



# PUBLIC NOTICE

**Federal Communications Commission**  
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Washington, D.C. 20554

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**DA 17-683**  
**July 14, 2017**

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE  
TRANSFER OF CONTROL OF CHESNEE TELEPHONE COMPANY, INCORPORATED  
D/B/A CHESNEE COMMUNICATIONS TO  
SKYLINE TELEPHONE MEMBERSHIP CORPORATION**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 17-177**

**Comments Due: July 28, 2017**

**Reply Comments Due: August 4, 2017**

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Chesnee Telephone Company, Incorporated d/b/a Chesnee Communications (Chesnee Telephone) and Skyline Telephone Membership Corporation (Skyline) (collectively, the Applicants), pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.03 of the Commission's rules, requesting approval for the transfer of control of Chesnee Telephone and its wholly owned subsidiary, Chesnee Long Distance, Inc. (Chesnee LD), to Skyline.<sup>1</sup>

Chesnee Telephone, a South Carolina corporation, is a rural independent incumbent local exchange carrier (LEC) in South Carolina with approximately 2,750 access lines in Spartanburg and Cherokee counties in northwestern South Carolina. Chesnee LD, also a South Carolina corporation, is a wholly owned subsidiary of Chesnee Telephone that provides interexchange services to the customers of Chesnee Telephone.<sup>2</sup>

SkyLine, a North Carolina corporation and member-owned telephone cooperative, is a rural incumbent LEC providing service to approximately 27,343 access lines in Johnson County, Tennessee (Shady Valley exchange), and to the following counties and exchanges in North Carolina: Alleghany

<sup>1</sup> See 47 U.S.C. § 214; 47 CFR § 63.03. Applicants also filed an application for the transfer of authorizations associated with international services. Any action on this domestic Section 214 application is without prejudice to Commission action on other related, pending applications.

<sup>2</sup> Chesnee Telephone also wholly owns two other South Carolina corporations included in the proposed transaction: Chesnee Cable, Inc. (Chesnee Cable), f/k/a Chesnee Communications, Inc., provides digital cable television services in Cherokee and Spartanburg counties in South Carolina. Chesnee Digital, Inc. (Chesnee Digital) provides Internet services in Cherokee and Spartanburg counties to Chesnee Telephone's customers.

County (Scottville, Glade Creek, and Sparta exchanges), Ashe County (Baldwin, Creston, Nathans Creek, and Lansing exchanges), Avery County (Banner Elk and Beech Mountain exchanges), and Watauga County (Sugar Grove and Watauga exchanges). Applicants state that no single member owns or controls more than ten percent of Skyline's equity. SkyBest Communications, Inc., also a North Carolina corporation, is a wholly owned subsidiary of SkyLine and a competitive LEC offering local exchange telephone service and exchange access services to approximately 2,921 access lines, predominately in areas bordering SkyLine's incumbent LEC operations. Within the Skyline's incumbent LEC and competitive LEC footprints, SkyBest also offers Internet, video, and long distance services.<sup>3</sup>

Pursuant to the terms of the proposed transaction, SkyLine will purchase 100 percent of the outstanding Class A and B shares in Chesnee Telephone, thus, Chesnee Telephone and Chesnee LD will become wholly owned subsidiaries of SkyLine. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under Section 63.03(b)(2)(iii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>4</sup>

Domestic Section 214 Application Filed for the Transfer of Control of  
Chesnee Telephone Company, Incorporated d/b/a Chesnee Communications  
to SkyLine Telephone Membership Corporation, WC Docket No. 17-177 (filed June 29, 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 July 28, 2017**, and reply comments **on or before August 4, 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 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](mailto:tracey.wilson@fcc.gov);

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<sup>3</sup> Applicants state that SkyLine also holds minority interests in two wireless companies which hold licenses in western North Carolina: Carolina West Wireless, Inc. (39.6 percent) and Wilkes Skyline Surry, L.L.C. (39.6 percent). Applicants further state that SkyLine holds a minority interest in Access/On Multimedia Inc. L.L.C. (18.99 percent), a regional fiber transport network, which serves north-central and northwestern North Carolina.

<sup>4</sup> 47 CFR § 63.03(b)(2)(iii).

- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, [gregory.kwan@fcc.gov](mailto:gregory.kwan@fcc.gov);
- 3) David Krech, International Bureau, [david.krech@fcc.gov](mailto:david.krech@fcc.gov);
- 4) Sumita Mukhoty, International Bureau, [sumita.mukhoty@fcc.gov](mailto:sumita.mukhoty@fcc.gov), and
- 5) 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 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 Gregory Kwan at (202) 418-1191.

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