**DA 22-674**

**Released: June 24, 2022**

**DOMESTIC SECTION 214 APPLICATION GRANTED SUBJECT TO CONDITIONS**

**WC Docket No. 21-432**

By this Public Notice, the Wireline Competition Bureau (Bureau) grants, as conditioned, an application filed by Sterling Family, LLC and Metzger Associates, LLC, and Worth Telecoms Holdings, LLC (Worth Telecoms) (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 Plant Telephone Company (Plant) and its wholly-owned subsidiaries, Plant TiftNet, Inc. (TiftNet), Plant Long Distance Company (PLDC), and Plant Telenet, Inc. (Telenet), from Sterling Family, LLC and Metzger Associates, LLC to Worth Telecoms.[[1]](#footnote-3)

On November 17, 2021, the Bureau released a public notice seeking comment on the Application.[[2]](#footnote-4) We did not receive comments or petitions in opposition to the Application.

On June 15, 2022, the National Telecommunications and Information Administration (NTIA), on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee), submitted a Petition to Adopt Conditions to Authorizations and Licenses (Committee Petition).[[3]](#footnote-5) We grant the Committee Petition and condition grant of the Application on compliance by the Applicants with the commitments and undertakings set out in the Letter of Agreement filed with the Committee Petition.

**Applicants and Services Provided**

Plant, a Georgia corporation and rural incumbent local exchange carrier (LEC), serves approximately 5,490 access lines in portions of the following counties in south central Georgia: Atkinson, Colquitt, Cook, Crisp, Dooly, Emanuel, Laurens, Montgomery, Tift, Treutlen, Turner, and Worth.[[4]](#footnote-6) Plant elected to receive fixed universal service support under the Alternative Connect America Cost Model (A-CAM).[[5]](#footnote-7) Telenet, PLDC, and TiftNet are all Georgia corporations.[[6]](#footnote-8) Telenet, a competitive LEC, provides service outside of the service area of Plant.[[7]](#footnote-9) PLDC is a reseller of long distance services operating in and around the service area of Plant.[[8]](#footnote-10) TiftNet is a provider in Tifton, Georgia, offering cable television service and Voice over Internet Protocol (VoIP) services.[[9]](#footnote-11) TiftNet services are provided in an area outside of the service area of Plant.[[10]](#footnote-12)

Worth Telecoms, a Delaware limited liability company, is a wholly-owned subsidiary of TruVista Communications, Inc. (TruVista), a South Carolina corporation and telecommunications provider.[[11]](#footnote-13) TruVista, an incumbent LEC in South Carolina, is affiliated with the following providers: Lockhart Telephone Company and Ridgeway Telephone Company, both incumbent LECs in South Carolina; TruVista Communications of Georgia, a competitive LEC in several counties in northeastern Georgia; Fairfield Communications, a competitive LEC in South Carolina; and Camden Corporate Investments and Chester Long Distance Services, both Internet and voice providers in South Carolina.[[12]](#footnote-14) TruVista and its incumbent LEC subsidiaries receive cost-based universal service support as average schedule companies.[[13]](#footnote-15) Applicants state that the Georgia service areas of TruVista and Plant are neither overlapping nor adjacent.[[14]](#footnote-16)

TruVista, a wholly-owned subsidiary of York Telecoms Holdings US L.P. (York), is an indirect subsidiary of iCON Infrastructure Partners IV (US AIV), L.P. (iCon AIV), an investment vehicle with England and Wales citizenship, and an indirect subsidiary of iCon infrastructure LLP, (iCon Parent), a United Kingdom entity (iCon Parent, together with affiliated funds, the iCon IV Fund).[[15]](#footnote-17) iCon Infrastructure Partners IV (US AIV-A), L.P. (iCon AIV-A), a Guernsey entity, holds an approximate 45% limited partner interest in iCon AIV, and iCon Infrastructure Management IV Limited (iCon IV GP), a Guernsey entity, hold a 100% voting interest in iCon AIV as the general partner of iCon AIV and iCon AIV-A.[[16]](#footnote-18) The remaining approximate 55% interest in iCon AIV is held by the passive limited partner investors in the iCon IV Fund.[[17]](#footnote-19) The following individuals hold a 10% or greater interest in iCon Parent: Daniel Michael Agostino (11.066% equity and 7.377% voting); Paul Richard Malan (39.747% equity and 59.831% voting); and Iain Ross Macleod (19.913% equity and 13.276% voting).[[18]](#footnote-20)

