



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>
TTY: 1-888-835-5322

DA 14-1046
July 23, 2014

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE ACQUISITION OF
ASSETS OF THE WIDOPEN WEST SOUTH DAKOTA SUBSIDIARIES
BY CLARITY TELECOM, LLC**

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 14-103

Comments Due: August 6, 2014
Reply Comments Due: August 13, 2014

On July 11, 2014, Kite Parent Corp., (Kite Parent, a subsidiary of WideOpenWest Finance, LLC (WOW!)), on behalf of itself and its subsidiaries, Knology of the Plains, Inc. (Knology Plains), Knology of the Black Hills, LLC (Knology Black Hills), Knology Community Telephone, Inc. (Knology CT), Knology of South Dakota, Inc. (Knology SD), and Black Hills Fiber Systems, Inc. (Black Hills Fiber, and together with each of the foregoing, WOW! South Dakota) and Clarity Telecom, LLC (Clarity) (together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer the assets of Knology Plains, Knology Black Hills, Knology CT, and Knology SD to Clarity.¹

Kite Parent, a Delaware corporation, is a wholly owned subsidiary of WOW!. Through its operating subsidiaries, WOW! provides telecommunications, video, and broadband services in multiple states.² Kite Parent, through its subsidiary, Knology SD, a South Dakota corporation, is the parent company of Knology Plains, Knology Black Hills, Knology CT, and Black Hills Fiber, all South Dakota entities. Knology CT is a rural incumbent local exchange carrier (LEC) serving 26 communities in southeastern South Dakota. Knology Plains is a rural competitive LEC in Sioux Falls, South Dakota and 39 communities in eastern South Dakota, southwestern Minnesota, and Storm Lake, Iowa. Knology Black Hills, a direct subsidiary of Black Hills Fiber, is a rural competitive LEC in Rapid City, South Dakota and 11 other communities in an area of the Black Hills of western South Dakota known as the Northern Hills.

¹ 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorizations for international, satellite, video, and wireless 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 domestic section 214 application on July 18, 2014.

² Applicants state that WOW!, through its operating subsidiaries, provides telecommunications services in Michigan, Illinois, Indiana, Ohio, Kansas, Tennessee, Alabama, South Carolina, Florida, and Georgia. They state that, following consummation of the proposed transaction, WOW! will have no operations in South Dakota.

Clarity, a newly formed Delaware limited liability company, does not currently provide telecommunications services. Applicants state that, upon closing, Clarity Telecom Holdings, LLC (Clarity Holdings), a Delaware limited liability company, will be the sole member of Clarity. Pamlico Capital III, L.P., a Delaware limited liability partnership, will be the sole 10 percent or greater voting interest holder in Clarity Holdings with between 80-90 percent of the voting interests in Clarity Holdings. The general partner of Pamlico Capital III, L.P. is Pamlico Capital GP III, LLC, a Delaware limited liability company. Applicants state that the following U.S. citizens are each 10-20 percent interest holders in Pamlico Capital GP III, LLC: Scott Perper, Watts Hamrick, Eric Eubank, Art Roselle, Scott Stevens, and Walker Simmons. They further state that AlpInvest Partners, Inc., a Netherlands based investment fund, holds approximately 11.5 percent of the limited partnership interests in Pamlico Capital III, L.P. HarbourVest Partners, LLC, a U.S. based investment fund, holds approximately 16.2 percent of the limited partnership interests in Pamlico Capital III, L.P.³

Pursuant to the terms of the proposed transaction, the assets of the WOW! South Dakota companies used in the provision of domestic telecommunications services will be acquired by Clarity. 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.⁴

Domestic Section 214 Application Filed for the Acquisition of Assets of the WideOpen West South Dakota Subsidiaries by Clarity Telecom LLC, WC Docket No. 14-103 (filed July 11, 2014).

GENERAL INFORMATION

The transfer of assets 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 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 CFR § 63.03(a), interested parties may file comments **on or before August 6, 2014**, and reply comments **on or before August 13, 2014**. Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): <http://fjallfoss.fcc.gov/ecfs2/>.

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

³ Applicants stat that, pursuant to the Pamlico Capital III, L.P. partnership agreement, its limited partners have no material involvement, directly or indirectly, in the management or operation of the limited partnership. They further state that other funds owned by the Pamlico Capital entity have ownership interests in Wilcon Holdings LLC and LTS Group Holdings LLC, competitive telecommunications entities that do not provide service in the relevant areas served by WOW! South Dakota.

⁴ 47 C.F.R. § 63.03(b)(2)(ii).

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 3) David Krech, Policy Division, International Bureau, david.krech@fcc.gov;
- 4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

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).

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s ex parte rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s ex parte rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Jodie May at (202) 418-0913.

- FCC -