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DA 10-2265

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DOMESTIC SECTION 214 APPLICATION FILED FOR THE ACQUISITION OF CERTAIN ASSETS OF PENINSULA TELEPHONE COMPANY BY ACE TELEPHONE COMPANY OF MICHIGAN, INC.

## STREAMLINED PLEADING CYCLE ESTABLISHED

**WC Docket No. 10-232** 

Comments Due: December 7, 2010

Reply Comments Due: December 14, 2010

On November 15, 2010, Peninsula Telephone Company (PenTel) and Ace Telephone Company of Michigan, Inc. (ATCM) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer certain telecommunications assets from PenTel to ATCM.<sup>1</sup>

PenTel, a Michigan Corporation, is the incumbent local exchange carrier (LEC) in the Old Mission exchange, where it provides telecommunications services to business and residential customers. PenTel does not provide any international telecommunications services. PenTel does have a subsidiary company, Peninsula Communications, Inc., which is engaged in the installation, troubleshooting, and repair of telephone and Internet services, and which has no ownership interest in any other entities. Jack E. Solomonson and Violet H. Solomonson, both U.S. citizens, together hold a seventy-eight percent interest in PenTel. Each remaining owner owns less than a ten percent equity interest in PenTel.

ATCM, a Michigan corporation, is an incumbent LEC providing local exchange service to customers in the Buckley, Copemish-Thompsonville, Hoxeyville, Mesick, and South Boardman exchanges, all of which are located in Michigan. ATCM does not provide any international telecommunications services. ATCM has a wholly-owned subsidiary, Allendale Telephone Company, which provides local exchange and other telecommunications services in Michigan. Allendale Telephone Company, in turn, has a wholly-owned subsidiary, Drenthe Telephone Company, which also provides local exchange and other telecommunications services in Michigan. ATCM is the wholly-owned subsidiary of Ace Telephone Association (ATA), a Minnesota member-owned cooperative. ATA owns and manages ATCM, as well as ATA's own rural telecommunications operations in Iowa and Minnesota. ATA also owns and operates Ace Link Telecommunications, Inc. (Ace Link), a competitive local exchange carrier and domestic toll carrier that operates in Caledonia, Minnesota. ATCM is wholly owned by Ace Telephone Association, a U.S. entity. ATA, in turn, is owned by its member customers, none of whom own a ten percent or more equity interest in ATA.

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<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; see 47 U.S.C. § 214.

The Applicants have agreed to a proposed transaction whereby ATCM and PenTel have entered into a confidential purchase agreement for ATCM to acquire all of PenTel's local exchange and telecommunications assets in the Old Mission exchange. The purchase agreement includes the condition of ATCM acquiring the Michigan Public Service Commission's approval to serve the Old Mission exchange, and all other required regulatory approvals. After consummation of the proposed transaction. ATCM would provide local exchange service and other telecommunications services to residential and business customers, including primary basic local exchange service, in the Old Mission exchange. The assets to be transferred include the assets that PenTel uses in its provision of local exchange and other telecommunications services, as well as broadband service, including customer contracts. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(1)(iii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>2</sup>

Domestic Section 214 Application Filed for the Acquisition of Certain Assets of Peninsula Telephone Company by Ace Telephone Company of Michigan, Inc., WC Docket No. 10-232 (filed Nov. 15, 2010).

## **GENERAL INFORMATION**

The Wireline Competition Bureau finds, upon initial review, that the transfer of control identified herein is 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 section 63.03(a) of the Commission's rules, 47 C.F.R. § 63.03(a), interested parties may file comments on or before December 7, 2010, and reply comments on or before December 14. 2010. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice. Comments must be filed electronically using (1) the Commission's Electronic Comment Filing System (ECFS) or (2) the Federal Government's e-Rulemaking Portal. See 47 C.F.R. § 63.03(a) ("All comments on streamlined applications shall be filed electronically . . . . "); Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- Comments may be filed electronically using the Internet by accessing the ECFS, http://www.fcc.gov/cgb/ecfs/, or the Federal e-Rulemaking 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.

In addition, e-mail one copy of each pleading to each of the following:

<sup>&</sup>lt;sup>2</sup> 47 C.F.R. § 63.03(b)(1)(iii).

<sup>&</sup>lt;sup>3</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are 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; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson at (202) 418-1394 or Dennis Johnson at (202) 418-0809.