Pursuant to the terms of the proposed transaction, Worth Telecoms will acquire all of the outstanding equity interests in Plant.[[19]](#footnote-21) As a result, Plant will become a direct, wholly-owned subsidiary of Worth Telecoms.[[20]](#footnote-22) TiftNet, PLDC, and Telenet will remain subsidiaries of Plant and, therefore, will become indirect subsidiaries of Worth Telecoms.[[21]](#footnote-23)

**Discussion**

Applicants request approval to consummate a transaction involving companies that receive high-cost universal service support under the different support mechanisms of fixed model-based support and cost-based support (a mixed support transaction). Specifically, because TruVista is acquiring Plant, which receives model-based support, the potential for a transaction-specific harm exists if TruVista or one of its average schedule affiliates, Lockhart or Ridgeway, convert from an average schedule company to a cost company, thereby triggering an incentive to shift costs from Plant to TruVista or a cost-based affiliate.[[22]](#footnote-24) The Commission has found that this type of transaction could result in potential harm to its goal of ensuring that limited universal service funding is distributed efficiently and effectively.[[23]](#footnote-25) When a company receiving a fixed level of support acquires or is acquired by a company receiving support based on its costs, the combined companies could, and in some instances might have an economic incentive to, shift certain shared or common costs from the model-based support company to the cost-based support company.[[24]](#footnote-26) If cost shifting were to occur, the combined company, post-transaction, could obtain more high cost universal service support than the two companies did as separate entities, not because of any new investment, expense, or buildout, but rather solely because of the application of accounting procedures.[[25]](#footnote-27) Such an outcome is inconsistent with the Commission’s general expectation that transactions generate efficiencies that reduce the combined company’s costs.[[26]](#footnote-28) Moreover, providing additional universal service support to a company as a result of cost shifting solely because it acquired or merged with another company is not an efficient use of limited universal service resources.[[27]](#footnote-29)

In the *Hargray/ComSouth Order*, in which the Commission approved a mixed support transaction, it sought to prevent cost shifting and to protect the finite resources of the high-cost universal service fund by imposing a limited condition that capped high-cost universal service support based on the operating expenses of the entity receiving cost-based support.[[28]](#footnote-30) The Commission has directed the Bureau to apply the *Hargray/ComSouth* condition where necessary to remedy a potential public interest harm caused by a mixed support transaction, including for mergers between an average schedule company and a model-based support company where the average schedule company converts to a cost company.[[29]](#footnote-31)

Accordingly, to mitigate the potential for cost shifting, we grant the Application subject to the following condition: if TruVista, or one of its affiliates, converts to a non-average schedule cost company, that conversion will trigger application of the condition established in the *Hargray/ComSouth Order* and discussed in the *Average Schedule Grant Public Notice*.[[30]](#footnote-32) If TruVista or its affiliate converts, the newly converted cost company’s operating expense would be capped at the average of the three previous years’ operating expense and combined with the inflation-adjusted operating expense data of any other affiliated cost companies.[[31]](#footnote-33)

Once triggered, the cap will apply to cost recovery under both HCLS and CAF-BLS and will be applied proportionately to each affiliate’s accounts used to determine the affiliate’s eligible operating expense for HCLS and CAF-BLS.[[32]](#footnote-34) For example, if the cap requires that a post-consummation company’s eligible operating expense be reduced by 10%, then each account used to determine each rate-of-return affiliate’s eligible operating expenses shall be reduced by 10%.[[33]](#footnote-35) For purposes of this cap, operating expenses shall include maintenance, network support/network operations/general, benefits, rent expenses, and corporate operations, while depreciation, return on investment, and taxes shall be excluded.[[34]](#footnote-36)

