



PUBLIC NOTICE

Federal Communications Commission
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DA 11-392
Released: February 28, 2011

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF MERCURY VOICE AND DATA COMPANY TO CEQUEL COMMUNICATIONS, LLC

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 11-17

Comments Due: March 14, 2011

Reply Comments Due: March 21, 2011

On January 19, 2011, News-Press & Gazette Company (NPGC), Mercury Voice and Data Company (Mercury Voice) and Cequel Communications, LLC d/b/a Suddenlink (Cequel) (collectively, Applicants), filed an application pursuant to section 63.03 of the Commission's rules¹ to request authority to transfer control of Mercury Voice from NPGC to Cequel.

Mercury Voice, a Missouri corporation, offers telecommunications services to small and medium businesses, and commercial enterprises, in Missouri and Arizona. Mercury Voice's sole shareholder is NPGC. Cequel, a Delaware limited liability company, is an indirect, wholly owned subsidiary of Cequel Communications Holdings, LLC (Cequel Holdings), a U.S. entity. Cequel Holdings indirectly controls the following entities that provide competitive telecommunications services: Cebridge Telecom CA, LLC (Cebridge-CA), Cebridge Telecom LA, LLC (Cebridge-LA), Cebridge Telecom MO, LLC (Cebridge-MO), Cebridge Telecom NC, LLC (Cebridge-NC), Cebridge Telecom OK, LLC (Cebridge-OK), Cebridge Telecom TX, LP (Cebridge-TX) and Cebridge Telecom WV, LLC (Cebridge-WV). Cequel Holdings also indirectly controls TCA Communications, LLC, which provides interexchange services. Cebridge Connections Holdings, LLC (Cebridge Holdings) owns, through one wholly owned subsidiary, 25.6 percent of the total equity and 29.1 percent of the voting stock of Cequel Holdings. Cequel Holdings and all intervening subsidiaries are U.S. entities.

Quadrangle Capital Partners II LP (Quadrangle) is a private investment company and a U.S. entity, which holds 49.96 percent in Cebridge Holdings. After taking into account the direct investors in Cequel Holdings, Quadrangle's holding equates to an indirect interest of 12.8 percent of the total equity and 14.6 percent of the voting stock in Cequel Holdings. Quadrangle is controlled by Quadrangle GP Investors LP, a Delaware limited partnership. Quadrangle Holdings LLC is the managing member of Quadrangle GP Investors II LLC, which is the general partner of Quadrangle GP Investors II LP. Peter

¹ 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants also filed an application for transfer of control associated with authorizations for CARS licenses and a Millimeter Wave 70/80/90 GHz Service license. Any action on this domestic section 214 application is without prejudice to Commission action on other pending applications. Applicants filed supplements to their domestic 214 application on February 17 and 25, 2011.

Ezersky and Michael Huber, both U.S. citizens, are the managing member of Quadrangle Holdings LLC. All of the entities in the Quadrangle ownership chain are U.S. citizens.

OCM CCH, Inc. (OCM) is a private investment company and a U.S. entity which holds 16.5 percent of the total equity and 10.5 percent of the voting stock in Cequel Holdings. OCM Principal Opportunities Fund II, L.P. controls OCM. The general partner of OCM Principal Opportunities Fund II, L.P. is Oaktree Fund GP I, L.P., whose general partner is Oaktree Capital I, L.P. The general partner of Oaktree Capital I, L.P. is OCM Holdings I, LLC. The managing member of OCM Holdings I, LLC is Oaktree Holdings, LLC, whose managing member is Oaktree Capital Group, LLC. The holder of a majority of the voting units of Oaktree Capital Group, LLC is Oaktree Capital Holdings, L.P. The general partner of Oaktree Capital Group Holdings, L.P. is Oaktree Capital Group Holdings GP, LLC (Oaktree GP LLC). Oaktree GP LLC has voting and non-voting members. According to the Applicants, the operating agreement of Oaktree GP LLC includes insulating language with respect to the non-voting members and with respect to certain voting members for media matters. The operating agreement establishes a Media Company Committee which consists of John Frank, Stephen Kaplan, Bruce Karsh, David Kircheimer and Howard Marks, all of whom are U.S. citizens. Each member of the Media Company Committee has an equal one-fifth vote. Voting members of Oaktree GP LLC who do not serve on the Media Company Committee are considered insulated member for the purposes of any media investment. All of the entities in the OCM ownership chain are U.S. entities.

Pursuant to the Stock Purchase Agreement dated November 24, 2010, by and among NPGC and Cequel, Cequel will acquire from NPGC all issued and outstanding capital stock in Mercury Voice. As a result of the proposed transaction, Cequel will wholly own, and control, Mercury Voice. Upon closing of the stock transaction, Cequel will initiate an internal reorganization such that a newly-formed limited liability company (formed for the purpose of integrating Mercury Voice into the Cequel organization) will merge with Mercury Voice. The surviving entity will be organized as a limited liability company and named Mercury Voice & Data, LLC d/b/a Suddenlink Communications. Thus, following the consummation of the proposed transaction, the newly formed limited liability company will continue to offer service with no change in the rates or terms and conditionals of service to Mercury Voice's customers.

Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.²

Domestic Section 214 Application Filed for the Transfer of Control of Mercury Voice and Data Company to Cequel Communications, LLC, WC Docket No. 11-17 (filed Jan. 19, 2011).

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 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 March 14, 2011**, and reply comments **on or before March 21, 2011**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after

² 47 C.F.R. § 63.03(b)(2)(i).

the date of this notice.³ 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:

- 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.

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).

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

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³ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.