



PUBLIC NOTICE

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

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DA 21-315
March 12, 2021

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL
OF HARGRAY ACQUISITION HOLDINGS, LLC AND ITS SUBSIDIARIES
TO CABLE ONE, INC.**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 21-69

Comments Due: March 26, 2021
Reply Comments Due: April 2, 2021

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Hargray Acquisition Holdings, LLC (Hargray), the Licensees,¹ and Cable One, Inc. (Cable One) (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 approval to transfer control of Hargray and the Licensees to Cable One.²

Hargray, a South Carolina holding company, through the following subsidiaries and affiliates, provides telecommunications services and other services in Alabama, Florida, South Carolina, and Georgia: Low Country Carriers, Inc., a South Carolina corporation, provides interexchange telecommunications services to customers of its affiliated carriers; Hargray Telephone Company, Inc., a South Carolina corporation, is an incumbent local exchange carrier (LEC) serving approximately 20,000 customers in Hilton Head and Hardeeville, South Carolina; Bluffton Telephone Company, Inc., a South Carolina corporation, is an incumbent LEC serving approximately 20,000 customers in Bluffton, South Carolina; Hargray, Inc., a South Carolina corporation, is a cable operator and competitive LEC in South Carolina; Hargray of Alabama, Inc., a Georgia corporation, is a cable operator and competitive LEC in Alabama; Hargray of Florida, Inc.,

¹ The Licensees are: (1) Low Country Carriers, Inc.; (2) Hargray Telephone Company, Inc.; (3) Bluffton Telephone Company, Inc.; (4) Hargray, Inc.; (5) Hargray of Alabama, Inc.; (6) Hargray of Florida, Inc.; (7) Hargray of Georgia, Inc.; (8) ComSouth Telecommunications, Inc.; (9) ComSouth Telenet, Inc.; and (10) ComSouth Teleservices, Inc.

² See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Applicants also filed an application for the transfer of authorizations associated with international and wireless authorizations. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. On March 10, 2021, Applicants filed a supplement to their application. Letter from Rebekah P. Goodheart, Counsel for Hargray and Licensees, and Chérie R. Kiser, Counsel for Cable One, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-69 (filed Mar. 10, 2021) (Applicants' Supplement Letter).

a Georgia corporation, is a cable operator and competitive LEC in Florida; Hargray of Georgia, Inc., a South Carolina corporation, is a cable operator and competitive LEC in Georgia; ComSouth Telecommunications, Inc., a Georgia corporation, is an incumbent LEC serving approximately 4,000 customers in Hawkinsville, Georgia and surrounding communities; ComSouth Telenet, Inc., a Georgia corporation, is a competitive LEC in Georgia; and ComSouth Teleservices, Inc., a Georgia corporation, is a competitive LEC in Georgia.

Cable One, a Delaware corporation and cable operator, provides telecommunications services, broadband services, and other services in 21 states.³ Cable One currently holds approximately 16% of the ownership interests of Hargray. Cable One VoIP LLC (VoIP LLC), a Delaware limited liability company and a wholly owned subsidiary of Cable One, is registered in the state of Washington as a competitive telecommunications company. Delta Communications, L.L.C. d/b/a Clearwave Communications (Clearwave), an Illinois limited liability company, is a wholly owned subsidiary of Cable One and holds authority to offer competitive LEC services in Illinois, Indiana, and Missouri. Fidelity Telephone LLC, a Missouri limited liability company and a wholly owned subsidiary of Cable One, is an incumbent LEC serving customers in nine rural exchanges in Missouri. Fidelity Cablevision, LLC (FCV), a Missouri limited liability company and a wholly owned subsidiary of Cable One, is a cable operator in Missouri and Oklahoma. CoBridge Communications LLC (CC), a Delaware limited liability company and a wholly owned subsidiary of FCV, holds authority to offer competitive LEC services in Arkansas and Texas. CoBridge Broadband, LLC, a Delaware limited liability company and a wholly owned subsidiary of CC, is a cable operator that offers video, broadband, and other services in Arkansas, Louisiana, Missouri, and Texas. Valu-Net LLC, a Delaware limited liability company and a wholly owned subsidiary of Cable One, is a cable operator that offers video, broadband, and competitive LEC services in Kansas. The following U.S.-based entities and U.S. citizen hold a 10% or greater interest in Cable One: T. Rowe Price Associates, Inc. (T. Rowe) (12.5%),⁴ BlackRock, Inc. (10.4%),⁵ and Daniel L. Mosley (10.8%).