For all covered entities, the new cap shall also include an annual adjustment for inflation based on the Gross Domestic Product-Channel Price Index (GDP-CPI) for the years in which the new cap remains in effect.[[35]](#footnote-37) This cap shall remain in effect for seven years from the consummation of the transaction.[[36]](#footnote-38) The condition will also sunset if all of a post-consummation company’s rate-of-return affiliates become model-based support companies at any point during the seven-year period.[[37]](#footnote-39)

**National Security, Law Enforcement, Foreign Policy and Trade Policy Concerns**

When analyzing a transfer of control or assignment application that includes foreign investment, we also consider public interest issues related to national security, law enforcement, foreign policy, or trade policy concerns.[[38]](#footnote-40) As part of our public interest analysis, the Commission coordinates with the relevant Executive Branch agencies that have expertise in these particular issues.[[39]](#footnote-41) The Commission accords deference to the expertise of these Executive Branch agencies in identifying issues related to national security, law enforcement, foreign policy, or trade policy concerns raised by the relevant Executive Branch agencies.[[40]](#footnote-42) The Commission, however, ultimately makes an independent decision on the application based on the record in the proceedings.[[41]](#footnote-43)

Pursuant to Commission practice, the Application and the associated international application, IB File No. ITC-T/C-20211104-00161, were referred to the relevant Executive Branch agencies for their review of any national security, law enforcement, foreign policy, or trade policy concerns related to the foreign ownership of the Applicants.[[42]](#footnote-44) On November 30, 2021, the Committee notified the Commission that it was reviewing the Application for any national security and law enforcement concerns that may be raised by foreign participation in the United States telecommunications services sector and requested that the Commission defer action on the Application.[[43]](#footnote-45) We deferred action in response to this request from the Committee. On February 18, 2022, the Committee notified the Commission that the Applicants had provided complete responses to initial questions posed by the Committee and that the Committee was conducting an initial review to assess whether granting the Application would pose a risk to the national security or law enforcement interests of the United States.[[44]](#footnote-46)

In the Committee Petition, the Committee advises the Commission that it has no objection to the Commission granting the Application provided that the Commission conditions its approval on “the assurances of Plant Telephone Company to abide by the commitments and undertakings set forth in the May 31, 2022, Letter of Agreement (LOA)”.[[45]](#footnote-47)

In accordance with the request of the Committee, and in the absence of any objection from the Applicants, we grant the Committee Petition, and, accordingly, we condition grant of the transfer of domestic section 214 authority on compliance by the Applicants with the commitments and undertakings set out in the LOA that apply to the Application.[[46]](#footnote-48) A failure to comply with and/or remain in compliance with any of the provisions of the LOA shall constitute a failure to meet a condition of this grant and the underlying authorizations and licenses and thus grounds for declaring the underlying authorizations and licenses terminated without further action on the part of the Commission. Failure to meet a condition of this grant and the underlying authorizations and licenses may also result in monetary sanctions or other enforcement action by the Commission.

**Grant of Application, Subject to Conditions**

We find that grant of the Application listed above, subject to compliance with the conditions, will serve the public interest, convenience, and necessity.[[47]](#footnote-49) In addition, Worth Telecoms has acknowledged that it will be required to fulfill all obligations associated with Plant’s receipt of ACAM funding, and we expect that the proposed transaction will not negatively impact these obligations.[[48]](#footnote-50) Therefore, pursuant to section 214 of the Act, 47 U.S.C. § 214, and sections 0.91, 0.291, 63.03, and 63.04 of the Commission’s rules, 47 CFR §§ 0.91, 0.291, 63.03, and 63.04, the Bureau hereby grants the Application discussed in this Public Notice subject to compliance with the conditions described above.[[49]](#footnote-51)

