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

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov

> DA 21-654 June 4, 2021

## DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF VERACITY NETWORKS, LLC TO FIRSTDIGITAL COMMUNICATIONS, LLC

## STREAMLINED PLEADING CYCLE ESTABLISHED

**WC Docket No. 21-226** 

Comments Due: June 18, 2021 Reply Comment Due: June 25, 2021

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Broadweave Networks, Inc. (Broadweave Networks), Veracity Communications, Inc. (Veracity Communications), and FirstDigital Communications, LLC (FirstDigital) (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 Veracity Networks, LLC (Veracity Networks) from Broadweave Networks and Veracity Communications to FirstDigital.<sup>1</sup>

Veracity Networks, a Delaware limited liability company, provides competitive local exchange carrier (LEC), long distance, and other communications services to residential, small business, and enterprise customers primarily in and around the Wasatch Front region in Utah, which includes Salt Lake City, West Valley City, Provo, West Jordan, Layton, Ogden, as well as in and around Saint George, Duchesne, Sevier, and Iron Counties. Broadweave Networks and Veracity Communications, both Utah holding corporations, each currently hold 50% of Veracity Networks.

FirstDigital, a Utah limited liability company, provides, through its affiliates,<sup>2</sup> competitive LEC and other communications services primarily in Tucson, Arizona, as well as the Wasatch Front region in Utah. The following four Utah entities hold a 10% or greater interest in FirstDigital: McDougal Holding, LC (McDougal) (59%);<sup>3</sup> R&S Boyer Family, L.C. (14.49%); Community Trust

<sup>&</sup>lt;sup>1</sup> See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Applicants also filed applications for the transfer of authorizations associated with international services. On June 2, 2021, Applicants filed a supplement to their domestic section 214 application. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

<sup>&</sup>lt;sup>2</sup> Applicants states First Digital provides services through FirstDigital Telecom, LLC, which provides service in Utah, and its subsidiary, FirstDigital Telecom Arizona, LLC, provides service in Arizona. Both entities are Utah limited liability companies.

of Utah (12.35%);<sup>4</sup> and Gardner Property Holdings, L.C. (10.49%).<sup>5</sup> Applicants state that, following the consummation of the proposed transaction, no entity that holds a direct or indirect 10% or greater interest in Veracity Networks will also hold a 10% or greater interest in any other provider of domestic telecommunications services.

Pursuant to the terms of the proposed transaction, FirstDigital will acquire, from Broadweave Networks and Veracity Communications, all of the stock of Veracity Networks. As a result of the proposed transaction, Veracity Networks will become a wholly owned direct subsidiary of FirstDigital.<sup>6</sup> Applicants request streamlined treatment of the proposed transaction under the Commission's rules and assert that a grant of the application would serve the public interest, convenience, and necessity. We accept the application for filing under section 63.03(b)(2)(i) of the Commission's rules.<sup>7</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Veracity Networks, LLC to FirstDigital Communications, LLC, WC Docket No. 21-226 (filed May 21, 2021).

## **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 June 18, 2021**, and reply comments **on or before June 25, 2021**. Pursuant to section 63.52 of the Commission's rules, 47 CFR § 63.52, 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:

<sup>&</sup>lt;sup>3</sup> Applicants state that Wesley McDougal and Amanda McDougal, both U.S. citizens, each hold 25.5% of the voting and equity interests in McDougal and that no other individual or entity holds a 10% or greater interest in McDougal.

<sup>&</sup>lt;sup>4</sup> Applicants state that the trustees of the Community Trust of Utah are Jeremy Lund, Trish Coughlin, Brad Dickson, Marty Tate, Lindsey Kneuven, and Alex Eaton, all of whom are U.S. citizens.

<sup>&</sup>lt;sup>5</sup> Applicants state that the Kem C. Gardner Family Partnership, Ltd., a Utah limited partnership and holding company, holds 98.02% of the interest in Gardner Property Holdings.

<sup>&</sup>lt;sup>6</sup> Applicants state that Veracity Networks and FirstDigital each operate facilities-based fiber networks in Utah and that both hold fiber facilities in the Provo-Orem area and in the following municipalities in Utah: American Fork, Draper, Lehi, Lindon, Pleasant Grove, Sandy, and South Jordan. Applicants further state that there are multiple competitive providers in those areas.

<sup>&</sup>lt;sup>7</sup> 47 CFR § 63.03(b)(2)(i).

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:tracey.wilson@fcc.gov">tracey.wilson@fcc.gov</a>;
- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:gregory.kwan@fcc.gov">gregory.kwan@fcc.gov</a>;
- 3) Kimberly Cook, Telecommunications & Analysis Division, International Bureau, Kimberly.cook@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, <u>jim.bird@fcc.gov</u>.

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.

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.<sup>8</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 Gregory Kwan at (202) 418-1191.

**FCC** 

<sup>&</sup>lt;sup>8</sup> See 47 CFR § 1.45(c).