Agenda Date: 8/12/26
Agenda Item: VA

STATE OF NEW JERSEY
Board of Public Utilities
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OFFICE OF CABLE
TELEVISION AND
TELECOMMUNICATIONS

IN THE MATTER OF VERIFIED JOINT PETITION OF DIGITALBRIDGE GROUP, INC., FIBER ASSETCO LLC, ZAYO GROUP, LLC, ZAYO NETWORK SERVICES, LLC, AND DUNCAN HOLDCO LLC FOR APPROVAL OF THE INDIRECT TRANSFER OF CONTROL OF FIBER ASSETCO LLC, ZAYO GROUP, LLC, AND ZAYO NETWORK SERVICES, LLC	)	ORDER DOCKET NO. TM26030047

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Joshua M. Bobeck, Esq., on behalf of Joint Petitioners

BY THE BOARD:

On March 2, 2026 DigitalBridge Group, Inc. ("DigitalBridge"), Fiber AssetCo LLC ("Fiber AssetCo"), Zayo Group, LLC ("Zayo Group"), and Zayo Network Services, LLC ("Zayo-NS") (collectively "Zayo Licensees" and together with Front Range Intermediate, Inc., "Zayo"); and Duncan Holdco LLC ("Duncan") (collectively, "Joint Petitioners"), filed a joint petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-51.1, 48:3-7, 48:3-9 and 48:3-10 and the regulations of the Board ("Petition"). By the Petition, the Joint Petitioners requested approval for the indirect transfer of control of Zayo Licensees, resulting from Duncan's proposed indirect acquisition of a controlling interest in DigitalBridge, which will result in the indirect transfer of DigitalBridge's interest in the Zayo Licensees to Duncan and its ultimate parent company SoftBank Group Corp. ("SoftBank") ("Proposed Transaction"). On June 8, 2026, the Joint Petitioners submitted an amended petition to address the impact of the Proposed Transaction on employees ("Amended Petition"). By this Order, the Board considers the requests in the Petition and the Amended Petition.

BACKGROUND

DigitalBridge, an investment firm headquartered in Florida, is an asset management firm managing investment vehicles that invest globally in digital infrastructure across five (5) key verticals: data centers, cell towers, fiber networks, small cells, and edge infrastructure.

DigitalBridge manages approximately $108 billion on behalf of its shareholders as well as the limited partners in its investment fund vehicles and is focused on identifying differentiated investment opportunities within digital infrastructure around the world.

By Order dated October 8, 2025, the Board approved a transaction involving a pro forma assignment of certain assets and customers from Crown Castle Fiber LLC to Fiber AssetCo, and the subsequent transfer of control of Fiber AssetCo to Fiber FinCo, LLC, an indirect subsidiary of Zayo Parent ("Zayo/Crown Transaction").[1] Zayo Parent is a diversified communications service provider holding company with corporate headquarters in Denver, Colorado and is partially owned and jointly controlled by investment funds affiliated with DigitalBridge. According to the Amended Petition, upon consummation of the Zayo/Crown Transaction, Fiber AssetCo will be, as the other Zayo Licensees are currently, an indirect subsidiary of Zayo Parent.[2]

Zayo Parent is ultimately majority owned and jointly controlled by investment funds affiliated with (1) DigitalBridge, and (2) EQT AB ("EQT"), a Swedish investment firm. According to the Amended Petition, Zayo Parent, through several intermediate U.S.-organized holding companies, is indirectly wholly owned by Front Range JV, LP ("JV LP"), a Delaware limited partnership. JV LP's equity and voting interests are held by U.S. and foreign investment entities ultimately controlled by DigitalBridge and EQT.

Duncan, a Delaware limited liability company and an indirect wholly owned subsidiary of SoftBank, is a vehicle established for SoftBank investments in the United States. Duncan is a holding company with no independent operations of its own. Based on the Amended Petition, Duncan's investment in DigitalBridge will be held indirectly through two (2) intermediate entities, Duncan Holdco II LLC ("Duncan II"), and Duncan II's wholly owned subsidiary, Duncan Holdco III LLC ("Duncan III"). Duncan II and Duncan III, like Duncan, are Delaware limited liability companies established for SoftBank investments in the United States that have no independent operations of their own.

