



PUBLIC NOTICE

Federal Communications Commission
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DA 20-1326
November 6, 2020

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL
OF ONTARIO TELEPHONE COMPANY, INC., TRUMANSBURG TELEPHONE
COMPANY, INC., AND FINGER LAKES COMMUNICATIONS GROUP INC.
TO FUTURE FIBER PARENT, L.P.**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 20-355

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 Ontario Telephone Company, Inc., (OTC), Trumansburg Telephone Company, Inc. (TTC), Finger Lakes Communications Group Inc. (FLCG) (OTC, TTC, and FLCG, collectively, the Licensees), and Future Fiber Parent, L.P., (FF-Parent) (the Licensees and FF-Parent, collectively, the 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 of control of the Licensees to FF-Parent.¹

The Licensees, each New York corporations, provide telecommunications services to business and residential customers in north central New York. OTC and TTC operate as rural incumbent local exchange carrier (LECs) with eligible telecommunications carrier status in New York. OTC operates approximately 1,429 access lines in portions of Ontario county, and TTC operates approximately 3,085 access lines in portions of Seneca, Schuyler, and Tompkins counties.²

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Application of Future Fiber Parent, L.P. et al. for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, and Section 63.04 to Transfer Control of the Section 214 Holders to Future Fiber Parent, L.P., WC Docket No 20-355 (filed Oct. 30, 2020) (Application). Applicants also filed applications for the transfer of authorizations associated with wireless and international authorizations. FF-Parent is affiliated with the buyer in two pending section 214 applications before the Commission. *Domestic Section 214 Application Filed for the Transfer of Control of Otelco, Inc. and its Subsidiaries to Future Fiber FinCo, Inc.*, Public Notice, WC Docket No. 20-275 (WCB 2020) (Otelco/Future Fiber Application); Application of Hometown Purchaser, LLC and Race Holdings, Inc. for Consent to Transfer Indirect Control of Race Telecommunications, Inc. Pursuant to Section 214 of the Communications Act of 1934, as Amended, to Hometown Purchaser, WC Docket No. 20-360 (filed Nov. 2, 2020). Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

FLCG is a resale provider of intrastate and interstate long distance services within the areas served by OTC and TTC.³

FF-Parent,⁴ a Delaware limited partnership, is primarily owned and controlled by funds and entities affiliated with Oak Hill Capital Management (Oak Hill), a private equity fund based in the United States but whose funds are organized in the Cayman Islands.⁵ FF-Parent is directly owned by five different Oak Hill Capital Partners V limited partners (collectively, the Oak Hill V Entities), each Cayman Islands entities.⁶ The general partner for the Oak Hill V Entities is OHCP GenPar V, L.P. (GenPar V), a Cayman Islands entity which, in turn, has two limited partners, OHCP GenPar Holdco, L.P. (GenPar Holdco) (holding 82.6% of GenPar V) and Oak Hill Reserve V (Cayman), L.P. (Reserve V) (holding 10.6% of GenPar V), both Cayman Islands entities.⁷ The general partner for GenPar Holdco is OHCP GenPar Super Holdco, L.P. (GenPar Super Holdco) (holding 85.5% of GenPar Holdco), a Cayman Islands entity, and the sole limited partner is SR Warehouse LLC (SR Warehouse) (holding 14.5% of GenPar Holdco), a Delaware entity.⁸ GenPar Super Holdco is

² Application at 2. Applicants state that the respective service areas of OTC and TTC are not adjacent and do not overlap. *Id.*

³ *Id.* Applicants state that FLCG has secured authority to operate as a competitive LEC in New York, although it is not yet providing such services. *Id.*

⁴ *Id.* at 2. Although FF-Parent does not currently own or control a 10% or greater, direct or indirect interest in any domestic telecommunications carrier, through the Otelco/Future Fiber Application, a subsidiary of FF-Parent is in the process of acquiring Otelco, Inc. and its subsidiaries (collectively, Otelco). Otelco provides incumbent LEC and competitive LEC service in Alabama, Maine, Massachusetts, Missouri, New Hampshire, Vermont, and West Virginia. The Otelco service territories are not adjacent to and do not overlap the territories served by the Licensees. *Id.* at n. 5 and 16-17.

⁵ Applicants state that the equity in the Oak Hill funds is held through limited partnership interests held by numerous, primarily U.S.-based investors, including individuals, trusts, institutions, and business entities and that control of these funds ultimately rests in U.S. entities or citizens. *Id.* at 2. Through related Oak Hill funds, FF-Parent is affiliated with the following carriers that provide incumbent and competitive LEC, cable, and other services in multiple states other than New York: Clarity Telecom, LLC d/b/a Vast Broadband (Clarity) and its subsidiary NTS Communications, LLC d/b/a Vexus (NTS), Metro FiberNet, LLC (MetroNet), CMN-RUS, Inc. (CMNRUS), and Jaguar Communications (Jaguar). Applicants state that the service territories of the Licensees are not adjacent to and do not overlap with the service territories of Clarity, NTS, MetroNet, CMN-RUS, or Jaguar. *Id.* at 17-18.

