

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
)
Lumen Technologies, Inc. and) WC Docket No. 21-350
Connect Holding, LLC Application for Consent to)
Transfer Control)

MEMORANDUM OPINION AND ORDER AND DECLARATORY RULING

Adopted: August 19, 2022

Released: August 19, 2022

By the Chief, Wireline Competition Bureau; Chief, International Bureau; Chief, Wireless Telecommunications Bureau:

I. INTRODUCTION

1. In this Memorandum Opinion and Order, we approve, subject to condition, the applications of Lumen Technologies, Inc. (Lumen) and Connect Holding, LLC (Connect Holding, together with Lumen, the Applicants), filed pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended (Act),¹ and sections 1.948, 63.03-04, 63.18, and 63.24 of the Federal Communications Commission’s (Commission or FCC) rules,² seeking to transfer control of domestic and international section 214 authorizations and wireless licenses from Lumen to Connect Holding II LLC (Connect Holding II).³ Connect Holding II is a direct subsidiary of Connect Holding, which will be ultimately controlled by investment funds affiliated with Apollo Global Management, Inc. (New AGM) (collectively, Apollo).⁴ We also grant the petition filed by Connect Holding (Petitioner), pursuant to section 1.5000(a)(1) of the Commission’s rules, requesting a declaratory ruling to permit foreign ownership above the 25% benchmarks in section 310(b)(4) of the Act.⁵

¹ 47 U.S.C. §§ 214, 310(d).

² 47 CFR §§ 1.948, 63.03-04, 63.18, 63.24. The Commission licenses and authorizations subject to the applications are listed in Attachment A and include existing domestic and international section 214 authorizations and wireless licenses.

³ Lumen Technologies, Inc. and Connect Holding, LLC Application for Consent to Transfer Control of Domestic and International Section 214 Authorizations, WC Docket No. 21-350 (filed Sept. 1, 2021) (Lead Application). Applicants filed a supplement to the Lead Application on October 1, 2021. Letter from John L. Flynn, Counsel for Connect Holding, LLC, to Marlene H. Dortch, Secretary, FCC (filed Oct. 1, 2021) (First Supplement to Lead Application). Applicants filed a second supplement to the Lead Application on October 28, 2021. Letter from John L. Flynn, Counsel for Connect Holding, LLC, to Marlene H. Dortch, Secretary, FCC (filed Oct. 28, 2021) (Second Supplement to Lead Application). Applicants filed a third supplement to the Lead Application on December 7, 2021. Letter from Brian W. Murray, Counsel for Lumen Technologies, Inc., and John L. Flynn, Counsel for Connect Holding, LLC, to Marlene H. Dortch, Secretary, FCC (filed Dec. 7, 2021) (Third Supplement to Lead Application). Applicants’ other filings are noted below. See *infra* para. 14.

⁴ Lead Application at Exh. C (Post-Transaction Ownership Structure). We will refer to Connect Holding and Apollo interchangeably in the proposed transaction, unless it is necessary in the stated context to distinguish between them.

⁵ 47 U.S.C. § 310(b)(4); 47 CFR § 1.5000(a)(1); Connect Holding, LLC Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as amended, IBFS File No. ISP-PDR-20211028-00008 (filed Oct. 27, 2021) (Petition). On November 24, 2021, Petitioner filed a supplement to the Petition. Letter from John L. Flynn, Counsel for Connect Holding, LLC to Marlene H. Dortch, FCC, IBFS File No. ISP-PDR-20211028-00008

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2. As a result of the transaction, Connect Holding will acquire Lumen's incumbent local exchange carrier (LEC) subsidiaries and their assets in 20 states (Applicant Incumbent LECs).⁶ Connect Holding will also acquire control of an interexchange carrier, CenturyTel Broadband Services, LLC (CTBS and, together with the Applicant Incumbent LECs, the Applicant Companies).⁷

