

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

August 3, 2010

*In re: Joint Petition of Zayo Group, LLC for)
Approval of Change of Control of American Fiber)
Systems, Inc.)*

Docket No. 10-00159

**JOINT PETITION OF ZAYO GROUP, LLC FOR APPROVAL OF
CHANGE OF CONTROL OF AMERICAN FIBER SYSTEMS, INC.**

Zayo Group, LLC ("Zayo Group") has entered into a contract to purchase controlling interest in American Fiber Systems Holding Corp. ("AFSHC"), a Delaware holding company, American Fiber Systems, Inc. ("AFS") is a wholly owned subsidiary of AFSC and is a competitive local exchange telephone company certified by the Tennessee Regulatory Authority to offer intrastate communications services. See TRA Docket 00-00988 (January 24, 2000). Upon completion of the proposed transaction, AFS will continue to own and operate the certificate awarded by the Authority, but Zayo Group will have indirect control AFS. The Joint Petitions therefore ask the Authority to approve this indirect change of control of AFS to Zayo Group pursuant to T.C.A. §65-4-113.¹

Although the proposed transaction will result in a direct change of control in AFSC and an indirect change of control in AFS, no transfer of authorizations, assets or customers will occur as an immediate consequence of the proposed transaction. AFS will continue to provide service to its existing customers pursuant to its TRA certification under the same rates, terms and

¹ Because this change of control does not involve the transfer of a certificate or the joint assets of a regulated utility, the Joint Petitions do not believe that T.C.A. §65-4-113 is applicable to this transaction. Although the Joint Petitioners do not concede that the TRA has jurisdiction over this transaction, this filing contains the information described in T.C.A. §65-4-113.

conditions. Accordingly, this transaction will have no effect on the rates, terms and conditions of service of the customers of AFS.

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

I. DESCRIPTION OF THE PETITIONERS

A. American Fiber Systems, Inc.

American Fiber Systems, Inc. is a Delaware corporation with principal offices located at 100 Meridian Centre, Suite 300, Rochester, New York 14618. AFS is a wholly-owned subsidiary of a Delaware holding company whose principal business is telecommunications.² AFS provides dark fiber and lit bandwidth services to carrier and large enterprise customers. AFS has over 1200 route miles of unique, fiber-rich networks in 9 metropolitan markets – Atlanta, Boise, Cleveland, Kansas City, Las Vegas, Minneapolis, Nashville, Reno and Salt Lake City.

B. Zayo Group, LLC

Zayo Group is a Delaware limited liability company with principal offices located at 400 Centennial Parkway, Suite 200, Louisville, Colorado 80027. Zayo Group is wholly owned by Zayo Group Holdings, Inc. ("Holdings"), a Delaware corporation, which in turn is wholly owned by Communications Infrastructure Investment, LLC ("CII" and together with Zayo Group and Holdings, the "Company"), a Delaware limited liability company. CII has no majority owner. The Company was organized to acquire and support long-term development of fiber-based bandwidth solutions-oriented businesses and has made a number of acquisitions to further that business plan. The acquisition of AFS furthers that business plan.

² AFSHC holds no regulatory licenses from this or any other regulatory commission.

Through its four business units -- Zayo Bandwidth ("ZB"), Zayo Enterprise Network ("ZEN"), Zayo Colocation ("zColo") and Zayo Fiber Solutions ("ZFS") -- Zayo Group provides bandwidth, connectivity and dark-fiber related services, voice, collocation and interconnection, and managed services to carrier, enterprise, small and medium enterprise, and government customers.

II. DESCRIPTION OF THE TRANSACTION

Zayo Group, Zayo AFS Acquisition Company, Inc. ("Merger Sub"), a direct subsidiary of Zayo Group created specifically for the purposes of this transaction, AFSHC and Robert E. Ingalls, Jr., as the Equity Holder Representative have entered into an Agreement and Plan of Merger dated as of June 24, 2010 (the "Agreement") whereby AFSHC will merge with and into Merger Sub, with AFSHC surviving the merger. As a result of the transaction, AFSHC will become a direct subsidiary, and AFS will become an indirect subsidiary, of Zayo Group. Applicants therefore request authority for the indirect transfer of control of AFS to Zayo Group. Pre- and post-transaction corporate structure charts are provided as Exhibit A.

