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DA 22-1252

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DOMESTIC SECTION 214 APPLICATION FILED FOR
THE TRANSFER OF CONTROL OF
EVERSTREAM SOLUTIONS LLC, EVERSTREAM GLC HOLDING COMPANY LLC,
HRS INTERNET LLC, AND LYNX NETWORK GROUP, INC.
TO DB PUMA GIF II GP HOLDCO, LLC

## NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 22-283

Comments Due: December 16, 2022 Reply Comment Due: December 23, 2022

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by AMP Capital Investors International Holdings Ltd. (AMP Holdings or Transferor), Everstream Solutions LLC (Solutions), Everstream GLC Holding Company LLC (GLC), HRS Internet LLC (HRS Internet), Lynx Network Group, Inc. (Lynx), and DB Puma GIF II GP HoldCo, LLC (DB Puma or Transferee) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended (Act), and sections 63.03-04 of the Commission's rules, requesting consent to transfer control of Solutions, GLC, HRS Internet, and Lynx (the Licensees) from AMP Holdings to DB Puma.<sup>1</sup>

The Licensees are indirect subsidiaries of Midwest Fiber Holdings LP, a Delaware limited partnership, and provide fiber-based voice and data services in the Midwest and Mid-Atlantic.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Joint Application of AMP Capital Investors International Holdings Ltd., Everstream Solutions LLC, Everstream GLC Holding Company LLC, HRS Internet LLC, Lynx Network Group, Inc. and DB Puma GIF II GP HoldCo, LLC for Consent to Transfer Control of Section 214 Authorizations, WC Docket No. 22-283 (filed Aug. 3, 2022) (Application). Applicants filed supplements to the Application. Letter from F. William LeBeau and Peter Connolly, Counsel for Transferee, and Russell Blau, Danielle Burt, and Leetal Weiss, Counsel for Transferor and Licensees, WC Docket No. 22-283 (filed Sept. 15, 2022) (Sept. 15 Supplement); Letter from F. William LeBeau and Peter Connolly, Counsel for Transferee, and Russell Blau, Danielle Burt, and Leetal Weiss, Counsel for Transferor and Licensees, WC Docket No. 22-283 (filed Nov. 23, 2022) (Nov. 23 Supplement). Applicants also filed applications for the transfer of authorizations associated with international and wireless services, as well as a request under section 310(b)(4) of the Act, 47 U.S.C. § 310(b)(4), to obtain authority for additional non-U.S. entities to indirectly hold a greater than 5% voting interest in Licensees. Application at 18-19. 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> Application at 4.

Solutions, an Ohio limited liability company, is authorized to provide competitive telecommunications services in Delaware, Kentucky, Maryland, Missouri, New Jersey, New York, Ohio, Pennsylvania, and West Virginia.<sup>3</sup> GLC, a Delaware limited liability company, is authorized to provide competitive telecommunications services in Illinois, Indiana, Michigan, and Wisconsin.<sup>4</sup> HRS Internet, an Indiana limited liability company, is authorized to provide competitive telecommunications services in Indiana.<sup>5</sup> Lynx, a Michigan corporation, is authorized to provide competitive telecommunications services in Michigan.<sup>6</sup> Midwest Fiber Holdings LP is indirectly owned by four limited partnerships organized in Luxembourg: AMP Capital Global Infrastructure Fund II A LP SCSp; AMP Capital Global Infrastructure Fund II B LP SCSp; AMP Capital Global Infrastructure Fund II C LP SCSp; and AMP Capital Global Infrastructure Fund II E LP SCSp, collectively referred to as GIF II, with a 1.5% ownership interest held by a management-owned vehicle, Midwest Fiber Management LP, a Delaware limited partnership (the Management-Owned Vehicle).<sup>7</sup> AMP Capital Investors (GIF II GP) S.à.r.l., a Luxembourg company, is the general partner of Midwest Fiber Holdings LP, the Management-Owned Vehicle, and the four Luxembourg limited partnerships.<sup>8</sup>

DB Puma is one of three Delaware limited liability companies that DigitalBridge Operating Company, LLC (DBOC), also a Delaware limited liability company, formed as its subsidiaries for the purposes of the proposed transaction. DBOC is a subsidiary of DigitalBridge Group, Inc. (DigitalBridge) (92% ownership), a publicly traded Maryland corporation. DigitalBridge is affiliated with Zayo Group, LLC (Zayo), which is authorized to provide competitive telecommunications services in the District of Columbia and every state except Alaska.

Pursuant to terms of the proposed transaction, DigitalBridge, through DBOC and DigitalBridge Investment Holdco, LLC (DBIH), a Delaware limited liability company and a whollyowned subsidiary of DBOC, entered into an Equity Purchase Agreement (Agreement) with AMP Group Holdings Limited and AMP Holdings whereby DBOC will acquire "certain interests comprising Transferor's global infrastructure equity investment management business." Prior to

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<sup>3</sup> Id.
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<sup>&</sup>lt;sup>4</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> *Id* 

<sup>&</sup>lt;sup>6</sup> *Id*. at 5.

<sup>&</sup>lt;sup>7</sup> *Id*. at 2.

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

<sup>&</sup>lt;sup>9</sup> *Id*. at 5.

