

# Morgan Lewis

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April 8, 2022

## VIA E-FILING

Patricia Van Gerpen, Executive Director  
South Dakota Public Utilities Commission  
Capitol Building, First Floor  
500 East Capital Avenue  
Pierre, South Dakota 57501-5070

**Re: Notification Regarding the Proposed Transfer of Indirect Control of ENA Networks of America, Inc. to Zayo Group, LLC**

Dear Director Van Gerpen:

Education Networks of America, Inc. (“ENA” or the “Licensee”), Zayo Group, LLC (“ZGL” or “Transferee”), and Commodore Intermediate Holdco, LLC (“Transferor” and collectively with Transferor and Licensee, the “Parties”) notify the Commission of a proposed transfer of indirect control of Licensee to Transferee. Pursuant to SDCL § 49-31-20, prior Commission action is not required for the Transaction (as defined below). Accordingly, the Parties submit this letter for informational purposes.

In support of this filing, the Parties provide the following information:

### **Description of the Parties**

#### **A. Transferor and Licensees**

Licensee, alongside its two direct, wholly owned subsidiaries, ENA Healthcare Services, LLC and ENA Services, LLC (together with the Licensee, “ENA OpCos”), has a principal place of business located at 618 Grassmere Park Drive, Suite 12, Nashville, Tennessee 37211. The ENA OpCos provide Infrastructure-as-a-Service (“IaaS”) and managed communications services to K-12 schools, libraries, and rural healthcare facilities, including broadband, Wi-Fi/LAN, IP Voice, and video. Their managed networks also include information solutions, instructional and productivity tools, and third-party applications that are used in tandem with their proprietary products. The ENA OpCos currently provide services primarily to school districts and libraries that participate in the Schools and Libraries “E-Rate” program and rural healthcare providers that participate in the Rural Health Care (“RHC”) Program. In South Dakota, ENA is authorized to provide competitive local exchange (VoIP) and interexchange services pursuant to a Certificate of Authority granted in Docket TC-18-024.

ENA is a Delaware corporation and direct, wholly owned subsidiary of ENA Holding Corporation (“ENA Holding”), a Georgia corporation. ENA Holding is a holding company that does not provide any services. ENA Holding is a direct, wholly owned subsidiary of Commodore Holdco, LLC (“Holdco”), which in turn is a direct, wholly owned subsidiary of Transferor. Holdco and Transferor are both Delaware limited liability companies.

Transferor is a direct subsidiary of Commodore Parent, LLC, a Delaware LLC, which in turn is indirectly, majority owned and controlled by ZMC Partners II, LLC, a Delaware limited liability company, through ZMC II, LP, a Delaware limited partnership. ZMC Partners II, LLC and its affiliates comprise a leading private equity firm that invests in companies in the media and communications sectors.

## **B. Transferee**

Transferee, along with its operating company subsidiaries (collectively, “Zayo”), is a leading provider of bandwidth infrastructure and interconnection services over regional and metropolitan fiber networks. These services enable customers to manage, operate, and scale their telecommunications and data networks. Zayo’s customers consist primarily of wireless service providers, national and regional communications service providers, media/Internet/content companies, governments, banks, and other bandwidth-intensive enterprises. Collectively, Zayo is authorized to provide competitive local exchange, competitive access, and/or interexchange services in the District of Columbia and every state except Alaska. The primary telecommunications service offerings of Zayo include high-capacity bandwidth services such as private line, Ethernet, and wavelength services. In South Dakota, Zayo is authorized to provide local exchange and interexchange telecommunications services pursuant to a Certificate of Authority issued in Docket TC12-191.

ZGL, a Delaware limited liability company, is a direct, wholly owned subsidiary of Zayo Group Holdings, Inc. (“Zayo Holdings”), a Delaware corporation. Zayo Holdings and its subsidiaries have a principal place of business located at 1821 30th St., Unit A, Boulder, CO 80301. Zayo Holdings is indirectly, wholly owned by Front Range JV, LP, a Delaware limited partnership.

Front Range JV, LP is a holding company that aggregates the ownership of various investment and co-investment vehicles ultimately managed by (i) affiliates of EQT AB (“EQT”) and (ii) affiliates of DigitalBridge GP, LLC (“DigitalBridge”). EQT, founded in Sweden in 1994, is a leading alternative investments firm with portfolio companies in the United States, Europe and Asia. DigitalBridge is a U.S.-investment firm dedicated to strategic opportunities in digital infrastructure. DigitalBridge and its affiliates possess a long record of successful investment in communications infrastructure companies in the United States and abroad.

