



PUBLIC NOTICE

Federal Communications Commission
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DA 16-403

Released: April 14, 2016

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
TVC ALBANY, INC. AND SEGTEL, INC. TO OHCP NORTHEASTERN FIBER BUYER, INC.**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 16-107

Comments Due: April 28, 2016

Reply Comments Due: May 5, 2016

Tech Valley Holdings, LLC (TVC Holdings), TVC Albany, Inc. (TVC), segTEL, Inc. (segTEL), and OHCP Northeastern Fiber Buyer, Inc. (OHCP Northeastern Fiber) (collectively 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 control of TVC and segTEL to OHCP Northeastern Fiber.¹

TVC, a Delaware corporation, and its indirect subsidiary, segTEL, a New Hampshire corporation, operate using the trade name FirstLight Fiber. FirstLight Fiber provides telecommunications services in Maine, Massachusetts, New Hampshire, New York, and Vermont. FirstLight offers high bandwidth connectivity solutions including Ethernet, wavelengths and dark fiber as well as dedicated Internet access solutions, data center services, and voice services such as SIP trunks, virtual PBX, and traditional TDM solutions. FirstLight provides service over a combination of owned and leased facilities of other carriers that together comprise a fiber optic communications network of more than 260,000 fiber miles.

OHCP Northeastern Fiber does not provide telecommunications services,² rather, it was formed for the purpose of acquiring TVC. After consummation of the proposed transaction, OHCP Northeastern Fiber will be predominantly owned, and controlled, by various private equity funds formed in the Cayman

¹ See 47 C.F.R § 63.03; 47 U.S.C. § 214. Applicants also filed applications for the transfer of authorizations associated with international and wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Applicants state that OHCP Northeastern Fiber is currently affiliated, through funds under the Oak Hill umbrella, which is ultimately controlled by OHCP MGP III, Ltd., with the following domestic telecommunications services providers: Astound Broadband, LLC, a provider of domestic telecommunications services, including local exchange, long distance, and wholesale telecommunications services, to residential and business customers in California, Oregon, and Washington; Metronet Holdings, LLC, a fiber company providing services in Indiana and Illinois; and Intermedia.net, Inc., a hosted exchange and PBX company providing services nearly nationwide, including, including New York, Massachusetts, and Maine.

Islands.³ These funds are all ultimately controlled by OHCP MGP IV, Ltd. (MGP IV), a Cayman Islands entity, the voting members of which are all U.S. citizens.⁴ Applicants state that none of the Oak Hill IV Funds or MGP IV owns or operates any other Commission regulated providers of telecommunications services. Applicants describe that the equity in the Oak Hill IV Funds is held by numerous investors, including, individuals, trusts, institutions and business entities.

Applicants state that, pursuant to the terms of the proposed securities purchase agreement (Agreement), OHCP Northeastern Fiber will purchase 100 percent of the outstanding securities of TVC from TVC Holding (Transaction). Applicants explain that, before closing of the proposed Transaction, OHCP Northeastern Fiber will assign its rights under the Agreement to a yet-to-be formed entity, "Oak Hill Buyer", which Applicants indicate will be a subsidiary of OHCP Northeastern Fiber. Upon completion of the proposed Transaction, therefore, TVC will be a wholly owned subsidiary of Oak Hill Buyer (direct) and OHCP Northeastern Fiber (indirect) and segTEL, will be an indirect, wholly owned subsidiary of Oak Hill Buyer and OHCP Northeastern Fiber. In light of the multiple applications pending before the Commission with respect to this transaction and the public interest review associated with them, the domestic transfer of control application is not subject to streamlined treatment.⁵

Domestic Section 214 Application Filed for the Transfer of Control of TVC Albany, Inc. and segTEL, Inc. to OHCP Northeastern Fiber Buyer, Inc., WC Docket No. 16-107 (filed Mar. 30, 2016).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-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 April 28, 2016**, and reply comments **on or before May 5, 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.

³ OHCP Northeastern Fiber will be held by the following funds: Oak Hill Capital Partners IV (Management), L.P., Oak Hill Capital Partners IV (Onshore), L.P., Oak Hill Capital Partners IV (Onshore Tax Exempt), L.P., Oak Hill Capital Partners IV (Offshore) IV, L.P., and Oak Hill Capital Partners IV (Offshore 892), L.P. (collectively, the Oak Hill IV Funds). Applicants state that the Oak Hill IV Funds will collectively hold over 90% of OHCP Northeastern Fiber. Applicants state that it is expected that less than 10% of OHCP Northeastern Fiber Buyer will be held by other entities and individuals, including members of TVC management and other existing interest-holders. In addition, Applicants submit that it is expected that the Oak Hill IV Funds will implement a new incentive equity plan for management in connection with or following the consummation of the proposed Transaction.

⁴ Applicants state that the shares in MGP IV are distributed equally among the following thirteen individuals (the Investment Committee) (all are U.S. citizens): J. Taylor Crandall, Steven B. Gruber, Tyler J. Wolfram, Scott A. Baker, Brian N. Cherry, Benjamin Diesbach, Stratton R. Heath, III, Scott B. Kauffman, Kevin M. Mailender, John R. Monsky, William J. Pade, Stven G. Puccinelli, and David S. Scott. Applicants state that none of these individuals have a ten percent or greater interest in OHCP Northeastern Fiber. See Application for a complete description of the OHCP Northeastern Fiber's ownership and post-transaction ownership chart of TVC and segNET.

⁵ 47 C.F.R. § 63.03(c)(1).

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, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 2) Dennis Johnson, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov;
- 4) David Krech, International Bureau, david.krech@fcc.gov;
- 5) Sumita Mukhoty, International Bureau, sumita.mukhoty@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 Dennis Johnson at (202) 418-0809.

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