



PUBLIC NOTICE

Federal Communications Commission
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Washington, D.C. 20554

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DA 21-1329
October 22, 2021

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF BROADBAND VI, LLC TO LIBERTY MOBILE USVI, INC.

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 21-386

Comments Due: November 5, 2021
Reply Comment Due: November 12, 2021

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on an application filed by Broadband VI, LLC (BBVI) and Liberty Mobile USVI, Inc. (Liberty) (collectively, Applicants),¹ pursuant to section 214 of the Communications Act of 1934, as amended (Act), and sections 63.03-04 of the Commission's rules,² requesting approval for the transfer of control of BBVI, an eligible telecommunications carrier (ETC) authorized to receive Connect USVI Fund universal service support, to Liberty.³

BBVI, a limited liability company (LLC) organized under the laws of the U.S. Virgin Islands, provides fixed wireless broadband and voice services to approximately 9,000 consumers, businesses, educational institutions, and government facilities throughout the U.S. Virgin Islands.⁴ BBVI is designated as an ETC.⁵ The members of BBVI are Broadband Investments LLLP

¹ Application of Members of Broadband VI, LLC, and Liberty Mobile USVI Inc. for Consent to Transfer of Control of Broadband VI, LLC Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 21-386 at 1, 11 (filed Oct. 5, 2021), [https://ecfsapi.fcc.gov/file/1005426810528/BBVI-Liberty%20Section%20214%20Transfer%20Application%20\(2021.10.05\).pdf](https://ecfsapi.fcc.gov/file/1005426810528/BBVI-Liberty%20Section%20214%20Transfer%20Application%20(2021.10.05).pdf) (Application). Applicants are also seeking consent to transfer control of non-common carrier microwave licenses held by BBVI. Application at 6, 14. Any action on the section 214 application is without prejudice to Commission action on other related, pending applications. BBVI does not hold international section 214 authority. *Id.* at 2.

² See 47 U.S.C. § 214; 47 CFR § 63.03-04.

³ Application at 1; see *Connect USVI Fund Stage 2 Support Authorized for Broadband VI*, WC Docket Nos. 18-143, 10-90, Public Notice, DA 21-666 (WCB June 8, 2021) (*BBVI Authorization Notice*) at 6 (authorizing BBVI to receive \$84,456,870 in support for the deployment of voice and fixed broadband service to 46,039 locations throughout the U.S. Virgin Islands at speeds of 1 Gbps download and 500 Mbps upload).

⁴ Application at 2.

(Investments), a U.S. Virgin Islands limited liability limited partnership, and Michael J. Meluskey, an individual who is also the Chief Technology Officer of BBVI. Investments holds 63.87% of the membership units in BBVI. Investments is ultimately controlled by William V. Neville, who is also the CEO of BBVI, and his wife, Connie Jones Neville, both of whom are U.S. citizens.⁶ Mr. Meluskey, also a U.S. citizen, holds 31.93% of the membership units in BBVI.⁷ Two other individuals hold a total of 0.20% of BBVI and are expected to transfer their ownership interests as part of the proposed transaction.⁸ University of the Virgin Islands Research Park Corporation holds 4% of BBVI and the parties do not expect it to transfer its ownership as part of the Proposed Transaction.⁹ If the proposed transaction is consummated, Liberty will own approximately 96% of BBVI.¹⁰

Liberty, a Delaware corporation, provides commercial mobile services in the U.S. Virgin Islands.¹¹ Liberty Latin America Ltd. (LLA), a publicly traded Bermuda corporation, is the ultimate corporate parent to multiple wireline and wireless telecommunications, broadband, and video services operating in the U.S. Virgin Islands, Puerto Rico, and other areas of Latin America and the Caribbean.¹² LLA holds a 100% indirect interest in Liberty through Liberty Mobile Inc. (f/k/a Beach Holding Corporation), LLA Holdco LLC, LCPR Ventures LLC, and Liberty Communications PR Holding LP (f/k/a Leo Cable LP)—each of which is a Delaware holding company, holding a 100% direct equity and voting interest in the company below it in the corporate structure.¹³ Leo Cable LLC, a Delaware LLC, holds a 100% voting (general partner interest) in Liberty Communications PR Holding LP.¹⁴ LiLAC Ventures Ltd. of the Cayman Islands holds a 66.39% limited partnership/economic interest in Liberty Communications PR Holding LP and a 66.39% voting/equity interest in Leo Cable LLC.¹⁵ LiLAC Communications Inc., a Delaware

⁵ *Id.* at 2 (citing U.S. Virgin Islands Public Service Commission, Order, Docket No. 669, Order No. 49/2018 (Sept. 5, 2021)). ETCs seeking to transfer control of their domestic authorizations to operate pursuant to section 214 of the Act, or to engage in the sale of assets under section 214 must first receive approval from the Commission in accordance with sections 63.03 and 63.04 of the Commission's rules governing the procedures for domestic transfer of control/asset applications. *BBVI Authorization Notice* at 6.

⁶ Application at 3, Exh. A (Pre-Transaction Ownership of BBVI).

