Federal Communications Commission 45 L St., N.E. Washington, D.C. 20554

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> DA 21-1526 December 8, 2021

## DOMESTIC SECTION 214 APPLICATIONS FILED FOR THE TRANSFER OF SERVICE ELECTRIC TELEPHONE COMPANY, LLC

## NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket Nos. 21-272, 21-444

Comments Due: December 22, 2021 Reply Comment Due: December 29, 2021

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on two related applications filed by Service Electric Telephone Company, LLC (SET), Service Electric Cable T.V., Inc., (SECTV), and Ironton Telephone Company (ITC) (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 for 1) ITC to acquire 100% control of SET, and 2) SET to transfer certain assets, including part of its customer base, to SECTV (both transfers, together, the Transaction).<sup>1</sup>

SET, a Pennsylvania limited liability company, provides competitive local exchange carrier (LEC) service in Pennsylvania and New Jersey.<sup>2</sup> SET was originally formed as a joint venture between ITC and SECTV with each company holding a 50% interest in SET.<sup>3</sup>

SECTV, a Pennsylvania corporation, provides cable TV, broadband, and Voice over Internet Protocol (VoIP) service in Pennsylvania and New Jersey.<sup>4</sup> The following U.S. citizens own SECTV: John M. Walson (51%) and Michelle Walson Kuykendall (49%).<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Joint Application to Transfer Control of Service Electric Telephone Company, LLC to Ironton Telephone Company, WC Docket No. 21-272 (filed on June 16, 2021) (ITC/SET Application). Applicants filed supplements to their application on July 1, 2021 and November 15, 2021. Letter from Elisabeth H. Ross, Counsel for Ironton Telephone Company and Service Electric Tel. Co., LLC., to Marlene H. Dortch, Secretary, FCC (July 1, 2021) (filed in WC Docket No. 21-272) (July 1 Ex Parte Letter); Letter from Michael P. Donahue, Counsel for Service Electric Cable T.V., Inc., to Marlene H. Dortch, Secretary, FCC (Nov. 15, 2021) (filed in WC Docket No. 21-272). Joint Application to Transfer Control of Service Electric Telephone Company, LLC to Ironton Telephone Company, WC Docket No. 21-444 (filed on Nov. 15, 2021) (SECTV/SET Application). Any action on these domestic section 214 applications is without prejudice to Commission action on other related, pending applications.

<sup>&</sup>lt;sup>2</sup> ITC/SET Application at 3; SECTV/SET Application at 2.

<sup>&</sup>lt;sup>3</sup> ITC/SET Application at 4; SECTV/SET Application at 2.

<sup>&</sup>lt;sup>4</sup> ITC/SET Application at 4; SECTV/SET Application at 3.

ITC, a Pennsylvania corporation, provides service as an incumbent LEC in a small service area in Lehigh County, Pennsylvania, and is also authorized to provide services as a competitive LEC in Pennsylvania.<sup>6</sup> ITC's wholly owned affiliate, Ironton Telephone Company Long Distance, provides interexchange services in Pennsylvania, including to customers served by ITC and SET.<sup>7</sup> The following U.S. citizens hold a 10% or greater interest in ITC: Patricia Stewart (50.48%), Carolyn George (15%), and Sonia Fink (18%).<sup>8</sup> Applicants state that none of these individuals owns 10% or more of another telecommunications service provider.<sup>9</sup>

Applicants state that pursuant to the terms of a Redemption and Sale Agreement (Agreement) among the Applicants, SECTV will acquire certain customers of SET (some customers may elect to remain with SET, were retained by SET under the Agreement, or may select another service provider prior to closing). SECTV will provide voice services to the acquired customers through VoIP. The Transaction further entails the redemption of SECTV's 50% ownership interest in SET, by which ITC will obtain 100% control over SET. After consummation of the Transaction, SET will change its name and will continue to provide telecommunications services as a competitive LEC on a retail and wholesale basis and may also provide VoIP service.

Applicants assert that a grant of the applications would serve the public interest, convenience, and necessity. Because SET, a competitive LEC in Pennsylvania, does not provide service exclusively outside the area in which ITC is the incumbent LEC,<sup>14</sup> the applications do not qualify for streamlined processing, <sup>15</sup> and we accept them for non-streamlined filing.

Domestic Section 214 Application Filed for the Transfer of Control of Service Electric Telephone Company, LLC to Ironton Telephone Company, WC Docket No. 21-272 (filed June 16, 2021).

Domestic Section 214 Application Filed for the Acquisition of Certain Assets of Service Electric Telephone Company, LLC by Service Electric Cable T.V., Inc., WC Docket No. 21-444 (filed Nov. 15, 2021).

## **GENERAL INFORMATION**

<sup>&</sup>lt;sup>5</sup> ITC/SET Application at 7; SECTV/SET Application at 7.

<sup>&</sup>lt;sup>6</sup> ITC/SET Application at 3-4.

<sup>&</sup>lt;sup>7</sup> *Id.* at 4 and 8, n.5. ITC wholly owns Ironton Global Networks, LLC, a VoIP provider that is not part of the proposed transaction. *Id.* at 8, n.5.

<sup>&</sup>lt;sup>8</sup> *Id*. at 7.

<sup>&</sup>lt;sup>9</sup> July 1 Ex Parte Letter at 1-2.

<sup>&</sup>lt;sup>10</sup> ITC/SET Application at 2, 4-5; SECTV/SET Application at 3.

<sup>&</sup>lt;sup>11</sup> ITC/SET Application at 4-5; SECTV/SET Application at 3. Applicants state that they have provided notice to SET customers regarding the transfer. SECTV/SET Application at 4-5 and Exh. A (Customer Notice).

<sup>&</sup>lt;sup>12</sup> ITC/SET Application at 2, 5; SECTV/SET Application at 3.

<sup>&</sup>lt;sup>13</sup> ITC/SET Application at 5; SECTV/SET Application at 3.

<sup>&</sup>lt;sup>14</sup> ITC/SET Application at 9, 12-13; SECTV/SET Application at 8.

<sup>15</sup> See 47 CFR § 63.03(b)(2)(ii).

The applications identified herein have 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 December 22, 2021**, and reply comments **on or before December 29, 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 <a href="http://apps.fcc.gov/ecfs/">http://apps.fcc.gov/ecfs/</a> and IBFS at <a href="http://licensing.fcc.gov/myibfs/">http://licensing.fcc.gov/myibfs/</a>.
- 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. 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.

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 <a href="fcc504@fcc.gov">fcc504@fcc.gov</a> or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

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

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:tracey.wilson@fcc.gov">tracey.wilson@fcc.gov</a>;
- 2) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov; and
- 3) Jim Bird, Office of General Counsel, <a href="mailto:jim.bird@fcc.gov">jim.bird@fcc.gov</a>.

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

<sup>&</sup>lt;sup>16</sup> 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, DA 20-304 (March 19, 2020). <a href="https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy">https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy</a>

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.<sup>17</sup> 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 Dennis Johnson at (202) 418-0809, Wireline Competition Bureau.

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<sup>&</sup>lt;sup>17</sup> See 47 CFR § 1.45(c).