



# PUBLIC NOTICE

Federal Communications Commission  
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Washington, D.C. 20554

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DA 16-194  
February 24, 2016

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF  
SUBSIDIARIES OF PEG BANDWIDTH HOLDINGS, LLC  
TO COMMUNICATIONS SALES & LEASING, INC.**

**NON-STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 16-31**

**Comments Due: March 9, 2016**

**Reply Comments Due: March 16, 2016**

PEG Bandwidth Holdings, LLC (PEG Holdings), PEG Bandwidth, LLC (PEG Bandwidth), PEG Bandwidth DC, LLC, PEG Bandwidth DE, LLC, PEG Bandwidth IA, LLC, PEG Bandwidth IL, LLC, PEG Bandwidth LA, LLC, PEG Bandwidth MA, LLC, PEG Bandwidth MD, LLC, PEG Bandwidth MS, LLC, PEG Bandwidth NJ, LLC, PEG Bandwidth NY, LLC, PEG Bandwidth PA, LLC, PEG Bandwidth TX, LLC, PEG Bandwidth VA, LLC, and Contact Network, LLC (collectively, Licensees) and Communications Sales & Leasing, Inc. (CSAL) (together with Licensees, Applicants) filed an application pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.03 of the Commission's rules requesting approval to transfer indirect control of Licensees from PEG Holdings to CSAL.<sup>1</sup>

Licensees are Delaware limited liability companies, with the exception of Contact Network, LLC, which is an Alabama limited liability company. Each Licensee, with the exception of Contact Network, LLC, is principally a "carrier's carrier," authorized to provide competitive telecommunications services to providers of wireless telecommunications as well as other carriers in Alabama, Delaware, the District of Columbia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maryland, Massachusetts, Mississippi, Missouri, New Jersey, New York, Ohio, Pennsylvania, Texas, Virginia, and West Virginia. Contact Network, LLC provides mostly retail telecommunications services in Alabama, Illinois, Louisiana, and Mississippi. Applicants state that Licensees are currently 100 percent directly owned by PEG Bandwidth, which is owned by PEG Holdings, a Delaware limited liability company owned by Associated Partners, L.P., a Guernsey, United Kingdom investment partnership, and KKR Wireless Investors, L.P., a Delaware limited partnership.

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<sup>1</sup> See 47 C.F.R § 63.03; 47 U.S.C. § 214. Applicants also filed applications for the transfer of authorizations associated with wireless services. Any action on this domestic Section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed a supplement to their domestic Section 214 application on Feb. 19, 2016.

CSAL, a Maryland corporation, is a publicly traded real estate investment trust that engages in the acquisition and construction of infrastructure in the communications industry. Prior to April 24, 2015, CSAL was a wholly-owned subsidiary of Windstream Services, LLC (Windstream Services), a Delaware entity and wholly-owned subsidiary of Windstream Holdings, Inc., also a Delaware entity (Windstream Holdings, and together with its subsidiaries, Windstream). Applicants state that, on April 24, 2015, Windstream contributed to CSAL certain telecommunications network assets, including fiber and copper networks and other real estate through a sale-lease back transaction, and then spun off CSAL in a share exchange with Windstream stockholders. They state that CSAL operates as an independent company and leases telecommunications network assets and property back to Windstream for the operation of Windstream's business. According to Applicants, CSAL does not, itself, provide telecommunications services but owns Talk America Services, LLC (TAS), a Delaware limited liability company that is certificated as a competitive local exchange carrier (LEC) and interexchange service provider in the District of Columbia and all states except Alaska, California, and Hawaii.

Applicants state that Windstream Services currently owns a direct 19.5 percent interest in CSAL and will own a 19.5 percent indirect interest in Licensees upon completion of the proposed transaction. Windstream provides incumbent and competitive LEC services in multiple states. Applicants state that approximately four percent of Licensee's fiber route miles run through Windstream's incumbent LEC territories. Because Applicants indicate that the Licensees would provide service in geographic areas served by Windstream incumbent LECs, this application is not entitled to presumptive streamlining under Section 63.03(b) of the Commission's rules.<sup>2</sup>

Pursuant to the terms of the proposed transaction, CSAL will acquire control of PEG Bandwidth and its subsidiaries, including Licensees. Applicants assert that a grant of the application will serve the public interest, convenience, and necessity, that it will enhance the ability of Licensees to provide high quality service, that customers will continue to receive service at the same rates, terms, and conditions as currently provided, and that the proposed transaction will not adversely affect competition.

Domestic Section 214 Application Filed for the Transfer of Control of Subsidiaries of PEG Bandwidth Holdings, LLC to Communications Sales & Leasing, Inc., WC Docket No. 16-31 (filed Feb. 8, 2016).

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing. 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 March 9, 2016**, and reply comments **on or before March 16, 2016**. 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.

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/>.

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<sup>2</sup> 47 C.F.R. § 63.03(b).

**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](mailto:tracey.wilson@fcc.gov);
- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, [jodie.may@fcc.gov](mailto:jodie.may@fcc.gov);
- 3) Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov);

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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.

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