Pursuant to section 1.103 of the Commission’s rules, 47 CFR § 1.103, the grant is effective upon release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 CFR §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

Pursuant to sections 4(i)-(j) and 214(a), of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j) and 214(a), and sections 63.03-63.04, of the Commission’s rules, 47 C.F.R. §§ 63.03-63.04, we grant the Committee Petition to Adopt Conditions to Authorizations and Licenses filed by the NTIA. Grant of the Application is conditioned upon compliance by the Applicants with the Letter of Agreement From Danny E. Sterling, President & General Manager, Plant Telephone Company, and Carla French, President & CEO, TruVista Communications, to Chief, Foreign Investment Review Section (FIRS) and Deputy Chief, Compliance and Enforcement (FIRS), on behalf of the Assistant Attorney General for National Security, National Security Division, United States Department of Justice, dated May 31, 2022. Any failure to comply and/or remain in compliance with any of the conditions set out in the Public Notice shall constitute a failure to meet a condition of the grant and the underlying authorizations and licenses and thus grounds for declaring the authorizations and licenses terminated without any further action on the part of the Commission. Failure to meet a condition of the grant and the underlying authorizations and licenses may also result in monetary sanctions or other enforcement action by the Commission.

For further information, please contact Dennis Johnson, Wireline Competition Bureau, Competition Policy Division, (202) 418-0809.

