include those affiliates of Zayo that (1) hold authorization to provide intrastate, interstate or international telecommunications services or (2) are in the chain of ownership of those entities described in (1).



Post-Transaction Corporate Structure of Applicants*

* The entities listed herein only include those affiliates of Zayo that post-transaction (1) will hold authorization to provide intrastate, interstate or international telecommunications services or (2) will be in the chain of ownership of those entities described in (1).

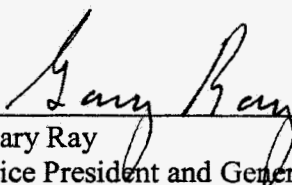


Verifications

VERIFICATION

I, Gary Ray, state that I am Vice President and General Counsel of 360networks Corporation and 360networks (USA) inc. (the "Company"); that I am authorized to make this Verification on behalf of the Company; 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 31st day of October, 2011.




Gary Ray
Vice President and General Counsel

STATE OF COLORADO
COUNTY OF BOULDER

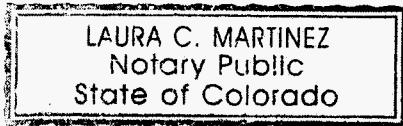
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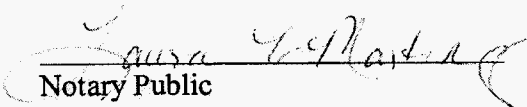
VERIFICATION

I, Peter Chevalier, state that I am Associate 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 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.


Peter Chevalier
Associate General Counsel
Zayo Group, LLC

Sworn and subscribed before me this 13th day of October, 2011.




Notary Public

My commission expires April 1, 2012