3. On December 17, 2021, the U.S. Department of Justice (DOJ) informed the Commission that the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee) was requesting that the Commission defer action on the Applications while it reviewed them for any national security and law enforcement concerns.⁸ Then, on April 11, 2022, DOJ notified the Commission that the Committee was "conducting [a 120-day] initial review to assess whether granting the Applications will pose a risk to national security or law enforcement interests of the United States."⁹ On August 4, 2022, the National Telecommunications and Information Administration (NTIA) filed a Petition to Adopt Conditions to Authorizations and Licenses on behalf of the Committee (Committee Petition). The Committee advises that it "has no objection to the Commission approving the above-captioned application, provided that the Commission conditions its approval on the assurance of Connect Holding, LLC, and AP (Connect) VoteCo, LLC ('VoteCo') (together, 'New Owners'), to abide by the commitments and undertakings set forth in the July 19, 2022, Letter of Agreement (LOA)," which NTIA filed with the Committee Petition.¹⁰

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(filed Nov. 24, 2021) (November 2021 Supplement to Petition). On Dec. 8, 2021, Petitioner filed another supplement to the Petition, updating foreign ownership charts (Exh. A-C) and other information related to the Petition. Letter from John L. Flynn, Counsel for Connect Holding, LLC to Marlene H. Dortch, FCC, IBFS File No. ISP-PDR-20211028-00008 (filed Dec. 8, 2021) (December 8, 2021 Supplement to Petition). On December 14, 2021, Petitioner filed a supplement to correct the foreign ownership chart attached to the December 8, 2021 Supplement at Exh. C. Letter from John L. Flynn, Counsel for Connect Holding LLC, to Marlene H. Dortch, FCC, IBFS File No. ISP-PDR-20211028-00008 (filed Dec. 14, 2021) (December 14, 2021 Supplement to Petition). On April 11, 2022, Petitioner filed a supplement to inform the Commission about the completion of a series of reorganization and merger transactions described in the Petition. Letter from John L. Flynn, Counsel for Connect Holding, LLC, to Marlene H. Dortch, Secretary, (filed Apr. 11, 2022) (April 11, 2022 Supplement to Petition). On August 4, 2022, Petitioner filed a supplement to update its requests for specific and advance approval in the Petition. Letter from John L. Flynn, Counsel for Connect Holding, LLC, to Marlene H. Dortch, Secretary, (filed Aug. 4, 2022) (August 4, 2022 Supplement to Petition).

⁶ The 20 states are Alabama, Arkansas, Georgia, Illinois, Indiana, Kansas, Louisiana, Michigan, Mississippi, Missouri, New Jersey, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, and Wisconsin. Lead Application at 2; *see also id.*, Exh. A (Jurisdiction of Incorporation of the Acquired Companies Holding Domestic Section 214 Authorization) at 1-2.

⁷ *Id.* at 2, Attach. 1 (Description of Proposed Transaction and Public Interest Statement) at 2, 7.

⁸ Letter from Mark Goldberg, National Security Division, DOJ, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-350, File Nos. ITC-T/C-20210903-00139, ISP-PDR-20211028-00008 (TT 21-083 to -085) (filed Dec. 17 2021). The Committee was established in Executive Order 13913, 85 Fed. Reg. 19643 (Apr. 8, 2020), to, among other things, review FCC applications and petitions with foreign ownership for risks to national security and law enforcement interests. The Department of Justice, the Department of Homeland Security, and the Department of Defense are members of the Committee. *Id.* at Sec. 3(b).

⁹ Letter from Mark Goldberg, National Security Division, DOJ, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-350, File Nos. ITC-T/C-20210903-00139, ISP-PDR-20211028-00008 (TT 21-083 to -085) (filed Apr. 11 2022).