Immediately following the consummation of the proposed transaction, AFS will continue to offer service with no change in the rates or terms and conditions of service. Therefore, except for the name change, the transfer of control of AFS will be seamless and transparent to consumers.

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Zayo Group does not provide telecommunications services in any state. However, as stated above, Zayo Group currently controls ZB, (which includes its subsidiary Zayo Bandwidth Tennessee ("Zayo-TN")), ZEN, zColo and ZFS. ZB provides wholesale bandwidth services in California, Georgia, Idaho, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, New Jersey, New York, Ohio, Oregon, Pennsylvania, Tennessee,³ Texas, Virginia, Washington and West Virginia. Zayo-TN provides intrastate bandwidth services in Tennessee. ZEN provides telecommunications services in Colorado, Idaho, Michigan, Minnesota, Ohio and Washington. zColo provides collocation and certain interconnection services in New York, New Jersey, California and Illinois. ZFS provides dark fiber services in Arizona, Georgia, Missouri, North Carolina and Virginia. ZFS does not currently provide lit telecommunications services in any state.

Zayo Group is affiliated, through Zayo-Holdings, with Onvoy and MIEAC which also provide telecommunications services. Onvoy provides competitive local exchange services in Indiana, Iowa, Michigan Minnesota, North Dakota, Ohio and Wisconsin and interexchange services in Indiana, Iowa, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota

³ Zayo's petition for the transfer of control of Memphis Network is pending before the Authority. TRA Docket No. 07-00178. The petition has been on hold pending the outcome of litigation between Zayo and the City of Memphis. That litigation has now been settled and the parties are moving forward with the petition.

and Wisconsin. MIEAC provides centralized equal access services in Minnesota and North Dakota.

III. PUBLIC INTEREST

Joint Petitioners submit that the transaction described herein will serve the public interest. Under new ownership, AFS will continue to provide high-quality telecommunications services to consumers, while gaining access to the additional resources and operational expertise of the Company. The indirect transfer of control will therefore give AFS the ability to become a stronger competitor, to the ultimate benefit of consumers. AFS's network complements Zayo's existing metro and regional networks and the acquisition will increase Zayo's existing fiber footprint in Georgia, Idaho, Minnesota, Ohio and Tennessee giving the combined companies greater market depth and breadth as a result of the transaction. As a result, the transaction will strengthen Zayo Group's ability to compete with other, much larger, fiber providers in the region to the benefit of consumers and the telecommunications marketplace.

The indirect transfer of control of AFS will not result in a change of carrier for customers or any assignment of existing TRA authorizations. Further, the rates, terms and conditions of services currently provided by AFS to its customers will not change as a result of the transaction. Following consummation of the proposed transaction and after appropriate notices to customers and any required regulatory filings, the name of AFS is expected to change to "Zayo Metro, Inc." Otherwise, the transaction will be seamless and transparent to customers and AFS will continue to provide high-quality communications services to its customers without interruption and without change in rates, terms or conditions. Future changes in those rates, terms and conditions, if any, will be undertaken pursuant to the applicable federal and state notice and tariff requirements.

IV. REQUEST FOR EXPEDITED TREATMENT

In order to facilitate business and financial plans of Zayo Group and AFS, time is of the essence for this transaction. Petitioners respectfully request that this matter be considered on an expedited basis. Specifically, Petitioners respectfully request that the TRA take all necessary actions to allow the transaction described above to be consummated no later than September 30, 2010.

V. CONCLUSION

For the reasons stated above, Joint Petitioners respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Petition for the change of control of American Fiber Systems Holding Corp. and the indirect change of control of American Fiber Systems, Inc. to Zayo Group, LLC.