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1. *See* 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Joint Application of Sterling Family, LLC and Metzger Associates, LLC and Worth Telecoms Holdings, LLC for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, and Sections 63.04 and 63.24 of the Commission’s Rules to Transfer Control of Domestic and International Section 214 Authorization Holders to Worth Telecoms Holdings, LLC, WC Docket No. 21-432 (filed Nov. 4, 2021) (Application). On November 10, 2021, Applicants filed a supplement to the Application. Letter from Patrick S. Campbell, Counsel for Worth Telecoms, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-432, IB File No. ITC-T/C-20211104-00161 (filed Nov. 10, 2021) (Supplement). On November 16, 2021, Applicants filed a second supplement to the Application. Letter from Patrick S. Campbell, Counsel for Worth Telecoms, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-432, IB File No. ITC-T/C-20211104-00161 (filed Nov. 16, 2021). Applicants also filed applications for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. [↑](#footnote-ref-3)
2. *Domestic Section 214 Application Filed for the Transfer of Control of Plant Telephone Company to Worth Telecoms Holdings, LLC*, WC Docket No. 21-432, Public Notice, DA 21-1443 (WCB 2021) (*2021 Public Notice*). [↑](#footnote-ref-4)
3. Petition to Adopt Conditions to Authorizations and Licenses, WC Docket No. 21-432, ITC-T/C-20211104-00161 (filed Jun. 15, 2022) (Committee Petition). [↑](#footnote-ref-5)
4. Application at 4, 24; Supplement at 1-2. [↑](#footnote-ref-6)
5. *Id.* at 4; Universal Service Administrative Co., Tools, “ACAM, ACAM II and CAF BLS Buildout Requirements,” <https://www.usac.org/high-cost/resources/tools/>. [↑](#footnote-ref-7)
6. Application at 5. [↑](#footnote-ref-8)
7. *Id*. [↑](#footnote-ref-9)
8. *Id*. [↑](#footnote-ref-10)
9. *Id*. [↑](#footnote-ref-11)
10. *Id*. [↑](#footnote-ref-12)
11. *Id*. at 3, 24. [↑](#footnote-ref-13)
12. Supplement at 1-2 and Exh. A. (listing TruVista affiliates). [↑](#footnote-ref-14)
13. *Id.* at 2; Universal Service Administrative Co., Tools, <https://www.usac.org/high-cost/resources/tools/> (ACAM, ACAM II and CAF BLS Buildout Requirements). Average schedule companies receive support based on formulas that use the reported costs of the companies. *See, e.g.*, *National Exchange Carrier Association, Inc. 2018 Modification of Average Schedule Universal Service Support Formula, High-Cost Universal Service Support,* Order, 32 FCC Rcd 7654 (WCB 2017). An incumbent LEC may convert from an average schedule company to a cost company, but a carrier must obtain a waiver of the definition of “average schedule company” in [section 69.605(c)](https://1.next.westlaw.com/Link/Document/FullText?findType=L&pubNum=1000547&cite=47CFRS69.605&originatingDoc=Ie12d838d708211dfa7ada84b8dc24cbf&refType=RB&originationContext=document&transitionType=DocumentItem&contextData=(sc.Search)#co_pp_4b24000003ba5) to change from a cost company to an average schedule company.  *See* [47 CFR § 69.605(c)](https://1.next.westlaw.com/Link/Document/FullText?findType=L&pubNum=1000547&cite=47CFRS69.605&originatingDoc=Ie12d838d708211dfa7ada84b8dc24cbf&refType=RB&originationContext=document&transitionType=DocumentItem&contextData=(sc.Search)#co_pp_4b24000003ba5). [↑](#footnote-ref-15)
14. Supplement at 2 and Exh. B (Map of TruVista and Plant Telephone Company—Counties Served in Georgia). [↑](#footnote-ref-16)
15. Application at 18-21 and Exh. A (Post-Transaction Structure). [↑](#footnote-ref-17)
16. *Id*. [↑](#footnote-ref-18)
17. *Id*. [↑](#footnote-ref-19)
18. *Id*. at 20-21. Messrs. Agostino and Macleod are citizens of the United Kingdom while Mr. Malan is a citizen of both the United Kingdom and Australia. *Id.* [↑](#footnote-ref-20)
19. *Id*. at 7. [↑](#footnote-ref-21)
20. *Id*. [↑](#footnote-ref-22)
21. *Id*. [↑](#footnote-ref-23)
22. *Joint Application of W. Mansfield Jennings Limited Partnership and Hargray Communications Group, Inc. for Consent to the Transfer of Control of ComSouth Corporation Pursuant to Section 214 of the Communications Act of 1934*, WC Docket 18-52, Memorandum Opinion and Order, 33 FCC Rcd 4780, 4785-86, 4789, para. 20, n.72 (2018) (*Hargray/ComSouth Order*). . [↑](#footnote-ref-24)
23. *Id.* at 4784, para. 19. [↑](#footnote-ref-25)
24. *Id*. at 4785-86, para. 20. [↑](#footnote-ref-26)
25. *Id*. [↑](#footnote-ref-27)
26. *Id*. [↑](#footnote-ref-28)
27. *Id*. at 4786, para. 21. [↑](#footnote-ref-29)
28. *Id*. at 4788-90, paras. 26-31. [↑](#footnote-ref-30)