¹⁰ National Telecommunications and Information Administration, Petition to Adopt Conditions to Authorizations and Licenses, WC Docket No. 21-350, File Nos. ITC-T/C-20210903-00139, ISP-PDR-20211028-00008, at 1-2 (filed Aug. 4, 2022); Letter of Agreement from Thomas Maguire, Chief Operating Officer, Connect Holding LLC, and Aaron Sobel, Chief Executive Officer and President, AP (Connect) VoteCo, LLC, to Chief, Foreign Investment Review Section (FIRS) and Deputy Chief, Compliance and Enforcement (FIRS), on behalf of the Assistant Attorney General for National Security, United States Department of Justice National Security Division (dated Jul. 19, 2022)

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4. We have conducted a detailed review of the record filings in this proceeding, including comments and supplemental information submitted by the Applicants, as well as conducting a thorough analysis of potential harms and benefits. Based on our extensive review and analysis of the record, we find no potential significant public interest harms.¹¹ The Applicants have made firm and definite commitments to take certain actions in all 20 states, which we credit as public interest benefits.¹² The commitments include (1) making \$2 billion in private investments for equitable fiber deployment over the next five years.¹³ This includes Connect Holding undertaking substantial investment to complete approximately one million fiber passings in 17 states by the end of 2023, with construction in the remaining three states to occur during the balance of the five-year period,¹⁴ and completing fiber passings to a total of approximately three million homes and business locations at the end of five years.¹⁵ According to Connect Holding, these upgraded passings represent nearly half of the premises in the Applicant Incumbent LECs' footprint, and over half of these upgraded passings will be in rural areas, which include underserved and low-income communities;¹⁶ (2) participating in affordable broadband programs, including Lifeline and the Affordable Connectivity Program (ACP), with the addition of a new zero-cost broadband plan option to be available to consumers who participate in the ACP;¹⁷ and (3) making a workforce guarantee to ensure that the Applicant Incumbent LECs retain the skilled workers needed to build and maintain their telecommunications networks.¹⁸

5. We conclude that, with the condition we impose to comply with the LOA, the proposed transaction serves the public interest, convenience, and necessity and meets the requirements of the Act.¹⁹ Accordingly, we grant the Applications and the Petition, subject to the condition set forth below, and also grant the Committee Petition.

II. BACKGROUND

A. Description of the Applicants

1. Lumen Technologies, Inc.

6. Lumen (formerly known as CenturyLink, Inc.), a publicly traded Louisiana corporation, provides broadband and communications services to residential and enterprise customers, including incumbent LEC services through its operating subsidiaries in 37 states, and as a competitive LEC in all 50 states.²⁰ In the 20 states covered by this proposed transaction,²¹ Lumen will transfer approximately

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(Connect Holding LOA or LOA). A copy of the Connect Holding LOA is attached to the Committee Petition.

¹¹ 47 U.S.C. §§ 214, 310(d).

¹² Letter from Howard J. Symons and John L. Flynn, Counsel for Connect Holding, LLC, and Brian W. Murray, Counsel for Lumen Technologies, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-350 (filed Aug. 1, 2022) (Applicants' Commitment Letter).

¹³ *Id.* at 1.

¹⁴ *Id.* at 2.

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.* at 3.

¹⁸ *Id.* at 4.

¹⁹ 47 U.S.C. § 214.

²⁰ Lead Application at 3, Attach. 1 at 2, 4.

²¹ *Id.*, Exh. A (listing Lumen entities that hold domestic section 214 authorizations to be transferred to Connect Holding under the proposed transaction); *see also id.*, Exh. B (Pre-Transaction Ownership Structure). Through its subsidiary, Madison River Communications Corp. (Madison River), Lumen also currently holds an international

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1.1 million residential and business wireline voice subscribers to Connect Holding.²² The Applicant Incumbent LECs offer broadband service to approximately 6.7 million homes and 600,000 enterprise buildings and actually provide broadband services to approximately 1.3 million subscribers.²³ According to Applicants, Lumen currently serves the “overwhelming majority” of the broadband subscribers in the 20 transaction states via copper-based Digital Subscriber Line (DSL).²⁴ Lumen asserts that for the incumbent LECs it is retaining (in 17 states), it will be better positioned post-transaction to deploy fiber and improve services.²⁵