Respectfully submitted,



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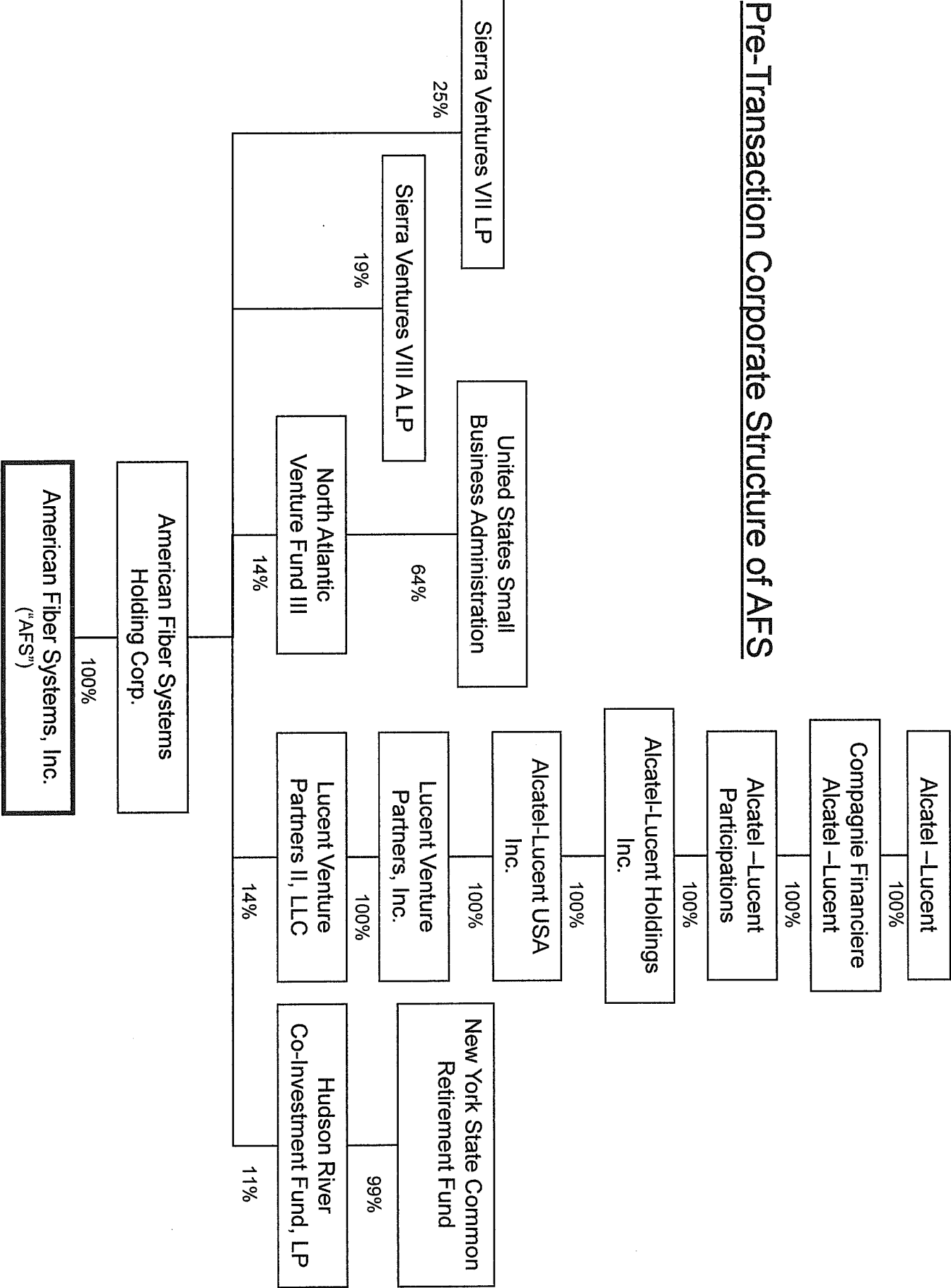
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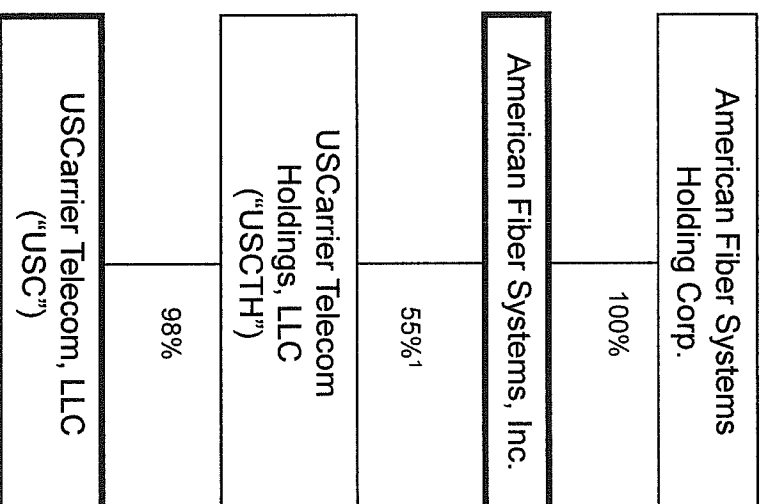
Dated: August __, 2010

