



PUBLIC NOTICE

Federal Communications Commission
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DA 05-3187

Released: December 14, 2005

**DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL
OF LAUREL TELEPHONE COMPANY, INC. TO HEART OF IOWA
COMMUNICATIONS COOPERATIVE**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 05-329

Comments Due: December 28, 2005

Reply Comments Due: January 4, 2006

On November 22, 2005, Laurel Telephone Company, Inc. (“Laurel” or “Transferor”) and Heart of Iowa Communications Cooperative (“Heart of Iowa” or “Transferee”) (collectively the “Applicants”), filed an application, pursuant to sections 63.03 and 63.04 of the Commission’s rules,¹ seeking authority to transfer control of Laurel to Heart of Iowa.

The Applicants request streamlined treatment on a case-by-case basis although Heart of Iowa and Laurel have adjacent service areas.² The Applicants argue that streamlined treatment would be consistent with the purposes of the streamlined procedures for two reasons. First, the Applicants state that Laurel serves only 306 access lines and is currently under common management with Heart of Iowa. Secondly, the Applicants argue that any increase in concentration in the industry will be entirely *de minimis*. Since, however, Laurel has one exchange that is adjacent to two Heart of Iowa exchanges, we reject the Applicants’ arguments and conclude that the application is not eligible for streamlined treatment.³

Heart of Iowa, an Iowa cooperative corporation, provides local exchange and exchange

¹ 47 C.F.R §§ 63.03, 63.04; *see* 47 U.S.C. § 214.

² The Bureau can exercise its discretion to grant requests for streamlined treatment on a case-by-case basis even if a transaction does not fall under any of the presumptive streamlined categories.

³ *See* 47 C.F.R. § 63.03(b)(2)(iii).

access to eight exchanges in north-central Iowa.⁴ No person or entity owns 10% or more of the equity of Heart of Iowa.

Laurel, an Iowa corporation, is a local exchange carrier operating in north central Iowa. Laurel's single exchange is adjacent to two Heart of Iowa exchanges. Two thirds of the shares of Laurel common stock are locally owned. No person or entity owns 10% or more of the equity Laurel.

The Applicants entered into a Stock Purchase Agreement ("Agreement") for the transfer of all outstanding common stock of Laurel to Heart of Iowa. Pursuant to the Agreement, Heart of Iowa will become the provider of telecommunications service to Laurel's subscribers upon completion of the proposed transaction. Upon completion of the proposed transaction, Laurel will be dissolved and its existing customers will become members of Heart of Iowa. Heart of Iowa, which currently manages Laurel under contract, will continue to provide high-quality telecommunications service to Laurel's subscribers.

Applicants state that the proposed transaction serves the public interest because each person in the Laurel exchange who receives service from Heart of Iowa will have all the rights and privileges of a Cooperative member, including voting for a representative to the Board of Directors of Heart of Iowa and eligibility for capital that may be allocated. Furthermore, the Applicants assert that due to rapidly changing technological, economic and regulatory environment, the subscribers of Laurel will be better served by a larger organization with more resources.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-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. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before December 28, 2005 and reply comments on or before January 4, 2006.**⁵ Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

⁴ On May 21, 2004 the Commission authorized Heart of Iowa to acquire three additional exchanges from Iowa Telecommunications Services, Inc. Public Notice, *Wireline Competition Bureau Grants Consent for Acquisition of Local Exchange Assets of Iowa Telecom Heart of Iowa*. WC Docket No. 03-249, DA 04-1449. This proposed transaction has not been consummated, however, because the Commission has yet to act upon the Petition for Waiver of the Definition of Study Area, which was filed simultaneously as the Transfer of Control application. Heart of Iowa continues to provide competitive local exchange service in the three exchanges.

⁵ *See* 47 C.F.R. § 63.03(a).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <http://www.fcc.gov/cgb/ecfs/> or the Federal eRulemaking Portal: <http://www.regulations.gov>. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers 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, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, “get form.” A sample form and directions will be sent in response.
- Paper Filers: 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 appears in the caption of this proceeding, filers 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). All filings must be addressed to the Commission’s Secretary, Office of the Secretary, Federal Communications Commission.

The Commission’s contractor 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, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

- Federal Communications Commission's Web Site: <http://www.fcc.gov/cgb/ecfs/>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

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

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; email: tracey.wilson-parker@fcc.gov;
- (3) Kimberly Jackson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C142, Washington, D.C. 20554; e-mail: kimberly.jackson@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@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, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpweb.com.

For further information, please contact Tracey Wilson-Parker at (202) 418-1394, or Kimberly Jackson at (202) 418-7393.

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