29. *Hargray/ComSouth Order*, 33 FCC Rcd 4789, n.72 (“We direct the Bureau to apply the condition where necessary to remedy a potential public interest harm caused by a mixed support transaction. We also direct the Bureau to apply the same condition to a merger between an average schedule company and a model-based support company, and in such cases the condition would be triggered if the average schedule company converts to a cost company. Under the condition, we permit “average schedule companies” to estimate universal service support pursuant to a formula developed by the National Exchange Carrier Association (NECA)”). *See, e.g., National Exchange Carrier Association, Inc. 2018 Modification of Average Schedule Universal Service Support Formula, High-Cost Universal Service Support,* WC Docket No. 05-337, Order, 32 FCC Rcd 7654 (WCB 2017)”). *See also Domestic Section 214 Application for the Transfer of Control of Lavaca Telephone Company, Inc. to Dobson Technologies Inc*., WC Docket No. 20-389, Order on Reconsideration, FCC 21-63, para. 14 (2021) (reaffirming the Commission’s delegation to the Bureau to continue to apply the mixed support condition where necessary). [↑](#footnote-ref-31)
30. *Hargray/ComSouth Order*, 33 FCC Rcd 4789, n.72; *Domestic Section 214 Applications Granted Subject to Condition*, WC Docket Nos. 17-101, 17-365, 18-68, 18-94, 18-95, 18-177, Public Notice, 33 FCC Rcd 6784 (WCB 2018) (*Average Schedule Grant Public Notice*) (granting, subject to the *Hargray/ComSouth* condition, transfers of control involving average schedule companies and model-based support companies). [↑](#footnote-ref-32)
31. If it has not previously done so, TruVista (or its affiliate), if it becomes a newly converted cost company, must submit its prior three years of operating expense data to NECA. NECA will then (1) validate and calculate that company’s average operating expense for those three years and (2) combine this three-year averaged capped operating expense with the current year’s inflation-adjusted operating expense data of any other affiliated cost companies to calculate the new total combined operating expense at which the newly converted and other cost-company affiliates will be capped. The new combined, capped operating expense will then be applied to determine High-Cost Loop Support (HCLS) and CAF-Broadband Loop Support (CAF-BLS). If the actual three-year operating expense average cannot be calculated for the newly converted cost company, NECA, in consultation with the Bureau, will use estimates based on NECA’s average schedule support formula. We also note that, if it converts, TruVista must provide USAC with an annual certification of compliance on or before December 31 of each year for the duration of the condition. With the certification, each covered entity must also submit its latest audited financial statements to USAC, including all notes and consolidating statements, on an annual basis, by December 31 of each year.  *Hargray /ComSouth Order*, 33 FCC Rcd [4790](https://1.next.westlaw.com/Link/Document/FullText?findType=Y&serNum=2044518343&pubNum=0004493&originatingDoc=I7b65cfb3bacb11ec9165e79c9b16a890&refType=CA&fi=co_pp_sp_4493_4790&originationContext=document&transitionType=DocumentItem&ppcid=c6c2e94e5b484c8596c3eecbb55a1dac&contextData=(sc.Search)#co_pp_sp_4493_4790), para. 31. *See Average Schedule Grant Public Notice*, 33 FCC Rcd at 6788, n.31; *Domestic Section 214 Application Granted Subject to Condition*, WC Docket No. 18-129, Public Notice, 33 FCC Rcd 8087, 8089, n.15 (WCB 2018) (*Hospers Grant PN*) (granting, subject to the *Hargray/ComSouth* condition, the transfer of Hospers Telephone Exchange, Inc. d/b/a HTC Communications, an average schedule company, to Mutual Telephone Company of Sioux Center Iowa d/b/a Premier Communications, which owns both cost-based and fixed model-based support companies). The cap will not apply if the parties do not consummate the proposed transaction or if TruVista or any of its affiliates do not covert to a cost-based support company. *See Hospers Grant PN*, 33 FCC Rcd at 8090, n.20. [↑](#footnote-ref-33)
32. *Hargray/ComSouth Order* at 4789, para. 28. [↑](#footnote-ref-34)
33. *Id.* [↑](#footnote-ref-35)
34. *Id.* [↑](#footnote-ref-36)
35. *Id.* at 4790, para. 30. [↑](#footnote-ref-37)
36. The Commission has found seven years to be an appropriate period over which to monitor enforcement of the condition and to ensure that the combined entity, which will continue to receive support, does not shift costs from year-to-year. *Id*. at 4789-90, para. 29, fn.78. [↑](#footnote-ref-38)
37. *Id*. at 4789-90, para. 29. [↑](#footnote-ref-39)
