

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-3856
Application of Onvoy, Inc.,)
Minneapolis, Minnesota, and) GRANTED
Zayo Bandwidth, Inc.,)
Louisville, Colorado, seeking)
a transfer of control.) Entered: October 24, 2007

BY THE COMMISSION:

On September 9, 2007 an application was jointly filed by Onvoy, Inc. ("Onvoy") of Minneapolis, Minnesota, and Zayo Bandwidth, Inc., ("Zayo") of Louisville, Colorado, (together "Applicants") seeking approval of a Merger Agreement (the "Agreement") in which Zayo will acquire control of Onvoy. Notice of the application was published in The Daily Record, Omaha, Nebraska, on September 10, 2007. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

O P I N I O N A N D F I N D I N G S

The Parties:

Onvoy is a Minnesota corporation with its principal offices located in Minneapolis, Minnesota. Onvoy provides telecommunications services in six (6) states, Iowa, Nebraska, North Dakota, South Dakota and Wisconsin. Onvoy provides interexchange telecommunications services in the State of Nebraska under and by virtue of authority heretofore granted by this Commission¹.

Zayo is a privately held Delaware corporation with its principal offices located in Louisville, Colorado. Zayo is a wholly owned subsidiary of Communications Infrastructure Investments, LLC, ("Parent" and together with Zayo "Company"). Company is organized to acquire and support long-term development of fiber-based bandwidth solutions-oriented businesses.

¹ See Application No. C-2939, *In the Matter of the Application of Onvoy, Inc. of Minneapolis, Minnesota, seeking a Certificate of Public Convenience and Necessity to provide interexchange telecommunications*, Granted (June 3, 2003).

Description of the Transaction:

Pursuant to the Agreement, Onvoy will merge with and into a direct subsidiary of Zayo, with Onvoy surviving the merger. As a result of the merger, Zayo will hold all the outstanding capital stock of Onvoy and Zayo will have direct control of Onvoy. After consummation of the transaction, Onvoy will continue to offer telecommunication services in Nebraska pursuant to its telecommunications authorizations with no change in rates, terms or conditions of service. Onvoy will later change its name to a name selected by Zayo. The Commission and customers will be notified of the name change.

Onvoy's customers will not experience any loss or impairment of services as a result of the transaction and will continue to receive their existing services at the same rates, terms and conditions as at present.

Zayo is operated by a highly qualified management team, all of whom have extensive backgrounds in the telecommunications industry. Zayo has the technical, managerial and financial capability to control and manage Onvoy, and is a fit and proper party to acquire the business assets of Onvoy.

The Applicants submit that the public interest will be served because the transaction will provide Onvoy access to Zayo's substantial technical and management expertise and financial resources. They further hold that the transaction will strengthen Onvoy's ability to expand its offerings and provide more advanced telecommunications services to a broader customer base. Further, the Applicants expect the transaction to enable both Onvoy and Zayo to strengthen their competitive positions to the benefit of consumers and the telecommunications marketplace.

Based on the evidence, we find the application to be fair and reasonable and in the public interest. The application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-3856 be, and it is hereby, approved.

IT IS FURTHER ORDERED that the Onvoy, Inc., and Zayo Bandwidth, Inc., will notify the Commission if and when a new name is chosen for Onvoy, Inc., upon the consummation of the transaction contemplated in this order.

MADE AND ENTERED at Lincoln, Nebraska, this 24th day of October, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director