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DA 20-1325

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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF LIGHTSPEED NETWORKS, INC. D/B/A LS NETWORKS TO PACIFIC BROADBAND PARTNERS IA LLC

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 20-352

Comments Due: November 20, 2020 Reply Comments Due: November 27, 2020

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by CEC Resources, Inc., (CEC Resources), LightSpeed Networks, Inc., d/b/a LS Networks (LS Networks), and Pacific Broadband Partners IA LLC (Pacific Broadband) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting consent to transfer control of LS Networks to Pacific Broadband.¹

LS Networks, an Oregon corporation, operates a fiber-optic communications network primarily located in Oregon and Washington, but which also serves customers in California and Idaho. It provides competitive communications services to schools, libraries, and medical facilities in its operating region and to residential customers.² CEC Resources, an Oregon corporation, is currently the controlling majority shareholder of LS Networks and is a wholly owned subsidiary of Central Electric Cooperative, Inc., a not-for-profit electric cooperative operating throughout central Oregon.³

Pacific Broadband, a Delaware corporation created for purposes of the proposed transaction, does not provide telecommunications services and is an indirect wholly owned subsidiary of Infralink Holdings

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Application of CEC Resources, Inc., LightSpeed Networks, Inc., and Pacific Broadband Partners IA LLC for Consent to Transfer Control of Domestic Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, WC Docket No. 20-352 (filed Oct. 28, 2020) (Application). On November 4, 2020, Applicants filed a supplement to their domestic section 214 application. Letter from Nancy J. Victory, Counsel for Pacific Broadband, to Marlene H. Dortch, Secretary, FCC (Nov. 3, 2020) (on file in WC Docket No. 20-352 (Supplement). Applicants also filed applications for the transfer of authorizations associated with wireless authorizations. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Application at 2. Applicants state that LS Networks ability to serve schools, libraries, and medical facilities is supported in part by its participation in the federal universal service E-Rate and Rural Healthcare programs. *Id.*

IA LP, a limited partnership investment fund and Delaware corporation.⁴ Applicants state that the following five limited partners hold a 10% or greater interest in Infralink Holdings IA LP and, thus, Pacific Broadband: InstarAGF Essential Infrastructure II (CAD) LP (Canada citizenship, 18.2%); InstarAGF Essential Infrastructure II (USP-USD) LP (Canada citizenship, 22.5%); Instar AGF Essential Infrastructure II (QFPF-CAD) LP (Canada citizenship, 12.2%); Instar AGF Essential Infrastructure II (QFPF-USD) LP (Canada citizenship, 13.6%); and InstarAGF Essential Infrastructure Fund II (LUX-USD) SCSp (InstarAGF LUX-USD) (Luxembourg citizenship, 32.5%) (these five limited partners, collectively, Fund II).⁵ The general partner for InstarAGF LUX-USD is InstarAGF Essential Infrastructure II Lux, SARL (Instar AGF SARL), a Luxembourg entity, and the general partner for the other four Fund II entities is InstarAGF Essential Infrastructure II GP, Inc. (InstarAGF GP), a Cayman Islands entity.⁶ Instar AGF SARL and InstarAGF GP are both wholly owned entities of Instar AGF Asset Management Inc., a Canadian entity, which, in turn, is directly owned by InstarAGF Inc., also a Canadian entity.⁷ AGF Management Limited Inc. and Instar Group, Inc., both Canadian entities, each own 50% of InstarAGF Inc.⁸ Applicants state that neither Pacific Broadband, nor any of its affiliates, currently holds a 10% or greater interest in any provider of domestic telecommunications services.⁹

Pursuant to the terms of the proposed transaction, Pacific Broadband will purchase all of the existing shares in LS Networks from its current shareholders, including CEC Resources, which holds the majority of shares of LS Networks. Following the consummation of the proposed transaction, Pacific Broadband will therefore directly own and control LS Networks.¹⁰

Applicants request streamlined treatment of the transaction under the Commission's rules and assert that a grant of the application would serve the public interest, convenience, and necessity.¹¹ We accept this application for filing under section 63.03(b)(1)(ii) of the Commission's rules.¹²

Domestic Section 214 Application Filed for the Transfer of Control of LightSpeed Networks, Inc. to Pacific Broadband Partners IA LLC, WC Docket No. 20-352 (filed Oct. 28, 2020).

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 November 20, 2020**, and reply comments **on or before November 27, 2020**. Pursuant to section 63.52 of the Commission's rules, 47 CFR § 63.52,

⁷ *Id.* at 9.

⁹ Supplement at 1.

¹¹ Id. at 12.

12 47 CFR § 63.03(b)(1)(ii).

⁴ *Id.* Applicants provide charts showing the pre and post-consummation ownership structure of LS Networks. *Id.* at Exh. A. Applicants state that the general partner for Infralink Holdings IA LP is InstarAGF Infrastructure Management II LLC, a Delaware limited liability corporation. *Id.* at 7.

⁵ Application at 2 and 7-9.

⁶ Id. at 8-9.

⁸ *Id.* at 10. Applicants state that Instar Group Inc. is owned by Gregory Smith (50.5%), a Canadian citizen, and other Canadian investors (49.5%). *Id.*

¹⁰ Application at 3.

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 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;
- 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.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.¹³ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Tracey Wilson at (202) 418-1394 or Gregory Kwan at (202) 418-1191.

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¹³ See 47 CFR § 1.45(c).