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.*

¹¹ Application at 3, 9. The Bureau authorized Liberty Communications of Puerto Rico LLC, an affiliate of Liberty, to receive universal service support through the Bringing Puerto Rico Together Fund to serve 914,000 locations in Puerto Rico. *Id.* at 4 (citing *Wireline Competition Bureau Authorizes Stage 2 Support for Puerto Rico Telephone Company and Liberty Communications of Puerto Rico*, WC Docket Nos. 18-143, 10-90, Public Notice, DA 21-718 (WCB 2021)). An application for review filed by Puerto Rico Telephone Company, Inc. challenging the selection of Liberty Communications of Puerto Rico as the winning applicant of certain areas remains pending. Application for Review filed by Puerto Rico Telephone Company, Inc. d/b/a Claro, WC Docket Nos. 18-143, 10-90 (Dec. 2, 2020).

¹² *Id.* at 3, 13, Exh. B (Post-Transaction Ownership of BBVI).

¹³ *Id.* at 11, Exh. B.

corporation, holds a 33.61% limited partnership/economic interest in Liberty Communications PR Holding LP and a 33.61% voting/equity interest in Leo Cable LLC.¹⁶ LGI International Holdings, LLC, a Colorado limited liability company, holds a direct 100% equity/voting interest in LiLAC Communications, Inc.¹⁷ LiLAC Services Ltd. of Bermuda holds a direct 100% equity/voting interest in LGI International Holdings, LLC.¹⁸ LLA holds a direct 100% equity/voting interest in LiLAC Services Ltd.¹⁹ John C. Malone, a U.S. Citizen, holds a direct 10% or greater interest in Liberty Latin America Ltd. As a result, Mr. Malone holds a 25.40% indirect voting and 5.40% indirect equity interest in Liberty.²⁰

Pursuant to the terms of the proposed transaction, Liberty would acquire a controlling interest of approximately 96% of BBVI from Broadband Investments LLLP, Michael J. Meluskey, and two other individuals who hold a total of 0.20% of BBVI.²¹ Applicants explain that, upon consummation of the proposed transaction, Liberty's experienced management team would assume the operations of BBVI, including BBVI's Connect USVI Fund obligations.²²

Applicants assert that a grant of the Application would serve the public interest, convenience, and necessity. They state that the proposed transaction "will promote the public interest by providing BBVI with additional financial resources, operational capability and management expertise that will allow the company to accelerate its efforts to deploy resilient fiber-based voice and broadband services in the U.S. Virgin Islands and thereby help bridge the digital divide."²³ Specifically, Applicants state that the proposed transaction will provide BBVI access to capital from Liberty's substantial financial resources, and that "as a result of this infusion of capital, BBVI will be well positioned to accelerate the network construction and deployment of the [Connect] USVI Fund fiber network that will make voice and Gigabit broadband available to all 46,039 locations in the U.S. Virgin Islands by the end of 2027, as required by Stage 2 of the [Connect] USVI Fund program."²⁴ Applicants further contend that Liberty "has extensive operational experience and managerial capabilities and resources, which will help steer BBVI's service enhancements and expansion, including in connection with BBVI's existing fixed wireless broadband network and deployment of the planned fiber network."²⁵ Finally, Applicants assert that the proposed transaction will not adversely affect competition and will be seamless with respect to BBVI's existing customers.²⁶

¹⁶ *Id.*

¹⁷ Application at 12.

¹⁸ *Id.* at 12-13, Exh. B.

¹⁹ *Id.* at 13, Exh. B.

²⁰ *Id.* at 13.

²¹ *Id.* at 3-4.

²² Application at 5.

²³ *Id.* at 2.

²⁴ *Id.* at 7.

²⁵ *Id.* at 8.

Because the proposed transaction involves the exchange and assumption of Universal Service Fund high-cost mechanism obligations, we accept the Application for non-streamlined processing to sufficiently analyze whether the proposed transaction would serve the public interest.²⁷

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 **on or before November 5, 2021**, and reply comments **on or before November 12, 2021**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by paper.

- **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.²⁸ 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. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street, NE, Washington, DC 20554.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Myrva Charles, Competition Policy Division, Wireline Competition Bureau, myrva.charles@fcc.gov;

completed transfer. Section 54.1515 of the Commission's rules requires Connect USVI Fund recipients to amend their Disaster Preparation and Response Plans submitted to the Bureau following "any material change(s) to internal processes and responsibilities and provide the updated Disaster Preparation and Response Plan to the Bureau within 10 business days following the material change(s)." 47 CFR § 54.1515(c).

²⁷ 47 CFR § 63.03(c)(1)(v).

²⁸ Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. See *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, 35 FCC Rcd 2788 (OS 2020) <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>.

- 2) Christi Shewman, Competition Policy Division, Wireline Competition Bureau, christi.shewman@fcc.gov; and
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

People with Disabilities: We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible. Send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

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.²⁹ 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 Myrva Charles at (202) 418-1506 or Christi Shewman at (202) 418-0646.

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