7. Lumen has also been designated as a winning bidder in the Rural Digital Opportunity Fund (RDOF) (Auction 904) (RDOF Auction 904).²⁶ The Wireline Competition Bureau, in conjunction with the Rural Broadband Auctions Task Force and the Office of Economics and Analytics, authorized RDOF Auction 904 support for nine subsidiaries (collectively, the Lumen RDOF Subsidiaries) that Lumen is transferring to Connect Holding as part of the proposed transaction.²⁷ The relevant authorized support totals \$94,566,405.80 for 32,580 locations.²⁸ Applicants state that the proposed transaction will not adversely impact any buildout or performance obligations associated with this funding.²⁹

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section 214 authorization (File No. ITC-214-20000706-00385) for global resale authority. Lead Application at 4. CTBS will provide international resale services pursuant to an international section 214 reseller authorization that is currently held by Lumen subsidiary Madison River but which will be assigned to CTBS prior to closing. *Id.*, Attach. 1 at 7. Applicants filed a *pro forma* notification regarding the assignment of the international section 214 authorization that occurred on July 1, 2022. See IBFS File No. ITC-ASG-20220715-00084.

²² Applicants’ Commitment Letter at 4 (response to additional staff questions).

²³ Lead Application, Attach. 1, at 4 (Description of Proposed Transaction and Public Interest Statement).

²⁴ *Id.*

²⁵ *Id.*, Attach. 1 at 3; First Supplement to Lead Application at 5 & n.3 (citing Drew FitzGerald and Miriam Gottfried, *Lumen Technologies to Sell U.S. Telecom Assets to Apollo for \$7.5 Billion*, Wall Street Journal (Aug. 3, 2021), <https://www.wsj.com/articles/lumen-technologies-tosell-u-s-telecom-assets-to-apollo-for-7-5-billion-11628020916>).

²⁶ See *Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes; Winning Bidders Announced*, Public Notice, 35 FCC Red 13888, Attach. A at 5-6 (WCB/OEA 2021) (*Auction 904 Closing Public Notice*); see also Lead Application at 1, Attach. 1 at 5.

²⁷ *Rural Digital Opportunity Fund Support Authorized for 830 Winning Bids*, AU Docket No. 20-34; WC Docket Nos. 10-90, 19-126, Public Notice, DA 22-523, Attach. A (WCB May 12, 2022) (*Lumen May 12 RDOF Public Notice*) (authorizing support for Carolina Telephone and Telegraph, LLC, Central Telephone Company of Virginia, CenturyLink of Louisiana, LLC, CenturyTel of Alabama, LLC, CenturyTel of Michigan, Inc., CenturyTel of Northwest Arkansas, LLC, CenturyTel of the Midwest-Wisconsin, LLC, Spectra Communications Group, LLC); *Rural Digital Opportunity Fund Support Authorized for 513 Winning Bids; Bid Defaults Announced*, WC Docket Nos. 10-90, 19-126, Public Notice, DA 22-634, Attach. A (WCB June 14, 2022) (*Lumen June 14 RDOF Public Notice*) (authorizing support for United Telephone Company of Pennsylvania). For most of Lumen’s RDOF long-form applications, the authorized subsidiary served as a lead applicant for RDOF support on behalf of itself and other Applicant Companies that will offer service to meet the RDOF service obligations in their respective ETC service areas in the relevant states. WCB will monitor compliance with the RDOF service obligations on a statewide basis across all the relevant operating companies. For simplicity, we refer to the authorized subsidiaries and the Applicant Companies that will also be meeting the RDOF service obligations collectively as Lumen RDOF subsidiaries. *Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020; Notice and Filing Requirements and Other Procedures for Auction 904*, AU Docket No. 20-34, Public Notice, 35 FCC Red 6077, 6165, para. 292 (WCB/OEA 2020).

²⁸ *Lumen May 12 RDOF Public Notice; Lumen June 14 RDOF Public Notice*.