### **Designated Contacts**

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

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For Transferor and ENA OpCos to:

John T. Nakahata  
Harris, Wiltshire & Grannis LLP  
1919 M Street NW  
Eighth Floor  
Washington, DC 20036  
202-730-1320 (tel)  
JNakahata@hwglaw.com

For Transferee to:

Catherine Wang  
Brett P. Ferenchak  
Morgan, Lewis & Bockius LLP  
1111 Pennsylvania Ave., N.W.  
Washington, DC 20004-2541  
202-739-3000 (tel)  
catherine.wang@morganlewis.com  
brett.ferenchak@morganlewis.com

with a copy for Transferor to:

Brian D. Motechin  
ZMC II, L.P.  
10 East 59<sup>th</sup>, 24<sup>th</sup> Floor  
New York, NY 10022  
motechin@zmclp.com

with a copy for Transferee to:

Lauren Lantero  
General Counsel, Corporate  
Zayo Group Holdings, Inc.  
1821 30th St., Unit A  
Boulder, CO 80301  
lauren.lantero@zayo.com

and a copy to ENA OpCos to:

Kitty O'Connor  
Education Networks of America, Inc.  
618 Grassmere Park Drive  
Suite 12  
Nashville, TN 37211  
koconnor@ena.com

### **Description of the Transfer of Indirect Control**

Pursuant to an Equity Purchase Agreement, dated February 25, 2022 (the "Agreement"), by and among Transferor, Holdco and Transferee, Transferee will purchase from Transferor all of the issued and outstanding limited liability company interest of Holdco, and thereby Transferee will acquire indirect control of ENA (the "Transaction"). For the Commission's reference, diagrams depicting the current and post-Transaction corporate ownership structures of Licensee are provided as **Exhibit A**.

### **Public Interest Considerations**

The proposed Transaction will serve the public interest, convenience, and necessity. The ENA OpCos will continue to serve schools, libraries, and rural healthcare providers and Zayo will continue to serve its customers and to build and operate telecommunications facilities across the United States. ENA OpCos will have access to Zayo's state-of-the-art fiber networks and scale, allowing ENA OpCos to reduce costs and increase efficiency. ENA OpCos also will have access

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to Transferee's financial and operational expertise. This access to Zayo's network and expertise will improve the ENA OpCos' ability to compete in the telecommunications marketplace.

The proposed Transaction will have no adverse impact on customers of the Licensee or Zayo and will be transparent to customers in terms of the service they now receive. Moreover, the Licensee will continue to provide service pursuant to existing contracts and tariffs, as applicable, subject to change in the ordinary course of business and in accordance with applicable law. Under the Transaction, the only change immediately following the consummation of the Transaction from a consumer's perspective will be the new upstream ownership of the Licensee.

\* \* \* \*

We would appreciate acknowledgement of receipt and acceptance of this filing, which is being submitted electronically. Please do not hesitate to contact us if you have any questions regarding this submission.

Respectfully submitted,

/s/  
Catherine Wang  
Brett Ferenchak  
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*Counsel for Zayo Group, LLC*

