**DA 17-308**

**March 30, 2017**

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE**

**TRANSFER OF CONTROL OF HARGRAY COMMUNICATIONS GROUP, INC. FROM HARGRAY HOLDINGS LLC TO HARGRAY ACQUISITION HOLDINGS, LLC**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 17-72**

**Comments Due: April 13, 2017**

**Reply Comments Due: April 20, 2017**

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on an application filed by Hargray Holdings LLC (Hargray Holdings) and Hargray Acquisition Holdings, LLC (Hargray Acquisition) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and section 63.03 of the Commission’s rules, seeking approval of the transfer of control of Hargray Communications Group, Inc. (HCG) from Hargray Holdings to Hargray Acquisition.[[1]](#footnote-2)

HCG, a privately held telecommunications provider, serves southeastern South Carolina and areas in south and northeastern Georgia. Through its subsidiaries and affiliates, which include incumbent local exchange carriers (LECs), HCG provides telecommunications services to residential and small and medium-sized business customers.[[2]](#footnote-3) HCG is a wholly owned subsidiary of the Hargray Holdings, a Delaware limited liability company.

Hargray Acquisition, a Delaware limited liability company, is not a telecommunications provider. Hargray Merger Sub Corp., an indirect, wholly owned subsidiary of Hargray Acquisition, is a Delaware corporation. Hargray Acquisition, with the exception of a minority interest held by HCG management, will be owned directly by the following U.S. entities: (i) TPO-Hargray, LLC (TPO-Hargray) (51.8 percent); (ii) Redwood Cable Holdings, LLC (22.2 percent); and (iii) Stephens Hargray Cable LLC (19.2 percent).[[3]](#footnote-4) Applicants state that neither Hargray Acquisition nor its investors own other telecommunications entities.

On March 3, 2017, Hargray Acquisition, Hargray Holdings, HCG, and certain of their affiliates entered into an Acquisition Agreement pursuant to which Hargray Merger Sub Corp. will merge with and into HCG, and HCG will be the surviving entity. Upon the closing of the Transaction, HCG will be a wholly owned subsidiary of Hargray Acquisition. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under sections 63.03(b)(2)(i) of the Commission’s rules and that a grant of the application will serve the public interest, convenience, and necessity.[[4]](#footnote-5)

Domestic Section 214 Application Filed for the Transfer of Control of Hargray Communications Group, Inc. from Hargray Holdings LLC to

Hargray Acquisition Holdings, LLC, WC Docket No. 17-72 (filed Mar. 20, 2017).

**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 April 13, 2017**, and reply comments **on or before April 20, 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. Myrva Freeman, Competition Policy Division, Wireline Competition Bureau, [myrva.freeman@fcc.gov](mailto:myrva.freeman@fcc.gov);
2. Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, [dennis.johnson@fcc.gov](mailto:dennis.johnson@fcc.gov);
3. Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov);
4. David Krech, International Bureau, [david.krech@fcc.gov](mailto:david.krech@fcc.gov); and
5. Sumita Mukhoty, International Bureau, [sumita.mukhoty@fcc.gov](mailto:sumita.mukhoty@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 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s ex parte rules.

For further information, please contact Myrva Freeman at (202) 418-1506 or Dennis Johnson at (202) 418-0809.

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1. *See* 47 U.S.C. § 214; 47 CFR § 63.03. 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. Applicants filed a supplement to their domestic section 214 application on March 27, 2017. [↑](#footnote-ref-2)
2. Applicants provide a complete list of their operating subsidiaries in the Application. HCG’s incumbent LEC subsidiaries include: Hargray Telephone Company, Inc., which provides local exchange and high-speed data services to over 23,000 residential and business customers in Hilton Head, Hardeeville, and Jasper, South Carolina; Bluffton Telephone Company, Inc., which provides local exchange and high-speed data services to over 15,000 residential and business customers in Bluffton, South Carolina. HCG’s other subsidiaries provide service as follows: Hargray, Inc. provides competitive LEC service in South Carolina; Hargray of Georgia, Inc. provides competitive LEC services in Georgia; Low Country Carriers, Inc. (d/b/a Hargray Long Distance Co.) provides interexchange services in South Carolina and Georgia. [↑](#footnote-ref-3)
3. TPO-Hargray is held by TPO Venture Partners, LLC, a Delaware limited liability company, which is held by various U.S. trusts, of which Maroon Private Trust Company, L.L.C., a South Dakota limited liability company, is the trustee. The trusts are held for the benefit of Thomas J. Pritzker and other members of the Pritzker family, all of whom are U.S. citizens. Applicants describe the ownership interests of Redwood Cable and Stephens Cable in the application. [↑](#footnote-ref-4)
4. 47 CFR § 63.03(b)(2)(i). [↑](#footnote-ref-5)