²⁹ First Supplement to Lead Application at 9-10; Letter from Howard J. Symons and John J. Flynn, Counsel for Connect Holding, LLC, and Brian W. Murray, Counsel for Lumen Technologies, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-350, at 3-4 (filed Mar. 16, 2022) (Mar. 16 Letter).

2. Connect Holding, LLC and Apollo Global Management

8. After consummation of the proposed transaction, each of the Applicant Companies will be 100% directly or indirectly owned by Connect Holding II, a Delaware limited liability company.³⁰ Connect Holding II will be 100% owned by Connect Holding, a Delaware limited liability company.³¹ Connect Holding will be indirectly controlled by AP IX Connect Holdings, L.P. (AP IX Connect Holdings), which expects to hold approximately 55% to 60% of the stock of Connect Parent Corporation (Connect Parent) and thus will control Connect Parent.³² Connect Parent, in turn, will control Connect Intermediate LLC, a Delaware limited liability company, which, in turn, will control Connect Midco LLC, a Delaware limited liability company, which will control Connect Holding and Connect Holding II.³³ The remainder of the equity in Connect Holding will be held by two entities: (1) AP IX Connect Co-Invest Holdings, L.P. (Co-Invest Holdings), which will indirectly hold approximately 35-40% of the equity interests in Connect Holding; and (2) AIOF II Connect Holdings, L.P. (AIOF II Holdings), which will indirectly hold less than 5% of the equity interests in Connect Holding.³⁴ AP IX Connect Holdings and the other intermediate holding companies engage in investment activities.³⁵ Connect Holding, Connect Parent, and AP IX Connect Holdings are ultimately controlled by Apollo Investment Fund IX, L.P., a Delaware limited partnership that is affiliated with New AGM.³⁶

9. The general partner of AP IX Connect Holdings—AP IX Connect Holdings GP, LLC—is a Delaware limited liability company, the sole member of which is VoteCo, a Delaware limited liability company.³⁷ VoteCo has three members: Scott Kleinman, John Suydam, and David Sambur, each of whom will vote a one-third interest in VoteCo, and each of whom is a citizen of the United States.³⁸ VoteCo is wholly owned and controlled by its three members.³⁹ Applicants state that no other entity or individual will own a 10% or greater direct or indirect equity or voting interest in Connect Holding.⁴⁰

10. Based upon the record before us and consistent with the *Terrier Media Declaratory Ruling*,⁴¹ we find that AGM, now New AGM,⁴² exercises *de facto* control over Connect Holding and

³⁰ Lead Application at 4-5, Exh. C (Post-Transaction Ownership Structure). On March 16, 2022, Applicants withdrew their request for approval to transfer Lumen's interest in TelUSA Holdings, LLC and its Wisconsin subsidiary. Mar. 16 Letter at 4.

³¹ Lead Application at 5, Exh. C.

³² *Id.* at 5, Exh. C; Second Supplement to Lead Application at 1, Exh. A (amending the ownership structure filed in the Lead Application).

³³ Lead Application at 5, Exh. C; Second Supplement to Lead Application at 1, Exh. A.

³⁴ Second Supplement to Lead Application at 1, Exh. A.

³⁵ Lead Application at 5, Exh. C.

³⁶ *Id.*, Attach. 1 at 5.

³⁷ *Id.* at 5, Exh. C. The Applicants filed a supplement to the Lead Application to remove AIF IX (Connect Equity AIV), L.P. from the ownership structure. Second Supplement to Lead Application at 1.

³⁸ Lead Application at 5, Exh. C.

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ *Terrier Media Buyer, Inc.*, Petition for Declaratory Ruling, Declaratory Ruling, 34 FCC Rcd 10544 (MB 2019) (*Terrier Media Declaratory Ruling*).

⁴² While the Applications and Petition were pending before the Commission, on January 1, 2022, two transactions were completed that changed the ownership and name of Apollo Global Management Inc.: (1) a reorganization of the company and (2) a transaction involving Athene Holding Ltd. Following those changes, Tango Holdings Inc. became the ultimate parent company in the ownership structure, and what was then Apollo Global Management Inc.