SoftBank, a publicly traded Japanese corporation is a technology investor with broad investment in Artificial Intelligence ("AI") infrastructure with which the Joint Petitioners asserted aligns with the Proposed Transaction. SoftBank and its affiliates have invested over $150 billion in nearly 300 U.S. technology companies since 2017.

The Zayo Licensees are operating subsidiaries of Zayo Parent. Through its operating subsidiaries, including the Zayo Licensees, Zayo is a U.S. provider of bandwidth infrastructure and interconnection services over regional and metropolitan fiber networks. According to Joint Petitioners, these services enable customers to manage, operate, and scale their telecommunications and data networks. Zayo customers consist primarily of wireless service providers, national and regional communications service providers, media, Internet, and content

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[1] In re the Verified Joint Petition of Crown Castle Operating Company, Fiber AssetCo LLC, Crown Castle Fiber LLC, and Fiber FinCo, LLC for (1) Approval of a Pro Forma Assignment of Assets and Customers from Crown Castle Fiber LLC to Fiber AssetCo LLC, (2) Approval of the Transfer of Control of Fiber AssetCo LLC to Fiber FinCo, LLC, and (3) for Fiber AssetCo LLC to Participate in Certain Financing Arrangements, BPU Docket TM25050324, Order dated October 8, 2025 ("October 2025 Order"). Fiber FinCo is an indirect, wholly owned subsidiary of Zayo Parent, which is an intermediate parent of Zayo Group, a Delaware limited liability company.

[2] By letter dated May 4, 2026, Joint Petitioners notified the Board that the Zayo/Crown Transaction was consummated on May 1, 2026.

companies, government agencies, banks, and other bandwidth-intensive enterprises. Zayo Parent does not provide any services and holds no Federal Communications Commission ("FCC") or state Public Utilities Commission authorizations to provide telecommunications services.

Fiber AssetCo is authorized by the Board to provide facilities-based and resold local exchange and interexchange telecommunications services, and facilities-based dedicated and private line communications services, throughout the State of New Jersey.[3] Fiber AssetCo became a Zayo Licensee upon closing of the Zayo/Crown Transaction approved by October 2025 Order.

Zayo Group is a Delaware limited liability company authorized to provide competitive local exchange, competitive access, and/or interexchange services in the District of Columbia and every U.S. state except Alaska. In New Jersey, Zayo Group is authorized by the Board to provide local exchange and interexchange telecommunications services.[4] Zayo Group is also authorized by the FCC to provide domestic (interstate) and international telecommunications services in addition to certain point-to-point wireless services.

Zayo-NS, an indirect subsidiary of Zayo Group, is authorized by the Board to provide local exchange and interexchange telecommunications services in New Jersey.[5] The authorization was originally granted in the name of Zayo Northeast, LLC. On July 17, 2025, the Board was notified of the legal name change from Zayo Northeast, LLC to Zayo Network Services, LLC. Zayo-NS is also authorized by the FCC to provide domestic (interstate) telecommunications services in addition to certain point-to-point wireless services.

PETITION

Joint Petitioners stated that, on December 29, 2025, DigitalBridge, its operating subsidiary DigitalBridge Operating Company, LLC ("DBOC"), Duncan, Duncan Sub I Inc. ("Merger Sub I"), and Duncan Sub II LLC ("Merger Sub II") entered into an Agreement and Plan of Merger pursuant to which Duncan will indirectly acquire a controlling interest in DigitalBridge and DBOC, through two (2) coordinated reverse subsidiary mergers, with each target entity surviving the applicable merger. At closing, Merger Sub I, an indirect subsidiary of Duncan, would merge with and into DigitalBridge, with DigitalBridge surviving as a majority-owned, indirect subsidiary of Duncan. Immediately following the first merger, Merger Sub II, a subsidiary of Merger Sub I, would merge with and into DBOC, with DBOC surviving as a direct subsidiary of DigitalBridge. As a result of these mergers, each of DigitalBridge and DBOC would become indirect subsidiaries of SoftBank. After the closing of the Proposed Transaction, SoftBank anticipates that DigitalBridge would continue to operate as a separately managed platform.

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[3] In re Petition of Fiber AssetCo LLC for Authorization to Provide Facilities-Based and Resold Local Exchange and Interexchange Services, and Facilities-Based Dedicated and Private Line Communications Throughout the State of New Jersey. BPU Docket No. TE25050308, Order dated September 25, 2025.