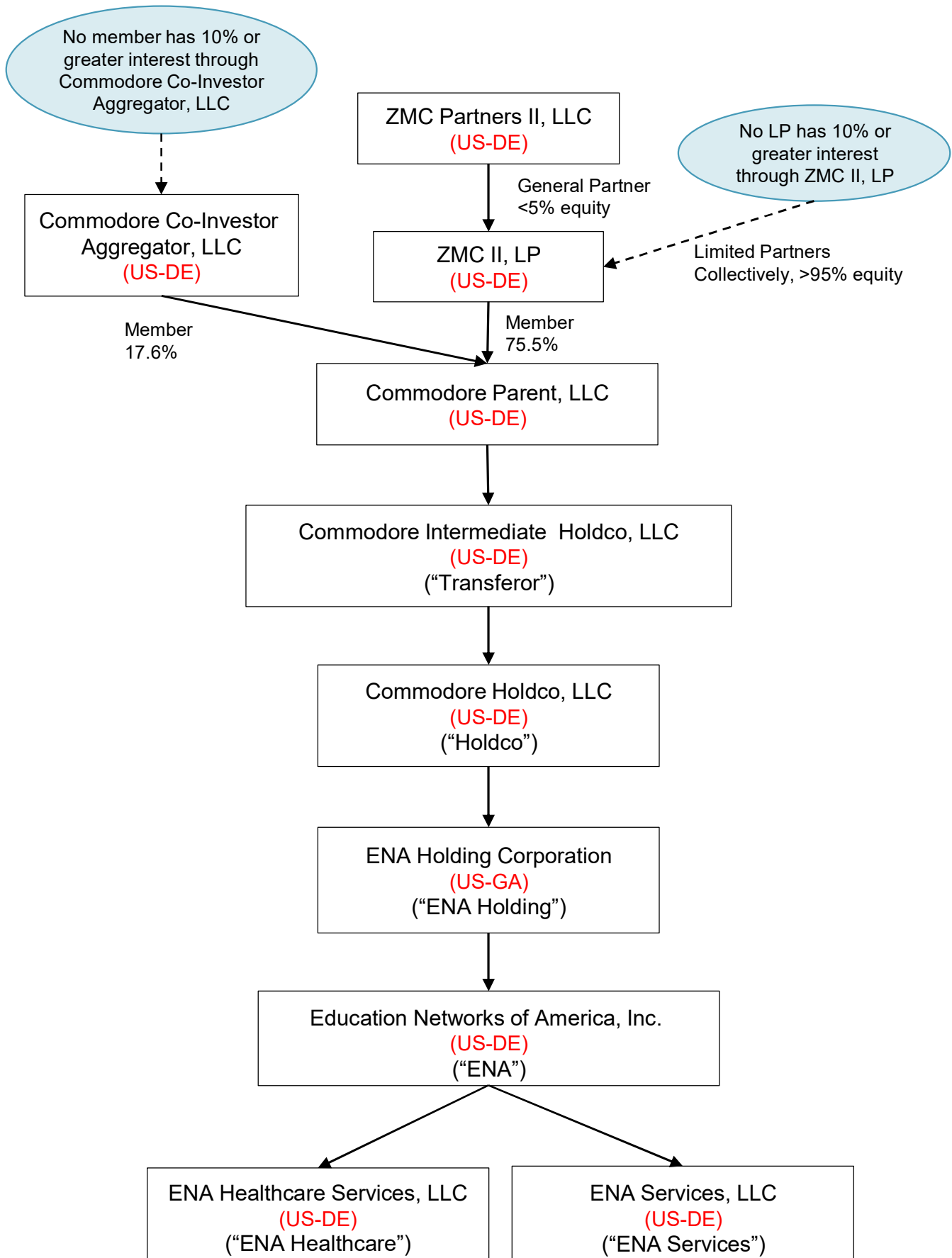
/s/  
John T. Nakahata  
Matthew G. Miller  
Harris, Wiltshire & Grannis, LLP  
1919 M Street NW  
Eighth Floor  
Washington, DC 20036  
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JNakahata@hwglaw.com

*Counsel for Commodore Intermediate  
Holdco, LLC and Education Networks of  
America, Inc.*