³ These states are Alabama, Arizona, Arkansas, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, and Washington.

⁴ T. Rowe is a wholly owned subsidiary of T. Rowe Price Group, Inc. (TROW). The following individuals are on the Board of Directors of TROW: Mark S. Bartlett, Mary K. Bush, Dina Dublon, Dr. Freeman A. Hrabowski, III, Robert F. MacLellan, Olympia J. Snowe, Robert Stevens, Bill Stromberg (CEO), Richard Verma, Sandra S. Wijnberg, and Alan D. Wilson. All are U.S. citizens, except Mr. MacLellan, who is a citizen of Canada. T. Rowe does not hold a 10% or greater interest in any other telecommunications entity. According to Applicants, “aside from normal-course rights as a beneficial holder of Cable One’s common stock, neither T. Rowe nor TROW hold any additional rights to participate in the management or operation of Cable One. Neither T. Rowe nor TROW have the power to individually elect or block the election of any officer or director of Cable One, and do not have any control over or involvement in the day-to-day operations or management of the businesses of Cable One and its subsidiaries.” Applicants’ Supplement Letter at 2.

⁵ The following individuals are on the Board of Directors of BlackRock: Laurence D. Fink (CEO), Bader M. Alsaad, Mathis Cabiallavetta, Pamela Daley, Jessica Einhorn, William E. Ford, Fabrizio Freda, Murray S. Gerber, Margaret L. Johnson, Robert S. Kapito, Cheryl Mills, Gordon M. Nixon, Charles H. Robbins, Marco Antonio Slim Domit, Susan L. Wagner, and Mark Wilson. The majority of the Board members are U.S. citizens. Applicants provided a list of telecommunications entities in which BlackRock may have a 10% or greater ownership interest. Applicants’ Supplement Letter at 3-5. According to Applicants, “aside from normal-course rights as a beneficial holder of Cable One’s common stock, BlackRock does not hold any additional rights to participate in the management or operation of Cable One. BlackRock does not have the power to individually elect or block the election of any officer or director of Cable One, and does not have any

Pursuant to the terms of the Agreement and Plan of Merger (Agreement), Lighthouse Merger Sub LLC, a Delaware limited liability company, will merge with and into Hargray, with Hargray continuing as the surviving entity and becoming a wholly owned subsidiary of Cable One. As a result of the Agreement, Cable One will acquire 100% of the ownership interests of Hargray, as well as control of Hargray and the Licensees. Because the transaction is more complex than usual, and in order to analyze whether the proposed transaction would serve the public interest, we accept the application for non-streamlined processing.⁶

Domestic Section 214 Application Filed for the Transfer of Control of Hargray Acquisition Holdings, LLC, and its Subsidiaries to Cable One, Inc., WC Docket No. 21-69 (filed Feb. 26, 2021).

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 March 26, 2021**, and reply comments **on or before April 2, 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.⁷ 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.

control over or involvement in the day-to-day operations or management of the businesses of Cable One and its subsidiaries." *Id.* at 3.

⁶ 47 CFR § 63.03(c)(1)(v).

⁷ 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). <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>

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

- 1) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 2) David Krech, International Bureau, david.krech@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.⁸ 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 Dennis Johnson, Wireline Competition Bureau, (202) 418-0809, or Tracey Wilson, Wireline Competition Bureau, (202) 418-1394.

⁸ See 47 CFR § 1.45(c).