Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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DA 11-407

Released: March 1, 2011

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF PUBLIC INTEREST NETWORK SERVICES, INC. TO CORNERSTONE TELEPHONE COMPANY, L.L.C.

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 11-32

Comments Due: March 15, 2011 Reply Comments Due: March 22, 2011

On February 14, 2011, the shareholders of Public Internet Network Services Inc. (PINS) and CornerStone Telephone Company, L.L.C. (CornerStone) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules<sup>1</sup> to request authority to transfer control of PINS to CornerStone.

PINS, a New York corporation and a facility-based competitive local exchange company, provides exchange, exchange access and interexchange services primarily in New York City and the surrounding metropolitan area in competition with the incumbent local exchange company, Verizon Communications. PINS serves approximately 350 access lines (as an indirect reseller of Verizon Communications) with traditional exchange interexchange services, as well as voice and data services. Nationwide, PINS serves approximately 700 customers, more than 240 of whom are in the New York City metropolitan area.

CornerStone, a closely-held New York limited liability corporation, provides Internet-protocol based competitive broadband voice and data services in New York State, Massachusetts, Pennsylvania and New Jersey to approximately 8,950 customers, including local exchange, exchange access, long distance, data and broadband offerings. There is no overlap of service areas between CornerStone and PINS. CornerStone is the parent company of Richmond Telephone Company (RTC), a rural local exchange company incorporated in Massachusetts serving approximately 1,050 access lines in Richmond, Massachusetts. RTC also offers a wide variety of local calling features and local Internet access. RTC's subsidiary, Richmond Connections, Inc. (RCI), a competitive local exchange company (CLEC) also incorporated in Massachusetts, provides exchange and exchange access service t approximately 2,300 access lines in Massachusetts (wholly outside RTC's service area) in competition with the dominant local

<sup>&</sup>lt;sup>1</sup> 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 international services. Any action on this domestic section 214 application is without prejudice to Commission action on other pending applications. Applicants filed a supplement to their application on March 1, 2011

exchange carrier, Verizon Communications. RCI provides interstate long distance services to its subscribers and residents in RTC's service area. The following U.S. citizens directly own at least ten percent of the equity of CornerStone: Daniel Yamin (15 percent), Donald Walsh (15 percent), Stanley D. Russell (12.50 percent), Jack A. Overton, Jr. (12.50 percent) and Estate of Jeffrey S. Doerr (12.50 percent).

Applicants propose to consummate a transaction where CornerStone will purchase all of the issued and outstanding stock of PINS. After consummation, PINS will continue to offer services pursuant to their current rates, terms and conditions. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(ii) 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 Transfer of Control of Public Interest Network Services, Inc. to CornerStone Telephone Company, L.L.C., WC Docket No. 11-32 (filed Feb. 14, 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 15, 2011,** and reply comments **on or before March 22, 2011.** Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice.<sup>3</sup> 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;

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

<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.

- 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.

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