**EXHIBIT A**

**Current and Post-Transaction Corporate Ownership Structure Charts**

**CURRENT OWNERSHIP STRUCTURE CHART: ENA SERVICES, LLC AND ENA HEALTHCARE SERVICES, LLC**

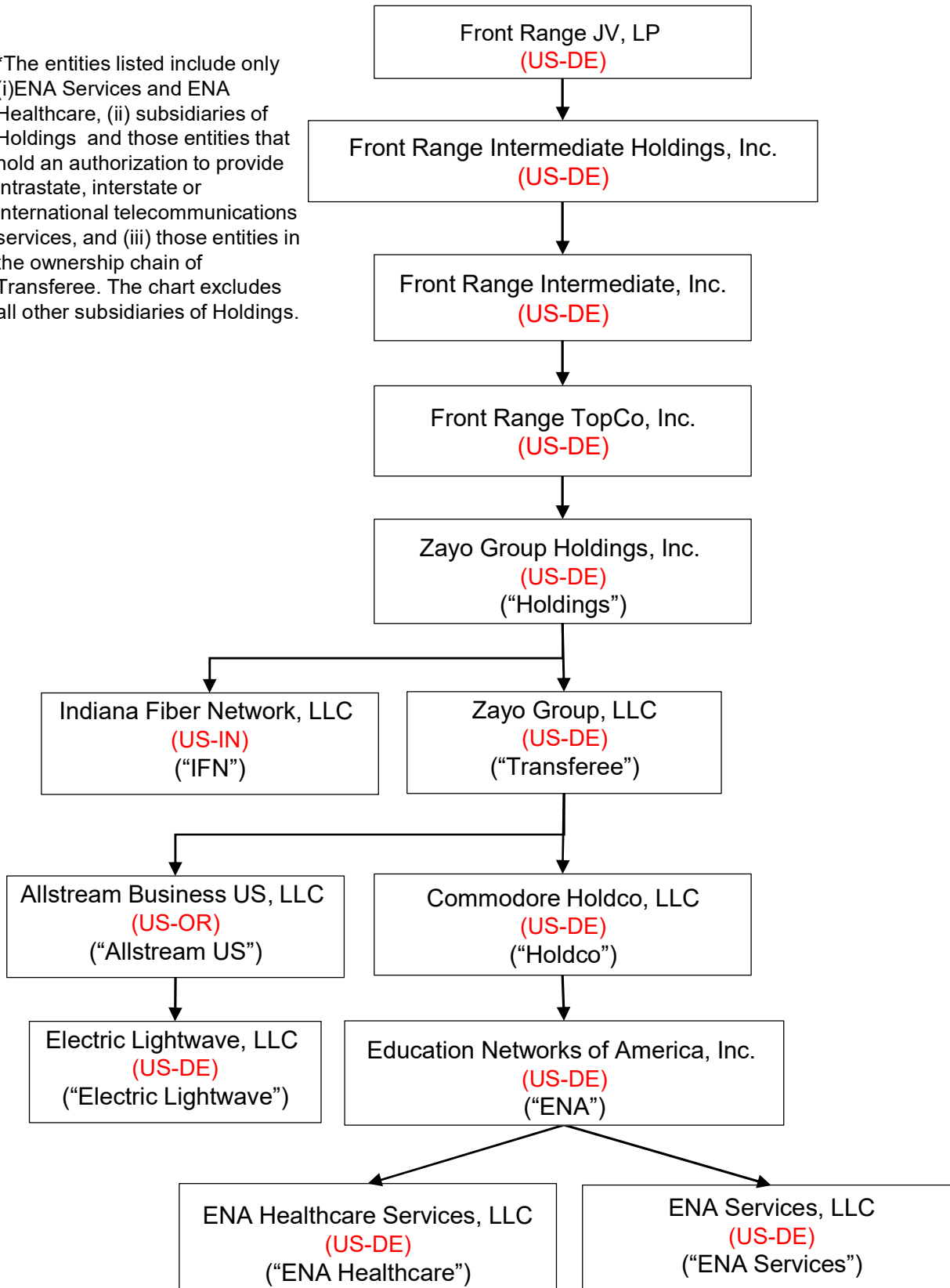


\*\*Unless otherwise noted, all ownership percentages are 100%.

