



PUBLIC NOTICE

Federal Communications Commission
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DA 03-64
Released: January 10, 2003

**DOMESTIC SECTION 214 APPLICATION FILED FOR CONSENT TO TRANSFER
CONTROL OF HILLS TELEPHONE COMPANY FROM ALLIANCE
TELECOMMUNICATIONS CORPORATION TO SPLITROCK TELECOM
COOPERATIVE, INC.**

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 03-03

On December 12, 2002, Splitrock Telecom Cooperative, Inc. (Splitrock)¹ and Alliance Telecommunications Corporation (Alliance) (collectively, Applicants) filed an application, pursuant to section 63.04 of the Commission's rules,² for consent to transfer control of Alliance's wholly owned subsidiary, Hills Telephone Company, Inc. (Hills), from Alliance to Splitrock. Splitrock currently owns 12% of the equity and 25% of the voting stock of Alliance. Alliance and Splitrock have agreed, after all necessary approval are received, that Splitrock will exchange all of its equity and voting stock interest in Alliance for all of the issued and outstanding capital stock of Hills.

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(iii) of the Commission's rules because the applicants are incumbent local exchange carriers (LECs) that have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas.³

Alliance provides a variety of communications services to its customers through its various subsidiaries. Alliance is the ultimate parent of six incumbent LECs that own and operate approximately 31,445 access lines, and provide communications services primarily to rural communities in South Dakota, Iowa, Wisconsin and Minnesota. The Alliance LECs are Sioux Valley Telephone Company (Sioux Valley), Hills, Loretel Systems, Inc.(Loretel), Felton

¹ Effective January 1, 2003, Splitrock will change its name to Alliance Communications Cooperative, Inc.

² 47 C.F.R § 63.04; *see* 47 U.S.C. § 214.

³ 47 C.F.R. § 63.03(b)(2)(iii)

Telephone Company, Inc. (Felton), Hager TeleCom, Inc. (Hager), and Sleepy Eye Telephone Company (Sleepy Eye). Alliance also is the ultimate parent of OU Connection, Inc., which provides telecommunications services through the use of calling cards.

Hills is a rural local exchange carrier serving approximately 2,811 lines, that provides wireline local exchange service, exchange access service, and interexchange service to residential and business customers in Iowa and Minnesota. In Iowa, Hills serves the exchanges of Larchwood, Alvord, Inwood, Lester, SouthSteen, South Hills, and South Valley Springs located in Lyon County in the northwestern corner of the state. Hills serves approximately 2,152 access lines in these exchanges, while Lyon County has a population of approximately 11,750. In Minnesota, Hills serves the exchanges of Hills, Steen and North Lester located in Rock County in the southwestern corner of the state. Hills serves approximately 659 access lines in these exchanges, while Rock County has a population of approximately 9,721.

Splitrock is a rural local exchange carrier that provides wireline local exchange service, exchange access service, and interexchange service to residential and business customers in South Dakota and Minnesota. Splitrock serves approximately 5,197 access lines in the exchanges of Brandon and Garretson in Minnehaha County, South Dakota. Splitrock also serves approximately 79 access lines in the East Garretson exchange in Rock County, Minnesota. Splitrock serves a total of approximately 5,276 access lines in its exchanges.

Splitrock's affiliate, Splitrock Properties, Inc. (Splitrock Properties), is a rural local exchange carrier that provides wireline local exchange service, exchange access service, and interexchange service to residential and business customers in South Dakota. Splitrock Properties serves the exchange of Howard Miner County and the exchange of Oldham-Ramona in Kingsbury and Lake Counties. Splitrock Properties serves a total of approximately 1,542 access lines in these exchanges, while the three counties have a combined population of approximately 19,975.

Applicants state that the proposed transaction will advance the public interest because it will lead to operating efficiencies and more efficient delivery of services for the combined entities. According to Applicants, the proposed transaction will be transparent to the customers of the companies, who will continue to be served by the same experienced personnel serving them today.

GENERAL INFORMATION

The transfer of control application identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments within 14 days** and **reply comments within 21 days** of this notice.⁴ Unless

⁴ See 47 C.F.R. § 63.03(a).

otherwise notified by the Commission, an applicant is permitted to transfer control of the domestic lines or authorization to operate on the 31st day after the date of this notice.⁵ Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appear in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Vistrionix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

In addition, one copy of each pleading must be sent to each of the following:

- (1) the Commission's duplicating contractor, Qualex International, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: qualexint@aol.com; facsimile: (202) 863-2898; phone: (202) 863-2893.
- (2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: twilson@fcc.gov, and

⁵ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- (3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 6-A461, Washington, D.C. 20554; e-mail: dcjohnso@fcc.gov, and
- (4) William Dever, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room , 5-C266, Washington, D.C. 20554; e-mail: wdever@fcc.gov; and
- (5) Imani Ellis-Cheek, Telecommunications Division, International Bureau, 445 12th Street, S.W., Room 6-A739, Washington, D.C. 20554; email: iellis@fcc.gov; and
- (6) Nandan Joshi, Office of General Counsel, 445 12th Street, S.W., Room 8-A820, Washington, D.C. 20554; e-mail: njoshi@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail qualexint@aol.com.

For further information, please contact Tracey Wilson, at (202) 418-1394, Dennis Johnson (202) 418-0809, or William Dever, Competition Policy, Wireline Competition Bureau at (202) 418-1578.

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