



PUBLIC NOTICE

Federal Communications Commission
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DA 17-269
March 20, 2017

DOMESTIC SECTION 214 APPLICATION FILED FOR THE ACQUISITION OF ASSETS OF LAKE COMMUNICATIONS BY CONTEL SYSTEMS, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-64

Comments Due: April 3, 2017
Reply Comments Due: April 10, 2017

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Lake Communications (LCI) and Contel Systems, Inc. (CSI) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and section 63.03 of the Commission's rules, requesting consent to the transfer of certain assets held by LCI to CSI.¹

LCI, a Minnesota corporation, resells local exchange carrier (LEC) and long distance toll service within rural portions of Lake County and eastern St. Louis County, Minnesota.² Applicants state that Mr. Jeffrey Roiland and Mr. Robert Thompson, both U.S. citizens, each currently hold 50 percent of the voting and equity of LCI.

CSI, a Minnesota corporation, does not currently have any telecommunications operations or interests.³ CSI is a wholly-owned subsidiary of Consolidated Telephone Company (CTC), a Minnesota cooperative serving as an incumbent LEC and competitive LEC providing services to fifteen exchanges (Sullivan Lake, Randall, Pillager, Outing, Nokay Lake, Nisswa, Motley, Mission, Lincoln, Leader, Freedhem, Little Falls, Brainerd, Staples, and Aitkin) in Cass, Crow Wing, Todd, Aitkin, Wadena, and

¹ See 47 U.S.C. § 214; 47 CFR § 63.03. On March 20, 2017, Applicants filed a supplement to their domestic section 214 application.

² Applicants state that in Lake County and eastern St. Louis County, LCI competes with the incumbent LEC operations of CenturyLink and Frontier Communications Corporation, their associated long distance toll services, other long distance toll service providers, Voice over Internet Protocol (VoIP) services, and wireless voice services.

³ Applicants state that CSI has a pending application to complete its operational authority before the Minnesota Public Utilities Commission to provide resold local exchange services and intrastate interexchange services within certain areas of Minnesota, including the portions of Lake County and eastern St. Louis County areas that are subject to this proposed transaction. Applicants further state that when CSI commences its planned resale operations, it will operate under the assumed business name "Consolidated Telecommunications Company."

Morrison Counties in rural central Minnesota.⁴ Applicants state that no other individual or entity will directly or indirectly own or control an interest of 10 percent or more of the equity and/or voting power of CSI after the proposed transaction.

The proposed transaction is the acquisition by CSI of all the LCI assets used to provide resold local exchange and long distance toll service, including LCI's blanket domestic section 214 authorization, in the rural area encompassing Lake County and eastern St. Louis County, Minnesota. Applicants assert that the proposed transaction qualifies for streamlined treatment under sections 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.⁵

Domestic Section 214 Application Filed for the Acquisition of Assets of Lake Communications by Contel Systems, Inc., WC Docket No. 17-64 (filed Mar. 10, 2017).

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 April 3, 2017**, and reply comments **on or before April 10, 2017**. Pursuant to section 63.52 of the Commission's rules, 47 CFR. § 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 assets 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;

⁴ Applicants state that CTC has approximately 11,600 member-owners, none of whom directly or indirectly owns or controls 10 percent or more of the equity or voting power of CTC; that all of the directors, officer and key management officials of CTC are U.S. citizens; and that, on information and belief, all member-owners are U.S. citizens. According to the Applicants, CTC owns a 100 percent equity interest in CI Communications, Inc., a Minnesota corporation, providing local exchange telecommunications services in the Crosby exchange in Crow Wing County in rural central Minnesota. CTC also holds a 20 percent equity interest in Central Transport Group, LLC, a Minnesota limited liability company, providing middle mile and other transport services to telecommunications carriers in the State of Minnesota. Applicants state that CTC and CSI have no other subsidiaries or affiliates that offer telecommunications services.

⁵ 47 CFR § 63.03(b)(2)(ii).

- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;
- 3) Jim Bird, Office of General Counsel, 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 CFR. § 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 Greg Kwan at (202) 418-1191.

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