**DA 15-1135**

**October 5, 2015**

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF ALTEVA, INC. TO MBS HOLDINGS, INC.**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 15-231**

**Comments Due: October 19, 2015**

**Reply Comments Due: October 26, 2015**

Alteva, Inc. (Alteva) and MBS Holdings, Inc. (MBS) (together, Applicants) filed an application pursuant to section 214 of the Communications Act of 1934, as amended (Act),[[1]](#footnote-1) seeking approval to transfer control of Alteva to MBS.

Alteva, a New York corporation, through its wholly owned subsidiary, Alteva of Warwick, LLC (Alteva of Warwick), operates as the incumbent local exchange carrier (LEC) in the contiguous towns of Warwick, Goshen and Wallkill, New York, and the adjacent townships of West Milford, Vernon, and Franklin Borough, New Jersey. Alteva’s incumbent LEC operations serve approximately 9,553 business and residential customers, with approximately 10,575 access lines in service. Alteva of Warwick also operates as a competitive LEC in Middletown and Scotchtown, New York, and Vernon, New Jersey, serving approximately 500 business and residential customers. Alteva Long Distance, Inc. provides domestic interstate and intrastate interexchange services to approximately 8,575 customers in New York and New Jersey. Applicants state that Alteva also offers its local exchange customers broadband services (via xDSL), as well as a package of satellite video services via an arrangement with DirecTV. Other Alteva affiliates provide voice over Internet protocol (VoIP) and other enhanced communications services to business and residential customers around the country.

 MBS has two competitive LEC affiliates: Momentum Telecom (Momentum) and ALEC, LLC (ALEC). Momentum has authority to operate as a competitive LEC in the following states: Alabama, Arkansas, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Mississippi, Nebraska, Nevada, New Jersey, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, and Texas. ALEC has authority to operate as a competitive LEC in the following states: Alabama, Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Mississippi, Nebraska, Nevada, New Jersey, New York, North Carolina, Ohio, South Carolina, Tennessee, Texas, Washington, and Wisconsin. Momentum provides wholesale hosted VoIP and communications and broadband services to Tier II and Tier III cable providers. Momentum currently supports approximately 400 cable operators, broadband providers and reseller partners, manages more than one million high-speed data modems, and powers over 130,000 voice lines around the country. Applicants state that none of the MBS licensees provide service in the geographic area where Alteva of Warwick is a dominant carrier. Applicants state that the following U.S. citizens will have a ten percent or greater interest in MBS at consummation: The Estate of William W. Featheringill (Carolyn Featheringill, a U.S. citizen, is Trustee) (14.5 percent); Featheringill Investment Group, LLC, an Alabama limited liability company (controlled by Carolyn Featheringill) (12.4 percent); Ramsey Management LLC, an Alabama limited liability company (controlled by Carolyn Featheringill) (11.8 percent); and Pharo Investment Group, LLC, an Alabama limited liability company (controlled by Elizabeth Pharo, a U.S. citizen) (11.1 percent).

Pursuant to the terms of the proposed plan of merger, MBS through a wholly-owned subsidiary, will acquire 100 percent of the outstanding equity of Alteva. As a result of the proposed transaction, Alteva will become an indirect, wholly-owned subsidiary of MBS. The Alteva licensees, however, will continue to operate as is, offering the same services at the same rates, terms and conditions as they do currently. 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.[[2]](#footnote-2)

Domestic Section 214 Application Filed for the Transfer of Control of Alteva, Inc. to

MBS Holdings, Inc., WC Docket No. 15-231 (filed September 10, 2015).

**GENERAL INFORMATION**

The transfer of control 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 October 19, 2015**, and reply comments **on or before October 26, 2015**. 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://apps.fcc.gov/ecfs/.

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

1. Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
2. Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
3. David Krech, Policy Division, International Bureau, [david.krech@fcc.gov](david.krech%40fcc.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), 1-888-835-5322 (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 Dennis Johnson at (202) 418-0809.

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1. 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is also without prejudice to Commission action on other related, pending applications. [↑](#footnote-ref-1)
2. 47 C.F.R. 63.03(b)(2)(ii). [↑](#footnote-ref-2)