[4] In re Petition of Zayo Group, LLC for Approval to Provide Local Exchange, Interexchange and Exchange Access Telecommunications Services Throughout the State Of New Jersey, BPU Docket No. TE11020049, Order dated May 16, 2011.

[5] In re Petition of Zayo Northeast, LLC for Authorization to provide Local Exchange and Interexchange Telecommunications Services Throughout the State of New Jersey, BPU Docket No. TE24050295, Order dated December 18, 2024.

Additionally Joint Petitioners stated that they expect to close the Proposed Transaction in the second half of 2026, after the satisfaction of customary conditions, including the receipt of required regulatory approvals. The Joint Petitioners further stated that effective immediately following the closing, the board of DigitalBridge is expected to be composed of seven (7) directors: two (2) members from the DigitalBridge executive team (Marc Ganzi, current and post-closing Chief Executive Officer, and Benjamin Jenkins, current President and Chief Investment Officer), one (1) director nominated by Messrs. Ganzi and Jenkins (and acceptable to SoftBank), and four (4) directors appointed by SoftBank.

The Joint Petitioners stated that the Proposed Transaction would not impact the ownership of Zayo as previously approved by the Board and that DigitalBridge and EQT, through their respectively managed investment vehicles, will each continue to hold an approximate 45.2% equity interest indirectly in Zayo. The Joint Petitioners confirmed that the Proposed Transaction would not change DigitalBridge's interest in JV GP. According to the Amended Petition, although the ultimate ownership of DigitalBridge would change as its shares would no longer be traded publicly on the New York Stock Exchange, the Proposed Transaction would not change DigitalBridge's indirect ownership interest in Zayo Parent or the Zayo Licensees, nor would it result in any change to the board that oversees Zayo Parent. Zayo Parent would continue to be operated by its dedicated management team and the Proposed Transaction is not expected to result in any changes to Zayo Parent or the Zayo Licensees' operations.

Joint Petitioners asserted that approval of the Proposed Transaction is consistent with the public interest as it would provide the Zayo Licensees with continued access to DigitalBridge's financial and operational expertise, supplemented by that of SoftBank, permitting the Zayo Licensees to continue to execute on the operational plan developed by DigitalBridge and EQT to support Zayo Parent's investments in and expansion of the Zayo Licensees' fiber network.

The Joint Petitioners avowed that the Proposed Transaction involves the acquisition of DigitalBridge as an investment firm, which manages its portfolio companies in accordance with the financial interests of its investors via its general partner entities, and that the Proposed Transaction is not expected to impact the operations of the portfolio companies managed by DigitalBridge, including the Zayo Licensees.

According to the Amended Petition, the Proposed Transaction is expected to leave the continuity and quality of services offered by DigitalBridge's portfolio companies, including the Zayo Licensees, unaffected, but more specifically, SoftBank and DigitalBridge currently have no plans to change operations or implement changes to the current governance structure, management, or personnel/headcount of the Zayo Licensees. Rather, according to the Amended Petition, SoftBank, as a renowned and financially capable Japanese investor, would evaluate options to promote and foster the operations of DigitalBridge from an economic, financial, technical and organizational capacity perspective.

According to the Amended Petition, SoftBank shares DigitalBridge's commitment to long-term investment and scaling digital infrastructure and that SoftBank's vision, capital strength, and global network are expected to allow DigitalBridge to accelerate its business objectives with greater flexibility, invest with a longer-term horizon on behalf of its investors, and better serve the world's leading technology companies as they scale their AI ambitions. Following closing, DigitalBridge is expected to operate as a separately managed asset management platform within the wider SoftBank Group.

Joint Petitioners stated that the Proposed Transaction is not expected to have any adverse effect particularly on Zayo's Licensees, on customers, and would not alter the manner of service delivery or billing. Moreover, the Zayo Licensees will continue to comply with existing contracts, as applicable, subject to change in the ordinary course of business and in accordance with applicable law. The Zayo Licensees would continue to be operated by highly experienced, well-qualified personnel and the existing management, operations, and customer-facing teams of the Zayo Licensees would continue to manage their day-to-day businesses following completion of the Proposed Transaction.

