



PUBLIC NOTICE

Federal Communications Commission
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DA 06-838
Released: April 11, 2006

DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF W.E. COMMUNICATIONS INC. AND ITS SUBSIDIARY HARMONY TELEPHONE COMPANY FROM LINDA HALVERSON, INDIVIDUALLY AND AS TRUSTEE OF THE KENNETH L. HALVERSON 2004 IRREVOCABLE TRUST TO MSG TEL, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-71

Comments Due: April 25, 2006
Reply Comments Due: May 2, 2006

On March 24, 2006, Linda Halverson, individually and as trustee of the Kenneth L. Halverson 2004 Irrevocable Trust, (“Transferor”) and MSG Tel, Inc. (MSG) (“Transferee”) (collectively referred to as “Applicants”) filed an application, pursuant to sections 63.03 and 63.04 of the Commission’s rules,¹ seeking authority to transfer control of W.E. Communications, Inc. (WEC), and its subsidiary Harmony Telephone Company (Harmony) from Linda Halverson to MSG Tel, Inc. (MSG).²

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission’s rules because: (1) this proposed transaction would result in MSG having a market share in the interstate, interexchange market of less than 10 percent; (2) MSG will not provide competitive telephone exchange services or exchange access services; and (3) the Applicants are incumbent independent local exchange carriers (LEC) that have, in combination, fewer than two percent of the nation’s subscriber lines installed in the aggregate nation-wide, and no overlapping or adjacent service areas.³

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

² Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

³ 47 C.F.R. § 63.03(b)(2)(iii).

WEC, a corporation organized under Minnesota law, is owned by Linda Halverson, a United States citizen who holds 50.9% equity in the corporation. Linda Halverson also owns the remaining 49.1% of WEC's voting stock as the trustee of the Kenneth L. Halverson 2004 Irrevocable Trust. WEC wholly-owns the following three subsidiaries: (1) Harmony; (2) Harmony Cable, Inc.; and (3) Harmony Cellular, Inc. Harmony is an incumbent LEC that serves a single Minnesota study area consisting of two exchanges – the Harmony, Minnesota exchange in southeastern Minnesota just north of the Minnesota-Iowa border; and the Harmony, Iowa exchange in Northeastern Iowa just south of the Minnesota border. Harmony serves as a sales agent for interstate, intrastate and international long distance services provided by Onvoy, Inc. but Harmony and its affiliates do not themselves resell interstate, intrastate and /or international long distance toll services. Harmony holds a less than 5% interest in Onvoy, Inc. Harmony Cable, Inc. owns operates the cable television system serving the City of Harmony, Minnesota. Harmony and its affiliates provide no other domestic telecommunications services.

MSG is a Minnesota corporation that is owned 50% by Mabel Cooperative Telephone Company (Mabel), and 50% by Spring Grove Cooperative Telephone Company (Spring Grove). Mabel, a Minnesota corporation, is a telecommunications cooperative corporation owned by its approximately 1,760 owner-members, serving as an incumbent LEC for two exchanges in its Minnesota study area and three exchanges in its Iowa study area. Mabel serves the Mabel and Prosper exchanges in southeastern Minnesota, and the Burr Oak, Ridgeway and Hesper exchanges in northeastern Iowa. Mabel and its affiliates provide no other domestic telecommunications services. No individual owner-member owns or controls ten (10) percent or more of the equity of Mabel.

Spring Grove is a Minnesota telecommunications cooperative corporation that is owned by its approximately 1,060 owner-members. Spring Grove is an incumbent LEC serving a single Minnesota study area comprised of the Spring Grove exchange in Minnesota (approximately 1,320 access lines) and the South Spring Grove exchange in Iowa (approximately 50 access lines). Mabel and Spring Grove share a common boundary with each other, neither the Mabel study areas nor the Spring Grove study area are contiguous with the Harmony study area. Spring Grove and its affiliates provide no other domestic telecommunications services. No individual owner-member owns or controls ten (10) percent or more of the equity of Spring Grove.

The proposed transaction consists of the purchase by MSG of the stock of WEC from Linda Halverson and the Halverson Trust. Immediately prior to the closing of the stock purchase, Linda Halverson and the Halverson Trust will cause the three wholly-owned subsidiaries of WEC to be merged into WEC. Following the merger, the name of WEC will then be changed to Harmony Telephone Company. Upon closing of the proposed stock purchase, the re-organized Harmony will become a wholly-owned subsidiary of MSG. The new Harmony will continue to provide the same local exchange, exchange access and other telecommunications services as the current Harmony.

Applicants state that the proposed transaction serves the public interest, convenience and necessity because it entails the transfer of control of approximately 1017 access lines to a

company owned by two slightly larger rural telephone cooperatives with approximately 3,132 access lines. The Applicants state that the proposed transaction would ensure that service continues in the Harmony service area.

GENERAL INFORMATION

The transfer of control 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. 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 April 25, 2006** and **reply comments on or before May 2, 2006**.⁴ Unless otherwise notified by the Commission, Applicants are permitted to transfer control on the 31st day after the date of this notice.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).

- **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

⁴ See 47 C.F.R. § 63.03(a).

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

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.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Cecilia Stephens-Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; email: cecilia.seppings@fcc.gov;
- (3) Kimberly Jackson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-, 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 CeCi Seppings at (202) 418-1588, or Kimberly Jackson at (202) 418-7393.

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