⁶ Specifically, the following Oak Hill V Entities hold interests in FF-Parent: Oak Hill Capital Partners V (Offshore 892), L.P. (16.3%); Oak Hill Capital Partners V (Onshore), L.P. (45.6%); Oak Hill Capital Partners V (Onshore Tax Exempt), L.P. (8.1%); Oak Hill Capital Partners V (Offshore), L.P. (26.7%); and Oak Hill Capital Partners V (Management), L.P. (3.4%). The general partner for FF-Parent is Future Fiber GenPar, LLC, a Delaware limited liability company. Applicants provide more detailed information in their application about these and other entities holding a 10% or greater direct or indirect interest in FF-Parent, including pre and post-transaction ownership charts. *Id.* at 10-14 and Exh. B (Current and Post Transaction Organizational Structure of Licensees).

⁷ Applicants state that the general partner for GenPar V and Reserve V is OHCP MGP V, Ltd. (MGP V), a Cayman Islands entity. Reserve V has the following three limited partners, each a U.S. citizen: Brian Cherry, Steven G. Puccinelli, and Taylor Wolfram. MGP V has twelve equal shareholders, each a U.S. citizen, none of which has a 10% or greater ownership interest in MGP V, however, the following shareholders are attributed more than a 10% indirect interest in FF-Parent through their ownership in MGP V and other entities as described in the Application: Scott A. Baker, Brian Cherry, Benjamin Diesbach, Stratton R. Heath, III, John R. Monsky, Steven G. Puccinelli, and Tyler Wolfram. *Id.* at 12.

ultimately controlled by three shareholders, each U.S. citizens, and SR Warehouse is ultimately owned and controlled by Jefferies Financial Group, Inc. (Jefferies), a publicly traded Delaware corporation.⁹

Pursuant to the terms of the proposed transaction, Future Fiber will acquire all of the outstanding equity interest in OTC and TTC. OTC and TTC will be direct, wholly owned subsidiaries of Future Fiber FinCo, Inc. (Future Fiber),¹⁰ and indirect, wholly owned subsidiaries of FF-Parent, and FLCG will be an indirect, wholly owned subsidiary of Future Fiber and FF-Parent.¹¹ Applicants assert that a grant of the application would serve the public interest, convenience, and necessity.¹² Because the transaction is more complex than usual, in order to analyze whether the proposed transaction would serve the public interest, this application will not be streamlined.¹³

Referral to Executive Branch Agencies. Through this Public Notice, pursuant to Commission practice, this application for transfer of domestic section 214 authority and the associated international section 214 application, ITC-T/C-20201030-00187, are being referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy or trade policy concerns related to the foreign ownership of the Applicants.¹⁴

Domestic Section 214 Application Filed for the Transfer of Control of Ontario Telephone Company, Inc., Trumansburg Telephone Company, Inc., and Finger Lakes Communications Group Inc. to Future Fiber Parent, L.P., WC Docket No. 20-355 (filed Oct. 30, 2020).

GENERAL INFORMATION

The application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies.

Interested parties may file comments and petitions **on or November 20, 2020** and reply comments or oppositions to petitions **on or before November 27, 2020**. Comments may be filed

⁸ GenPar Super Holdco has eight limited partners (a Delaware limited liability company that holds less than 1% of GenPar Super Holdco and the Seven Oak Hill V Shareholders). *Id.* at 13.

⁹ The general partner for GenPar Super Holdco is OHCP GenPar Super Holdco GP, Ltd., a Cayman Islands entity, and GenPar Super Holdco is owned and controlled by Brian Cherry, Steven G. Puccinelli, and Tyler Wolfram. Applicants further state that no shareholder in Jefferies is attributed a 10% or greater interest in FF-Parent through its ownership in Jefferies. *Id.* at 13-14.

¹⁰ Applicants plan to convert Future Fiber to a Delaware limited liability company. *Id.* at n.1

¹¹ *Id.* at 3.

¹² *Id.* at 5-7.

¹³ 47 CFR § 63.03(c)(1)(v).

¹⁴ See *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities*, IB Docket Nos. 97-142 and 95-22, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23918-19, paras. 61-63 (1997) (*Foreign Participation Order*), recon. denied, 15 FCC Rcd 18158 (2000).

using the Commission's Electronic Comment Filing System (ECFS) or by paper. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- Electronic Filers: Comments may be filed electronically by accessing ECFS at <http://apps.fcc.gov/ecfs/>.
- *Paper Filers*: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.
 - Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail.¹⁵ All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.

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 and Governmental Affairs Bureau at 202-418-0530 (voice), 1-888-835-5322 (tty).

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) Sumita Mukhoty, Policy Division, International Bureau, sumita.mukhoty@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) 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

¹⁵ In response to the COVID-19 pandemic, the FCC has closed its current hand-delivery filing location at FCC Headquarters. We encourage outside parties to take full advantage of the Commission's electronic filing system. Any party that is unable to meet the filing deadline due to the building closure may request a waiver of the comment or reply comment deadline, to the extent permitted by law. *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Filing*, Public Notice, DA 20-304 (rel. Mar. 19, 2020). <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>.

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.¹⁶ 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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¹⁶ See 47 CFR § 1.45(c).