Additionally, Joint Petitioners stated that the Proposed Transaction would not adversely affect competition in any domestic telecommunications market as neither SoftBank nor any of its affiliates have domestic wireline services in markets that compete with the Zayo Licensees. Joint Petitioners affirmed that the Proposed Transaction is expected to support and supplement Zayo Parent's competitiveness as it will continue to face robust competition from a broad array of competitors upon completion of the Proposed Transaction, and furthermore, as a competitive entrant, Zayo faces competition at virtually every location from the incumbent local exchange carrier and the incumbent cable operators.

According to the Amended Petition, Petitioners stated that Zayo Licensees currently employ 142 employees in the New Jersey, New York, and Pennsylvania tri-state area. The Joint Petitioners stated that the Proposed Transaction would not impact these employees, and that employees of the Zayo Licensees do not participate in a U.S. employee pension plan through their employer and therefore, the Proposed Transaction would not affect any pension obligations, and that employees' existing rights will be retained following consummation of the Proposed Transaction.

By letter dated July 22, 2026, the New Jersey Division of Rate Counsel ("Rate Counsel") submitted comments on the Amended Petition. Rate Counsel stated that it did not oppose Board approval of the Petition.

DISCUSSION AND FINDINGS

Pursuant to N.J.S.A. 48:2-51.1(a), the Board shall evaluate the impact of a transfer of control of a public utility on competition, on the rates of ratepayers affected by the transfer of control, on the employees of the affected public utility or utilities, and on the provision of safe and adequate utility service at just and reasonable rates. The Board must be satisfied that positive benefit will flow to customers and the State of New Jersey and, at a minimum, that there are no adverse impacts on any of the criteria delineated in N.J.S.A. 48:2-51.1, and N.J.A.C. 14:1-5.14(c) as set forth above.

After investigation, and having considered the record in this proceeding, the Board is satisfied that the Proposed Transaction will not have any adverse impact on competition, pricing, or the terms and conditions of service. The Board **HEREBY FINDS** that the Joint Petitioners have satisfied all requirements as stipulated in N.J.S.A. 48:2-51.1(a) and N.J.A.C. 14:1-5.14(c).

Pursuant to N.J.S.A. 48:3-7, a utility shall not dispose of its property or consolidate its property with that of any other public utility without the approval of the Board. Where the disposition of all, or a substantial portion of a utility's property is proposed, the Board shall not approve of the proposed transaction if it appears that the public utility or a wholly owned subsidiary thereof may be unable to fulfill its pension obligations to its employees. Joint Petitioners stated the Proposed Transaction will not impact these employees. Further the Joint Petitioners stated that employees of Zayo Licensees do not participate in a U.S. employee pension plan through their employer, therefore the Proposed Transaction will not affect any pension obligations and employees' existing rights will be retained following consummation of the Proposed Transaction. The Board therefore **FINDS** that Petitioners have satisfied all requirements under N.J.S.A. 48:3-7.

After investigation, and having considered the record in this proceeding, the Board **FINDS** that the Proposed Transaction is consistent with applicable law and is not contrary to the public interest. The Board also **FINDS** that the Proposed Transaction will have no material adverse impact on the provision of safe, adequate, and proper service at just and reasonable rates, and is likely to provide positive benefits to customers. The Board further **FINDS** that the Proposed Transaction will have no material adverse impact on competition or rates. The Board **FINDS** that the Proposed Transaction will have no material impact on the Joint Petitioners' employees, or their pensions. Therefore, the Board **HEREBY AUTHORIZES** the Joint Petitioners to complete the Proposed Transaction.

This Order shall be effective on August 19, 2026.

DATED: August 12, 2026

BOARD OF PUBLIC UTILITIES
BY:

BEN HERTZ-SHARGEL
PRESIDENT

CHRISTINE GUHL-SADOVY
COMMISSIONER

MICHAEL BANGE
COMMISSIONER

EMMA REBHORN
COMMISSIONER

JOSEPH COVIELLO
COMMISSIONER

ATTEST:

SHERRI L. LEWIS
BOARD SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF VERIFIED JOINT PETITION OF DIGITALBRIDGE GROUP, INC., FIBER ASSETCO LLC, ZAYO GROUP, LLC, ZAYO NETWORK SERVICES, LLC, AND DUNCAN HOLDCO LLC FOR APPROVAL OF THE INDIRECT TRANSFER OF CONTROL OF FIBER ASSETCO LLC, ZAYO GROUP, LLC, AND ZAYO NETWORK SERVICES, LLC

DOCKET NO. TM26030047

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