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Connect Holding II through VoteCo, which indirectly controls Connect Holding.⁴³ Connect Holding does not concede that New AGM exercises *de facto* control over it.⁴⁴ However, it acknowledges that the facts that led the Media Bureau to determine that AGM, now New AGM, exercises *de facto* control over Terrier Media in the *Terrier Media Declaratory Ruling*⁴⁵ are materially the same in this transaction with respect to Connect Holding and Connect Holding II.⁴⁶ In the *Terrier Media Declaratory Ruling*, the Media Bureau stated that in determining whether a party holds or will hold *de facto* control over a licensee or an applicant, “[t]he primary issue is the power to dominate the management of the business affairs of a licensee or applicant, the specific indicia being the ability to determine the policies governing personnel, programming, and finances” and that “circumstances surrounding the creation of the company are additional factors.”⁴⁷ As with Terrier Media, the three managing members of VoteCo (Scott Kleinman, John Suydam, and David Sambur)⁴⁸ and officers and directors of VoteCo are officers and employees of New AGM and will be simultaneously employed by New AGM and VoteCo.⁴⁹ Further, “in the event of any such individual’s resignation from a position through which such individual exercises such control, it is expected that such individual would be replaced by another Apollo-affiliated professional.”⁵⁰ Connect Holding also acknowledges that AGM played a significant role in the creation of Connect Holding.⁵¹ Affiliates of New AGM are also expected to enter into two consulting agreements with Connect Holding: one to provide strategic advice about financing and other material transactions to the members of Connect Holding’s senior management, and the other to provide advice regarding future

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became a subsidiary of Tango Holdings Inc. and was renamed Apollo Asset Management Inc. (AAM). Tango Holdings Inc. was then renamed Apollo Management Inc. (New AGM). AAM is now a wholly owned subsidiary of New AGM. See April 11, 2022 Supplement to Petition at 1. In this Memorandum Opinion and Order and Declaratory Ruling, AGM refers to Apollo Global Management Inc. prior to the January 2022 transactions, and New AGM refers to Apollo Global Management Inc. after the January 2022 transactions.

⁴³ December 8, 2021 Supplement to Petition at 2. AP IX Connect Holdings GP, LLC is the general partner of AP IX Connect Holdings and Co-Invest Holdings, and AIOF II Connect Holdings GP, LLC is the general partner of AIOF II Holdings. December 14 Supplement to Petition at 1.

⁴⁴ The December 8, 2021 Supplement to Petition refers to AGM rather than New AGM when describing *de facto* control. However, both the Petition and the December 8, 2021 Supplement anticipated that the reorganization of AGM would ultimately result in the creation of New AGM. December 8, 2021 Supplement to Petition at 2-3; Petition at 7.

⁴⁵ *Terrier Media Declaratory Ruling*, 34 FCC Rcd at 10549-51, paras. 14-16.

⁴⁶ December 8, 2021 Supplement to Petition at 2-3; December 14, 2021 Supplement to Petition.

⁴⁷ *Terrier Media Declaratory Ruling*, 34 FCC Rcd at 10549-51, para. 14 (citing *Applications of Univision Holdings, Inc.*, Memorandum Opinion and Order, 7 FCC Rcd 6672, 6675, para. 15 (1992)).

⁴⁸ The same three individuals were also the members of VoteCo at issue in the *Terrier Media Declaratory Ruling*. See *Terrier Media Declaratory Ruling*, 34 FCC Rcd at 10546, para. 4; see also December 8, 2021 Supplement to Petition at 2-3 (“One or more additional member(s) may be admitted to VoteCo with the written consent of a majority of the Members. Any Member may resign from VoteCo at any time. Any Member may be removed upon the vote of the other Members. Officers of VoteCo are appointed by the Members and hold office until (i) their successors have been duly appointed and qualified or (ii) their earlier death, resignation or removal from office by vote of a majority of the Members.”).

⁴⁹ December 8, 2021 Supplement to Petition at 2. See *Terrier Media Declaratory Ruling*, 34 FCC Rcd at 10550, para 15.