EXHIBIT A

Pre-Transaction Corporate Structure of AFS

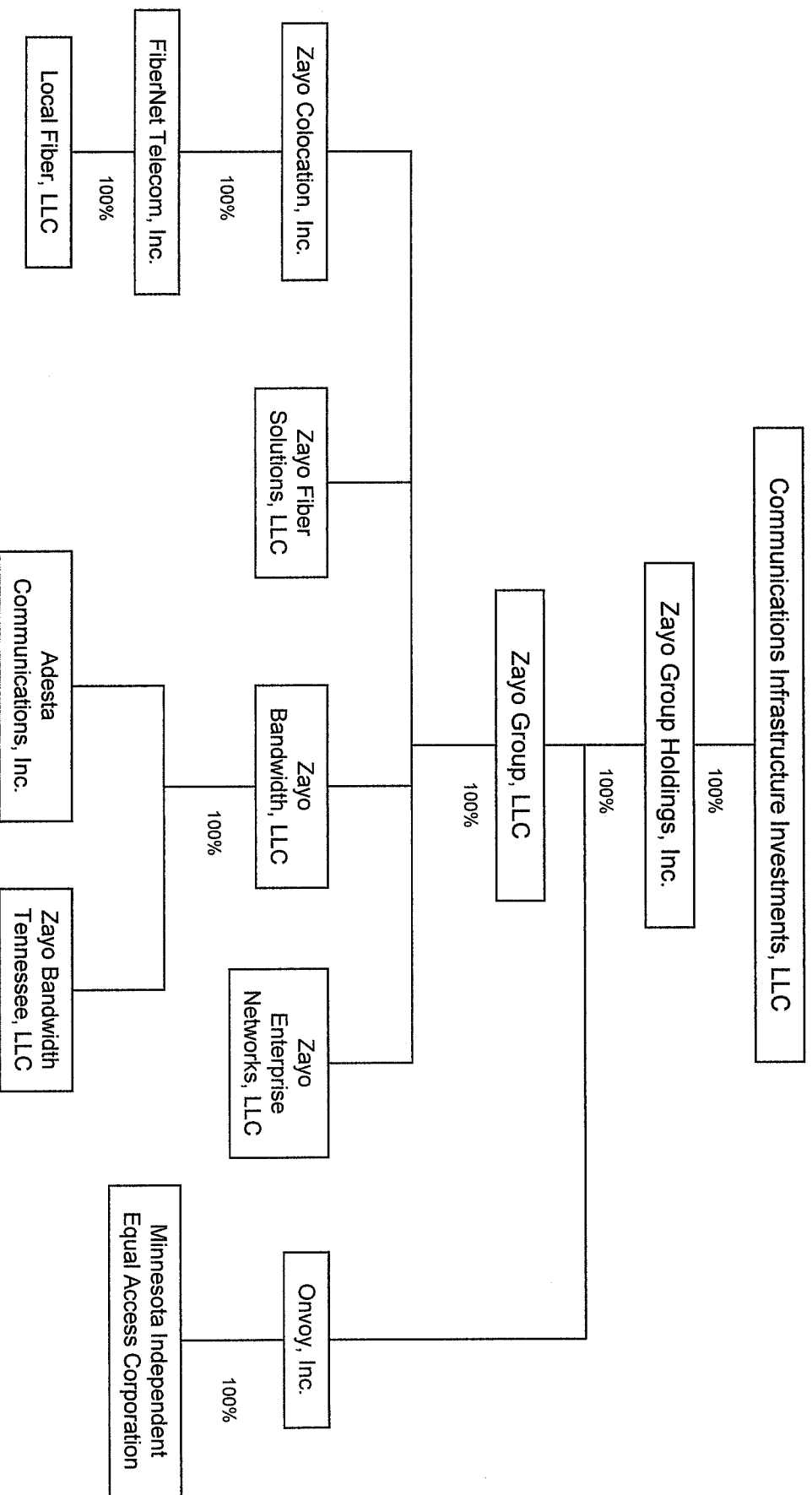


Pre-Transaction Corporate Structure of USC

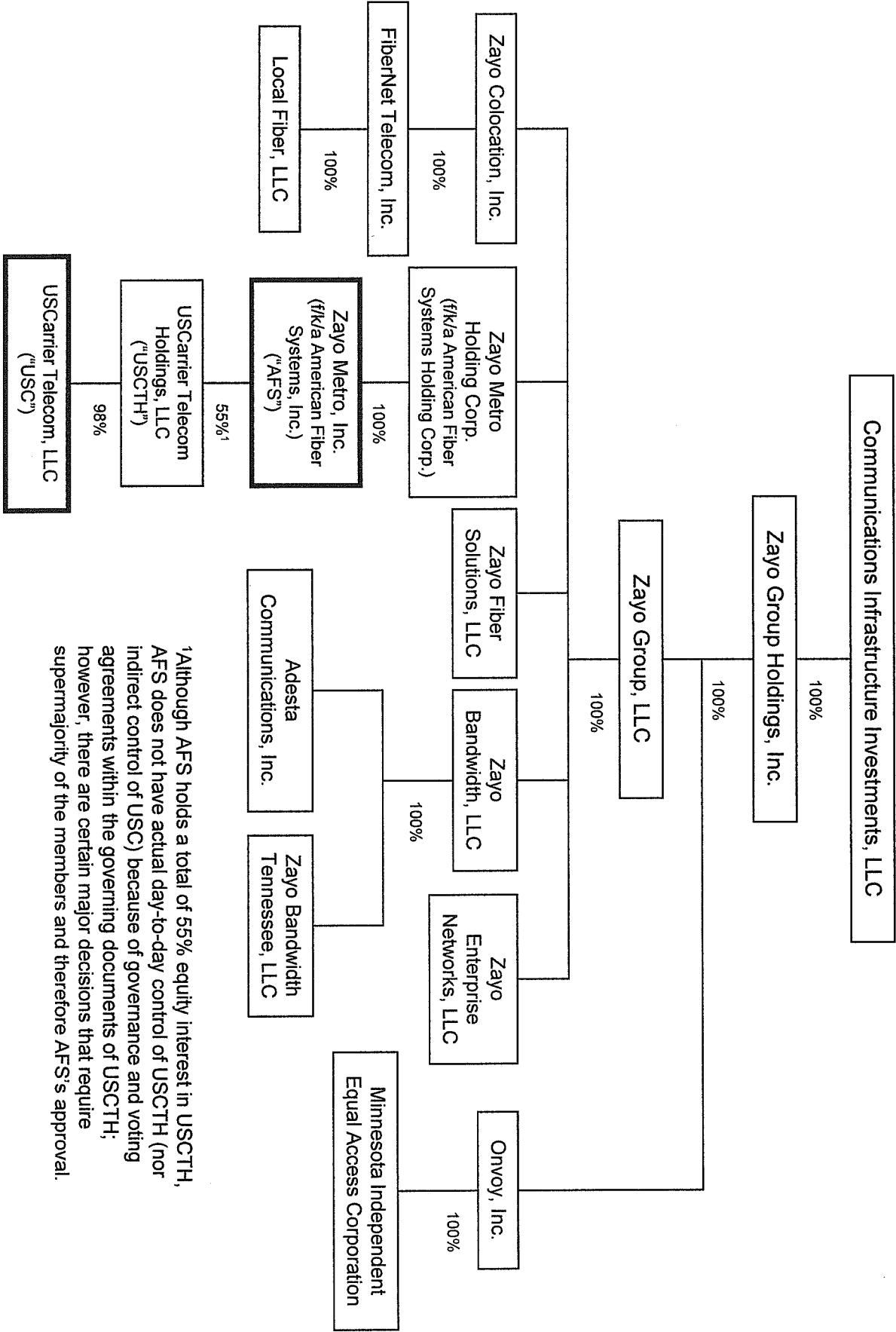


¹Although AFS holds a total of 55% equity interest in USCTH, AFS does not have actual day-to-day control of USCTH (nor indirect control of USC) because of governance and voting agreements within the governing documents of USCTH; however, there are certain major decisions that require supermajority of the members and therefore AFS's approval.

