



PUBLIC NOTICE

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DA 07-21
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**DOMESTIC SECTION 214 APPLICATION FOR THE
TRANSFER OF CONTROL OF CURTIS TELEPHONE COMPANY
AND TOTAL COMMUNICATIONS INC. TO CONSOLIDATED COMPANIES, INC.**

**NON-STREAMLINED PLEADING CYCLE ESTABLISHED
WC Docket No. 06-230**

Comments Due: January 19, 2007
Reply Comments Due: January 26, 2007

On December 18, 2006, Curtis Telephone Company (“Curtis”), Total Communications, Inc. (“Total”) and Consolidated Companies, Inc. (“CCI”) (collectively the “Applicants”), filed an application pursuant to sections 63.03 and 63.04 of the Commission’s rules¹ for authority to transfer control of Curtis and Total to CCI.²

The Applicants do not seek streamlined treatment for this application under section 63.03(b) of the Commission’s rules³ as the existing Curtis service area is adjacent to two subsidiaries of CCI (Consolidated Telecom, Inc. to the north and Consolidated Telco, Inc. to the west).⁴

Curtis, a Nebraska corporation, is an incumbent local exchange carrier (LEC) providing local exchange and exchange access service to subscribers in and around Curtis, Nebraska in southwestern Nebraska. Curtis’ service area is approximately 412 square miles within which it serves approximately

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. Applicants filed a supplement to their original application on December 28, 2006. *See* Curtis Telephone Company, Inc., Total Communications, Inc. and Consolidated Companies, Inc., Application for Authorization Pursuant to Section 214 of the Communications Act, as Amended, for Transfer of Control, WC Docket No. 06-230 (filed December 28, 2006).

³ *See* 47 C.F.R. § 63.03.

⁴ *See* 47 C.F.R. § 63.03(b)(2)(iii).

770 access lines.⁵ No stockholder of Curtis owns ten percent or more of the issued and outstanding stock of Curtis. Operational control of Curtis rests with its Board of Directors and its General Manager and CEO, all U.S. citizens, who are identified as follows: Marion Johnson, President and Board member; Gilbert Larson, Vice President and Board member; Elaine Elson, Secretary and Board member; Lindy Elson, Board member; Dallas Petersen, Board Member; Ed Cole, General Manager and CEO.

Total, a Nebraska corporation, is an interexchange service reseller providing service to subscribers in and around Curtis, Nebraska and in the general area served by Curtis. Total is a wholly-owned subsidiary of Curtis. The Officers and Members of the Board are the same as those listed for Curtis.

CCI is a Nebraska corporation, operating as a holding company that owns various telecommunications companies in the state of Nebraska. CCI also owns 100% of the issued and outstanding stock of the following telecommunications companies: Consolidated Telephone Company, an incumbent LEC providing service in north central Nebraska; Consolidated Telco, Inc., an incumbent LEC providing service in southwestern Nebraska; Consolidated Telecom, Inc., an incumbent LEC providing service in southwestern Nebraska; Consolidated Long Distance, a resale interexchange carrier providing service in north central and southwestern Nebraska. The CCI-affiliated incumbent LECs provide service in sparsely populated areas, in particular the two service areas adjacent to Curtis. For example, Consolidated Telecom, Inc.'s service area is approximately 682 square miles, within which it serves approximately 1,197 access lines. Consolidated Telco, Inc.'s service area is approximately 1,175 square miles, within which it serves approximately 1,569 access lines. The owners of ten percent or more of the equity of CCI, all U.S. citizens, are as follows: Craig E. Thompson, (15%), L. Rodney Thompson (17%), G. Scott Thompson (17%) and Wendy T. Fast (16%).

The proposed transaction consists of CCI purchasing all of the issued and outstanding stock of Curtis upon approval of its shareholders. CCI's purchase will occur through a merger involving CCI's wholly-owned subsidiary, Curtis Transitory Sub, Inc. ("CSI") which was formed for purposes of this transaction. Upon consummation of the transaction, CSI will cease to exist, Curtis will be the surviving corporation in the merger and Curtis will become a wholly-owned subsidiary of CCI, with Total, in turn, a second tier wholly-owned subsidiary of CCI.

The Applicants state that the proposed transaction will serve the public interest by allowing the Applicants to take advantage of increased efficiencies attendant from broader-based rural operations. Although the existing Curtis service area is adjacent to two subsidiaries of CCI (Consolidated Telecom, Inc. to the north and Consolidated Telco, Inc. to the west), Applicants argue that the proposed transaction raises no competitive issues that should delay grant of the application. Specifically, Applicants state that because the service areas involved are rural, sparsely populated areas, they are not subject to the same competitive pressures as more heavily populated urban markets. Applicants state that no interconnection request from a competitive local exchange carrier has been received by Curtis, Consolidated Telecom, Inc., Consolidated Telco, Inc., or Consolidated Telephone Company. In addition, Applicants submit that Curtis has not entered into any interconnection agreements with wireless providers, and while CCI affiliated incumbent LECs do have interconnection agreements with wireless providers, the terms of those agreements will not be altered arising from the consummation of this transaction. Finally, Applicants

⁵ Of those 770 access lines, 554 are residential lines and 216 are business lines. See Domestic 214 Application for the Transfer of Control of Curtis Telephone Company and Total Communications Inc. to Consolidated Companies, Inc., Supplement, WC Docket No. 06-230 (filed Dec. 28, 2006).

contend that but for the adjacent service areas, the proposed transaction would be subject to the Commission's streamlined processing rules since: 1) Curtis and each of the three CCI-affiliated incumbent LECs have less than two percent of the access lines in the country; 2) Total will serve less than 10% of the interexchange market; and 3) no CCI-affiliated company provides a non-dominant service offering in any of Curtis' certified areas and vice versa.

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 January 19, 2007** and reply comments **on or before January 26, 2007**.⁶ 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 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.

⁶ See 47 C.F.R. § 63.03(a).

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 Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C230, Washington, D.C. 20554; email: Cecilia.Seppings@fcc.gov;
- 3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-B155, Washington, D.C. 20554; e-mail: Dennis.Johnson@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) Jim Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: jim.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.bcpiweb.com.

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For further information, please contact Cecilia Seppings at (202) 418-1588, or Dennis Johnson at (202) 418-0809.