**POST-CLOSING OWNERSHIP STRUCTURE CHART ONE: ZAYO GROUP HOLDINGS, INC. STRUCTURE**

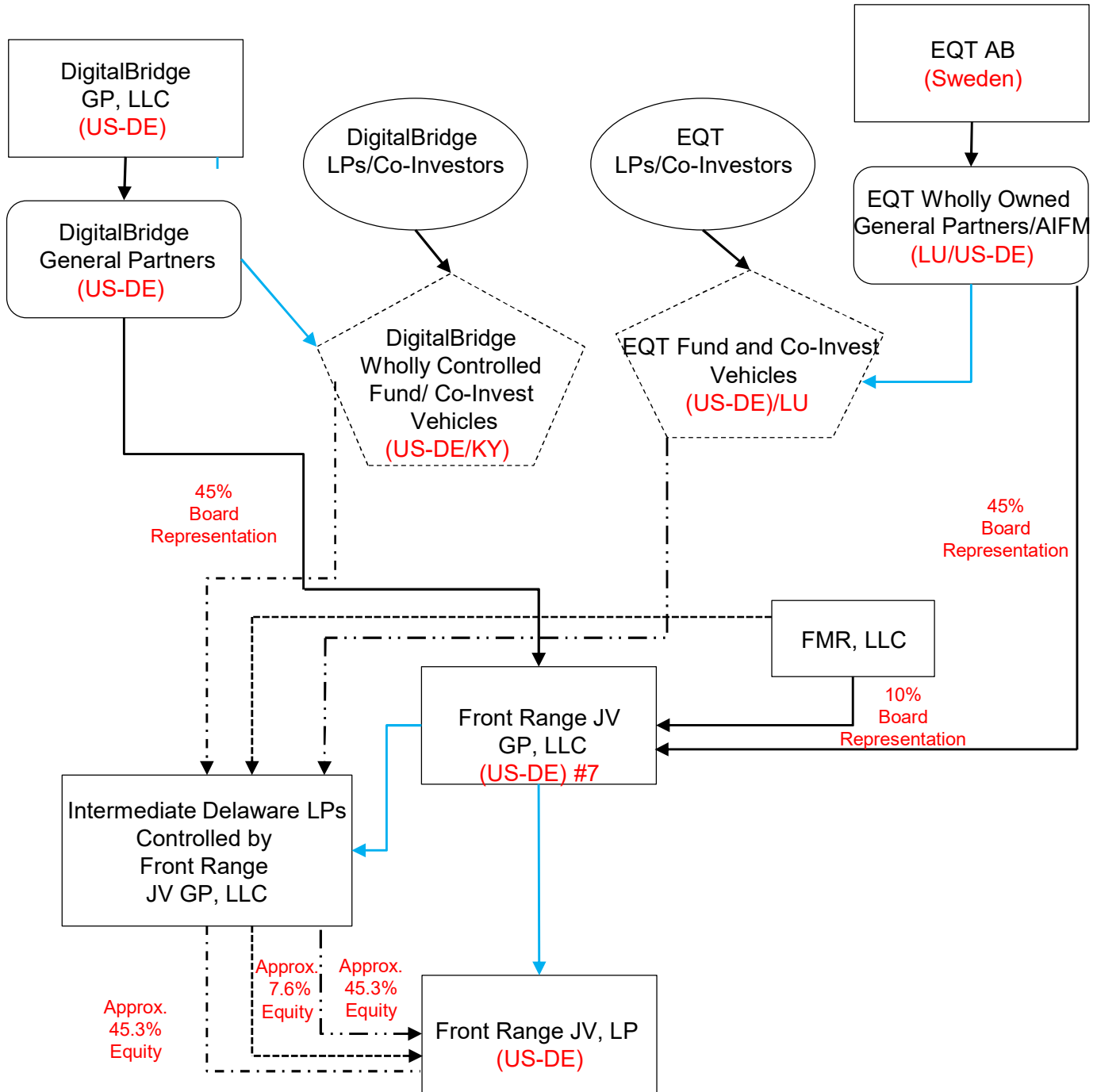
(see Post-Closing Chart 2 for Ownership of Front Range JV, LP)

\*The entities listed include only (i) ENA Services and ENA Healthcare, (ii) subsidiaries of Holdings and those entities that hold an authorization to provide intrastate, interstate or international telecommunications services, and (iii) those entities in the ownership chain of Transferee. The chart excludes all other subsidiaries of Holdings.



\*\*All ownership percentages are 100%.

**POST-CLOSING OWNERSHIP STRUCTURE CHART TWO: FRONT RANGE JV, LP STRUCTURE**



All rights are 100% unless noted otherwise

(See Post-Closing Chart 1 for Zayo and ENA entities)

- ▶ Economic Ownership
- ▶ General Partner
- - -▶ DigitalBridge Indirect Equity
- · -▶ EQT Indirect Equity
- · -▶ FMR Indirect Equity



## VERIFICATIONS

## VERIFICATION

I, Lauren Lantero state that I am General Counsel, Corporate of Zayo Group Holdings, Inc. and its subsidiaries (collectively, 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 thereof and the certifications contained therein regarding the Company and its affiliates, 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 7th day of March 2022.



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Lauren Lantero  
General Counsel, Corporate  
Zayo Group Holdings, Inc.

### **Verification**

I, Brian Motechin, state that I am Vice President of Commodore Intermediate Holdco, LLC (“Commodore Intermediate”); that I am authorized to make this Verification on behalf of Commodore Intermediate; that the foregoing filing was prepared under my direction and supervision; and that the contents thereof and the certifications contained therein regarding Commodore Intermediate are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury under the laws of the State of New Mexico that the foregoing is true and correct. Executed this 7<sup>th</sup> day of April, 2022.

*Brian D. Motechin*

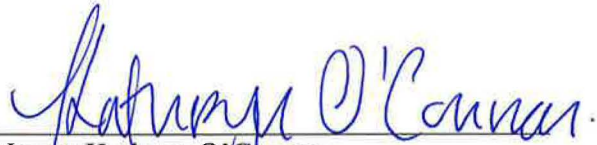
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Name: Brian Motechin  
Title: Vice President  
Commodore Intermediate Holdco, LLC

### Verification

I, Kathryn O'Connor, state that I am General Counsel of Education Networks of America, Inc. and its affiliates including ENA Healthcare Services, LLC, and ENA Services, LLC (collectively, 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 thereof and the certifications contained therein regarding 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 7 day of April, 2022.



Name: Kathryn O'Connor  
Title: General Counsel  
Education Networks of America, Inc.