Pre-Transaction Corporate Structure of Zayo Group, LLC

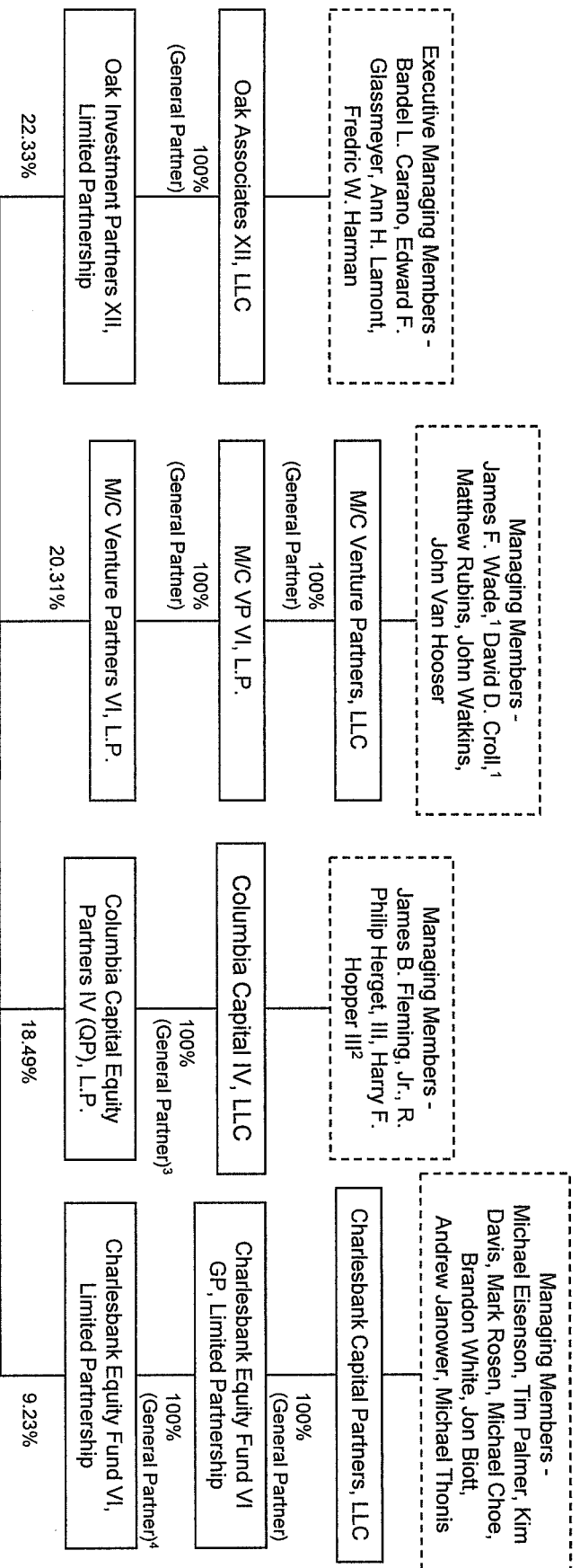


Post-Transaction Corporate Structure of AFS, USC and Zayo Group, LLC



¹Although AFS holds a total of 55% equity interest in USCTH, AFS does not have actual day-to-day control of USCTH (nor indirect control of USC) because of governance and voting agreements within the governing documents of USCTH; however, there are certain major decisions that require supermajority of the members and therefore AFS's approval.

Pre- and Post-Transaction Corporate Structure of CII



¹ Mr. Wade and Mr. Croll are also 2 of the 5 managers of M/C Venture Investors, L.L.C., which has a 0.64% direct interest in CII.

² These individuals also have indirect control of other entities that have, in aggregate, a 0.44% direct interest in CII.

³ Columbia Capital VI, LLC is the general partner of (i) Columbia Capital Equity Partners IV, L.P., which is the general partner of both Columbia Capital Equity Partners IV (QP), L.P. and Columbia Capital Equity Partners IV (QPCO), L.P. (which has a 2.27% direct interest in CII) and (ii) Columbia Capital Employee Investors IV, L.P., which has a 0.14% direct interest in CII.

⁴ Charlesbank Equity Fund VI GP, Limited Partnership indirectly controls 10.76% of CII as the general partner of (i) Charlesbank Equity Fund VI, Limited Partnership and (ii) the following funds that collective have an approximately 1.54% direct interest in CII: CB Offshore Equity Fund VI; Charlesbank Equity Coinvestment Fund VI, L.P.; and Charlesbank Equity Coinvestment Partners, L.P.