



PUBLIC NOTICE

Federal Communications Commission
45 L Street NE
Washington, DC 20554

News Media Information 202-418-0500
Internet: www.fcc.gov
TTY: 888-835-5322

DA 22-579
Released: May 25, 2022

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
MOUNDRIDGE TELEPHONE COMPANY, MOUNDRIDGE TELCOM, INC., AND
MID-KANSAS CABLE SERVICES, INC. TO RURAL TELEPHONE SERVICE COMPANY, INC.**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 22-173

Comments Due: June 8, 2022

Reply Comment Due: June 15, 2022

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Emmental, Inc. (Emmental), Moundridge Telephone Company (Moundridge), Moundridge Telecom, Inc. (MTI), Mid-Kansas Cable Services, Inc. (Mid-Kansas) (collectively, Transferors), and Rural Telephone Service Company, Inc. dba Nex-Tech (RTSC), together with Transferors, 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 for the transfer of control of the Transferors to RTSC.¹

Emmental is a holding company that provides telecommunications services through its direct and indirect wholly-owned subsidiaries, Moundridge, MTI, and Mid-Kansas, each Kansas corporations.² Moundridge is an eligible telecommunications carrier (ETC) and provides incumbent local exchange carrier (LEC) services to approximately 2,100 access lines in the Moundridge and Goessel exchanges, which serve portions of McPherson, Harvey, and Marion Counties in central Kansas.³ Moundridge wholly-owns MTI, which provides resold long distance toll service in Moundridge's local exchange service area.⁴ Mid-Kansas, a wholly-owned subsidiary of Emmental, provides competitive LEC services in the McPherson and Hesston exchanges in McPherson and Harvey counties in Kansas.⁵

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. See Application of Emmental, Inc., Moundridge Telephone Company, Moundridge Telcom, Inc., and Mid-Kansas Cable Services, inc., to Rural Telephone Service Company, Inc., WC Docket No 22-173 (filed Apr. 25, 2022) (Application). Applicants also filed an application for the transfer of an authorization associated with international service. On May 16, 2022, Applicants filed a supplement to their domestic section 214 application. See Supplement to the Application for Transfer of Control of Domestic and International Section 214 Authorizations, WC Docket No. 22-173 (filed May 16, 2022) (Supplement). Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Application at 2-3.

³ *Id.* at 2; Supplement at 3-4. Applicants state that Moundridge participates in the Lifeline program and Affordable Connectivity Program. Supplement at 5.

⁴ Application at 2; Supplement at 4.

RTSC, a Kansas corporation, provides service as an incumbent LEC in 39 exchanges in Kansas.⁶ Applicants state that the RTSC incumbent LEC exchanges do not overlap and are not adjacent to the incumbent LEC exchanges served by Moundridge.⁷ RTSC is a cooperative owned by its subscriber members, of which no single member owns as much as 1% of RTSC.⁸ RTSC wholly-owns Nex-Tech, LLC (Nex-Tech), a Kansas limited liability company, that provides service as a competitive LEC in portions of Kansas.⁹

Pursuant to the terms of the proposed transaction, RTSC will acquire all of the outstanding common stock of Emmental.¹⁰ As a result, Emmental will be a direct, wholly-owned subsidiary of RTSC while Moundridge, MTI, and Mid-Kansas will be indirect, wholly-owned subsidiaries of RTSC.¹¹

Applicants assert that a grant of the application would serve the public interest, convenience, and necessity.¹² Applicants state, RTSC “has a history of consistent earnings and strong cash flow to support financing, growth, and the necessary capital upgrades to make the acquisition of the Transferors successful long-term, and enhance telecommunications and broadband service to the public.”¹³

Applicants do not request streamlined treatment for the domestic section 214 application pursuant to section 63.03 of the Commission's rules, and we accept it for non-streamlined processing.¹⁴

Domestic Section 214 Application Filed for the Transfer of Control of
Moundridge Telephone Company, Moundridge Telecom, Inc., and Mid-Kansas Cable Services, Inc.
to Rural Telephone Service Company, Inc., WC Docket No. 22-173 (filed Apr. 25, 2022).

GENERAL INFORMATION

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⁵ Application at 3; Supplement at 5-6.

⁶ Application at 2, Supplement at 5-6. Applicants provide a list of the Kansas exchanges and communities that RTSC serves. Supplement at Exh. D (Rural Telephone Service Company ILEC Exchanges). Applicants state that the service territory of RTSC and Moundridge are not adjacent and do not overlap. Supplement at 6 and Exh. F (Map).

⁷ Supplement at 6 and Exh. F (Exchange Map).

⁸ Supplement at Exh. A (Equity Ownership of Transferee and its Affiliates). Applicants state that RTSC is controlled by the following board members, all U.S. citizens: Jeannine Byers-Long, Don Heiland, Phyllis Weller, Glenn Lambert, Ron Rahjes, Daniel L. Schultz, and Kirk Johnston. Applicants further state that none of these board members hold a 10% or greater interest in any other provider of domestic telecommunications services. Supplement at 2.

⁹ Supplement at 2 and Exh. E (Nex-Tech, LLC CLEC Exchanges and Counties). Applicants state that Nex-Tech, like RTSC, is a member owned cooperative with no single member holding as much as 1% of Nex-Tech and that the board members who control RTSC are the same as the board members who control Nex-Tech. Supplement at 2 and Exh. A at 1. Applicants further state that there is a single overlap in the competitive LEC service areas of Nex-Tech and Mid-Kansas in the McPherson exchange. Supplement at 7. Nex-Tech also holds a 42.75% interest in Nex-Tech Wireless, LLC (NTW), a Kansas limited liability company, that serves various counties in Kansas. Supplement at 2-3 and 7.

¹⁰ Application at 4.

¹¹ *Id.*

¹² Application at 10.

¹³ *Id.*

¹⁴ 47 C.F.R. § 63.03.

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 June 8, 2022**, and reply comments **on or before June 15, 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 <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.¹⁵ 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) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;
- 2) David Krech or Sumita Mukhoty, Telecommunications and Analysis Division, International Bureau, david.krech@fcc.gov; sumita.mukhoty@fcc.gov; and
- 3) 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),

¹⁵ 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).

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.¹⁶ 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 Gregory Kwan at (202) 418-1191.

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¹⁶ See 47 CFR § 1.45(c).