



PUBLIC NOTICE

Federal Communications Commission
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Washington, DC 20554

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

DA 22-1363

Released: December 22, 2022

**DOMESTIC SECTION 214 APPLICATION FILED FOR
THE TRANSFER OF CONTROL OF
WISPER ISP, LLC TO NATHAN T. STOOKE**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 22-367

Comments Due: January 5, 2023

Reply Comments Due: January 12, 2023

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on an application filed by Cable One, Inc. (Cable One), Stephens Wisper, LLC (Stephens), Wisper ISP, LLC (Wisper or Licensee), and Nathan T. Stooke (Mr. Stooke or Transferee) (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 a controlling interest in Wisper to Mr. Stooke.¹

Cable One, a publicly traded Delaware corporation, provides video, broadband, and voice services in 24 states, and currently holds a 40.40% ownership interest in Wisper, a Delaware limited liability company.² Stephens is an Arkansas limited liability company and investment entity.³ Stephens currently holds an 18.80% ownership interest in Wisper, and is affiliated with Stephens Capital Partners, LLC, an Arkansas limited liability company and investment group.⁴ Mr. Stooke, a U.S. citizen, is the founder, president, and chief executive officer of Wisper.⁵ He previously owned 100% of Wisper ISP, Inc., the predecessor in interest of Wisper, but his ownership interest was reduced to 40.80% in 2020 when Cable One and Stephens acquired their ownership interests.⁶

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04; Application of Cable One, Inc., Stephens Wisper LLC, Wisper ISP, LLC, and Nathan T. Stooke for Transfer of Control of Domestic Section 214 Authorization, WC Docket No. 22-367 (filed Oct. 14, 2022) (Application). On December 16, 2022, Applicants filed a supplement to their Application. Letter from Stephen Coran, Counsel to Wisper ISP, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 22-367 (filed Dec. 16, 2022) (Supplement). Applicants also filed applications for the transfer of wireless licenses. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Application at 2, 4, 12, and Exh. B (Current Corporate Ownership Structure Chart and Post-Transaction Corporate Ownership Structure Chart).

³ *Id.* at 2.

⁴ *Id.* at 2, 4, 12, and Exh. B.

⁵ *Id.* at 4; Supplement at 3.

⁶ Application at 2, 4-5, 12.

Wisper ISP, Inc. was formed as an Illinois limited liability company in 2003 to provide residential and business broadband services in rural areas.⁷ On February 13, 2020, when Mr. Stooke was the 100% owner of Wisper ISP, Inc., the Bureau authorized Wisper ISP, Inc. to receive Connect America Fund (CAF) Phase II Auction 903 support of approximately \$220 million to serve 80,149 locations in Arkansas, Illinois, Indiana, Kansas, Missouri, and Oklahoma.⁸

Wisper currently provides rural fixed wireless and fiber broadband services to “approximately 19,000 subscribers in Arkansas, Illinois, Indiana, Kansas, Missouri, and Oklahoma.”⁹ In 2020, the Wisper-CABO (Cable One) 904 Consortium participated in the Rural Digital Opportunity Fund (RDOF) Phase I reverse auction.¹⁰ On June 14, 2022, the Bureau authorized Wisper to receive RDOF support for an estimated 564 locations in Arkansas for a total of \$68,032.50; an estimated 23 locations in Illinois for a total of \$81,815.00; and an estimated 694 locations in Missouri for a total of \$1,069,097.00.¹¹ Wisper is designated as an Eligible Telecommunications Carrier (ETC) in Arkansas, Illinois, Indiana, Kansas, Missouri, and Oklahoma.¹²

Pursuant to the terms of the proposed transaction, Cable One and Stephens will transfer their current ownership interests in Wisper to Mr. Stooke, resulting in him reacquiring a 100% ownership interest in Wisper.¹³ According to Applicants, Bluewater Wisper Ventures LLC¹⁴ will act as the agent for lenders and other parties to a loan agreement (Lenders) to “make term loans available for Wisper to acquire the [Cable One] and Stephens membership units and fund accelerated deployment in Wisper’s CAF and RDOF areas.”¹⁵

Applicants assert that the proposed transaction would serve the public interest, convenience, and necessity.¹⁶ They contend that the post-transaction loan proceeds will exceed the amount of capital that was previously committed to Wisper by Cable One and Stephens, which “will enable Wisper to accelerate

⁷ *Id.* at 2.

⁸ *Id.* at 3. See *Connect America Fund Phase II Auction Support Authorized for 1060 Winning Bids*, AU Docket No. 17-182, WC Docket No. 10-90, Public Notice, 35 FCC Rcd 945, Attach. A (Authorized Long-Form Applicants and Winning Bids) (WCB Feb. 13, 2020) (*CAF Phase II Public Notice*). Applicants state that Wisper has satisfied its 40% service milestone in its CAF locations and has reduced its irrevocable letters of credit by 50%. Application at 3.

⁹ Application at 2, 6. Applicants state that Wisper participates in the Lifeline program and the Affordable Connectivity Program. *Id.* at 7.

¹⁰ *Id.* at 4.

¹¹ *Id.* at 4. See *Rural Digital Opportunity Fund Support Authorized for 513 Winning Bids; Bid Defaults Announced*, AU Docket No. 20-34, WC Docket Nos. 19-126 and 10-20, Public Notice, DA 22-634, at 8 and Attach A (WCB June 14, 2022) (stating that 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. Transfers of control and assignments of international section 214 authorizations are separately subject to section 63.24 of the Commission’s rules. Except where the Commission has forbore from the application of section 214, this requirement applies to all transfers of control or asset acquisitions involving ETCs.”).

¹² Application at 4, 6-7, 11.

¹³ *Id.* at 5, 9-10, 12 and Exh. B.

¹⁴ Applicants state that BlueWater Wisper Ventures LLC is owned and controlled by John Gregg and Randall Mays. *Id.* Exh. A.

¹⁵ Application at 5.

¹⁶ *Id.* at 7-10.

buildout to its CAF and RDOF locations.”¹⁷ They also contend that the proposed debt financing arrangement will not impair Wisper’s ability to meet its CAF and RDOF obligations, and will enable Wisper “to replace its existing letters of credit with new letters of credit at a lower cost.”¹⁸ Mr. Stooke also certifies that he will remain responsible for all CAF, RDOF, and ETC associated requirements, and that he will be subject to established consequences for failing to meet such requirements.¹⁹ Applicants further maintain that the proposed transaction will not adversely affect competition.²⁰

Because the proposed transaction would involve the exchange and assumption of Universal Service Fund high-cost mechanism obligations, in order to sufficiently analyze whether the proposed transaction would serve the public interest, we accept the Application for non-streamlined processing.²¹

Domestic Section 214 Application Filed for the Transfer of Control of
Wisper ISP, LLC to Nathan T. Stooke, WC Docket No. 22-367 (filed Oct. 14, 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 January 5, 2023**, and reply comments **on or before January 12, 2023**. 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 <https://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.²² 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.

¹⁷ *Id.* at 5.

¹⁸ *Id.* at 5, 10.

¹⁹ Supplement at 3.

²⁰ *Id.* at 10-11.

²¹ See 47 CFR § 63.03(c)(1)(v).

²² 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).

In addition, email one copy of each pleading to each of the following:

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 2) Merry Wulff, Competition Policy Division, Wireline Competition Bureau, merry.wulff@fcc.gov and
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

The proceeding in this Public 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).²³ 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.²⁴ 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 Merry Wulff at merry.wulff@fcc.gov, Wireline Competition Bureau.

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²³ 47 CFR § 1.1206(b).

²⁴ *See id.* § 1.45(c).