<sup>&</sup>lt;sup>10</sup> *Id.* at 13. Applicants state that Vanguard Group, Inc., a Pennsylvania investment entity affiliated with several telecommunications entities, will hold a 10.8% voting interest in the Licensees because it holds an 11.2% of DigitalBridge's issued and outstanding Class A common stock. *Id.* and Sept. 15 Supplement at 1-2 and Exh. A (currently known FCC Regulated Businesses in which The Vanguard Group, Inc. holds 10% or greater Interest, pursuant to Sec SC 13G/A & 13F-HR filings).

<sup>&</sup>lt;sup>11</sup> Application at 17. Zayo also provides wireless backhaul services in multiple states and also indirectly holds Electric Lightwave, LLC, which provides competitive telecommunications services to business and carrier customers in multiple states, and Education Networks of America, Inc., which provides telecommunications services to rural healthcare and school districts in the U.S. *Id.* at 17-20.

completion of the proposed transaction, DBIH will assign its right to acquire a 100% ownership interest in AMP Capital Investors (GIF II GP) S.à.r.l. to DB Puma, and, accordingly, pursuant to this Agreement, DB Puma will acquire from Transferor a 100% ownership interest in AMP Capital Investors (GIF II GP) S.à.r.l. Applicants state that "upon completion, Transferee will have ownership and control of AMP Capital Investors (GIF II GP) S.à.r.l. and will therefore have voting control of Licensees. Following the Transaction, Licensees will remain under the indirect voting control of AMP Capital Investors (GIF II GP) S.à.r.l., the general partner of Midwest Fiber Holdings LP, the Management-Owned Vehicle, and GIF II, and will continue to be indirect, wholly owned subsidiaries of Midwest Fiber Holdings LP which has its equity interests 100% owned by GIF II and the Management-Owned Vehicle."

Applicants assert that a grant of the Application would serve the public interest, convenience, and necessity.<sup>15</sup> They maintain that there are no competitive concerns associated with the proposed transaction and state that any overlapping lit fiber service territories between Licensees and DigitalBridge's affiliate are primarily in certain metropolitan areas in Illinois, Indiana, Michigan, Missouri, and Ohio, and that there are multiple other competitors in each area.<sup>16</sup>

Because the proposed transaction is more complex than those accepted for streamlined treatment, and in order to analyze whether the proposed transaction would serve the public interest, we accept the Application for non-streamlined processing.<sup>17</sup>

No Referral to Executive Branch Agencies: The Commission determined in the *Executive Branch Review Process Order* that it would not routinely refer to the Executive Branch applications "where the only reportable foreign ownership is through wholly owned intermediate holding companies and the ultimate ownership and control is held by U.S. citizens or entities." The Commission, however, retains the discretion to refer such applications should it find that a particular application may raise national security, law enforcement, foreign policy, and trade policy concerns for which it would benefit from the advice of the Executive Branch. The Applicants assert that the Application falls under this exclusion and that the Commission should not refer it to the Executive Branch agencies. We find that the Applicants have made a showing that the Application comes within the exclusion from referral to the Executive Branch for national security, law enforcement, foreign policy and trade policy review. Therefore, we are exercising our discretion and are not referring this petition to the Executive Branch. Although we are not formally referring this petition,

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12 Id. at 5.
13 Id.
14 Id. at 6.
15 Id.
16 Id. at 18.
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<sup>17</sup> 47 CFR § 63.03(c)(1)(v).

<sup>18</sup> Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927, 10936, 10939, paras. 25, 30 (2020) (Executive Branch Review Process Order).

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<sup>19</sup> Id.
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<sup>&</sup>lt;sup>20</sup> Nov. 23 Supplement at 1-3.

per standard practice, we will provide a courtesy copy of this public notice to the Executive Branch agencies.<sup>21</sup>

Domestic Section 214 Application Filed for the Transfer of Control of Everstream Solutions LLC, Everstream GLC Holding Company LLC, HRS Internet LLC, and Lynx Network Group, Inc. to DB Puma GIF II GP HoldCo, LLC, WC Docket No. 22-283 (filed July 25, 2022).

## **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 December 16, 2022**, and reply comments **on or before December 23, 2022**. 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>.
- 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.<sup>22</sup> 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 fcc504@fcc.gov 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) Myrva Charles, Competition Policy Division, Wireline Competition Bureau, myrva.charles@fcc.gov;
- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:jodie.may@fcc.gov">jodie.may@fcc.gov</a>;

<sup>&</sup>lt;sup>21</sup> See Executive Branch Review Process Order at 10941, para. 36, n. 99; see also id. at 10939, para 30, n. 81.

<sup>&</sup>lt;sup>22</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, 35 FCC Rcd 2788 (OS 2020).

- 3) David Krech, Telecommunications and Analysis Division, International Bureau, <a href="mailto:david.krech@fcc.gov">david.krech@fcc.gov</a>;
- 4) Sumita Mukhoty, Telecommunications and Analysis Division, International Bureau, sumita.mukhoty@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

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>23</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 please contact Myrva Charles at (202) 418-1506 or Dennis Johnson at (202) 418-0809.

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<sup>&</sup>lt;sup>23</sup> See 47 CFR § 1.45(c).