38. *See 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 (2020) (setting rules and procedures for referring applications for Executive Branch review consistent with Executive Order No. 13913) (*Executive Branch Review Order*); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities*, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23918-21, paras. 59-66 (1997) (*Foreign Participation Order*), *recon. denied*, 15 FCC Rcd 18158 (2000) (in opening the U.S. telecommunications market to foreign entry in 1997, the Commission affirmed that it would consider national security, law enforcement, foreign policy, and trade policy concerns related to reportable foreign ownership as part of its overall public interest review of application for international section 214 authority, submarine cable landing licenses, and declaratory rulings to exceed the foreign ownership benchmarks of section 310(b) of the Act). *See also Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations, et al.*, WT Docket 18-197, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578, 10732-33, para. 349 (2019) (*T-Mobile/Sprint Order*). [↑](#footnote-ref-40)
39. *See Executive Branch Review Order*, 35 FCC Rcd at 10935-36, paras. 17, 24. [↑](#footnote-ref-41)
40. *Id.* at 10930, para. 7 (citing *Foreign Participation Order*, 12 FCC Rcd at 23920-21, paras. 65-66; *Amendment of the Commission’s Regulatory Policies to Allow Non-U.S. Licensed Space Stations to Provide Domestic and International Satellite Service in the United States; Amendment of Section 25.131 of the Commission’s Rules and Regulations to Eliminate the Licensing Requirement for Certain International Receive-Only Earth Stations*, IB Docket No. 96-111, CC Docket No 93-23, RM-7931, Report and Order, 12 FCC Rcd 24094, 24171-72, paras. 179, 182 (1997)). *See also T-Mobile/Sprint Order*, 34 FCC Rcd at 10733, paras. 349; *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11271, 11277, para. 6 (2016), *Pet. for recon. dismissed*, 32 FCC Rcd 4780 (2017). [↑](#footnote-ref-42)
41. 47 CFR § 1.40001(b) (“The Commission will consider any recommendations from the [E]xecutive [B]ranch on pending application(s) . . . that may affect national security, law enforcement, foreign policy, and/or trade policy as part of its public interest analysis. The Commission will evaluate concerns raised by the [E]xecutive [B]ranch and will make an independent decision concerning the pending matter.”). [↑](#footnote-ref-43)
42. *See 2021 Public Notice* at 2. [↑](#footnote-ref-44)
43. Letter from Christine M. Quinn, Department of Justice, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-432; ITC-T/C-20211104-00161, and Attach. (November 2021 Notification from Chair) (filed Nov. 30, 2021). [↑](#footnote-ref-45)
44. Letter from Christine M. Quinn, Department of Justice, to Marlene H. Dortch, Secretary, FCC, 21-432; ITC-T/C-20211104-00161, and Attach. (February 2022 Notification from Chair) (filed Feb. 18, 2022). [↑](#footnote-ref-46)
45. Committee Petition at 1. [↑](#footnote-ref-47)
46. *T-Mobile/Sprint Order*, 34 FCC Rcd at 10732-33, para. 349*; Foreign Participation Order*,12 FCC Rcd at 23918-21, paras. 59-66*.* [↑](#footnote-ref-48)
47. *See* 47 U.S.C. § 214(a); 47 CFR § 63.03;*Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 32 FCC Rcd 9581, 9594, 9605, paras. 26 and 52 (2017) (finding no harm to competition where applicants operate as competitive LECs, and further finding that the transaction “will expand the on-net reach of the newly combined firm resulting in a more effective and stronger competitor against larger cable and incumbent LEC competitors, among others, particularly outside of Century Link's incumbent LEC region, where it, like Level 3, operates as a competitive LEC”).  [↑](#footnote-ref-49)
48. Supplement at 2 (citing *Wireline Competition Bureau Announces Support Amounts Offered to Rate-of-Return Carriers to Expand Rural Broadband*, WC Docket No. 10-90, Public Notice, 31 FCC Rcd 8641 (WCB 2016). *See* 47 CFR § 54.311 (listing deployment milestones and other requirements for carriers electing to receive A-CAM support). Universal Service Administrative Co., Tools, <https://www.usac.org/high-cost/resources/tools/>. [↑](#footnote-ref-50)
49. The Applicants in these proceedings provide incumbent LEC services in their respective study areas. Within 30 days of closing the proposed transactions, they must notify USAC so that it can make any appropriate changes to the High Cost Universal Broadband (HUBB) on-line location reporting portal for universal service recipients. [↑](#footnote-ref-51)