⁵⁰ Petition at 14-15. See *Terrier Media Declaratory Ruling*, 34 FCC Rcd at 10550, para 15.

⁵¹ December 8, 2021 Supplement to Petition at 2. See *Terrier Media Declaratory Ruling*, 34 FCC Rcd at 10550, para 15.

acquisitions.⁵² Thus, we find that New AGM and its affiliates' control over VoteCo personnel, creation of Connect Holding, and consulting agreements with Connect Holding supports our finding that New AGM has *de facto* control over Connect Holding and Connect Holding II.

11. Applicants state that Apollo has an experienced telecommunications management team and has pledged to deliver public interest benefits to customers by significantly and equitably increasing fiber deployment in all of the transaction states over the next five years.⁵³ Apollo's current communications holdings under the Commission's jurisdiction consist of Intrado Corporation and its various operating subsidiaries (Intrado), which are providers of competitive LEC-based telecommunications services; and Cox Media Group, which owns and operates television and radio stations in 20 markets across the United States.⁵⁴

B. Description of the Transaction

12. Under the terms of the proposed transaction, Connect Holding will acquire all of Lumen's incumbent LEC subsidiaries and their assets, including local fiber and copper networks, consumer, enterprise, and wholesale broadband and voice customers, connectivity to tower sites, central offices, and operations and support functions in 20 states.⁵⁵ Operating under the name, Brightspeed, and headquartered in North Carolina, the post-transaction company has announced initial fiber network builds and projected numbers of fiber passings "in many locations where fiber and advanced technology have not historically been deployed."⁵⁶

⁵² December 8, 2021 Supplement to Petition at 2. See *Terrier Media Declaratory Ruling*, 34 FCC Rcd at 10550, para 15.

⁵³ Lead Application, Attach. 1 at 3, 9; Mar. 16 Letter at 1-2; see also First Supplement to Lead Application at 4-5 (explaining AGM's investment rationale for this transaction).

⁵⁴ Lead Application, Attach. 1 at 6; First Supplement to Lead Application at 4.

⁵⁵ Lead Application at 2, Attach. 1 at 6-7. Lumen will retain its incumbent LEC assets in the 17 other states in its footprint, as well as its national fiber routes and competitive LEC networks. *Id.*, Attach. 1 at 7. Lumen will continue to provide interexchange and competitive LEC service in the 20 states at issue. *Id.*

⁵⁶ See <https://brightspeed.com/>; Brightspeed Announces Initial Fiber Build Markets for Kansas, Aug. 18, 2022 (stating that by the end of 2023, it will deliver over 10,000 fiber passings in three counties, and will add 45,000 in the state in subsequent years for a total of over 55,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for South Carolina, Aug. 16, 2022 (stating that by the end of 2023, it will deliver up to 14,000 fiber passings in Beaufort County, and will add 36,000 in the state in subsequent years for a total of up to 50,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for Arkansas, Aug. 10, 2022 (stating that by the end of 2023, it will deliver over 40,000 fiber passings in 10 counties in the state, and will add 60,000 in subsequent years for a total of over 100,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for Tennessee, Aug. 4, 2022 (stating that by the end of 2023, it will deliver 60,000 fiber passings in the state, and will add 70,000 in subsequent years for a total of over 130,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for Wisconsin, July 27, 2022 (stating that by the end of 2023, it will deliver over 70,000 fiber passings in 15 counties, and will add 80,000 in subsequent years for a total of over 150,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for Pennsylvania, July 21, 2022 (stating that by the end of 2023, it will deliver up to 40,000 fiber passings in the state, and will add 150,000 in subsequent years for a total of over 190,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for Missouri, July 13, 2022 (stating that by the end of 2023, it will deliver over 130,000 fiber passings in 19 counties, and will add 180,000 in subsequent years for a total of over 310,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for Louisiana, July 7, 2022 (stating that by the end of 2023, it will deliver up to 14,000 fiber passings in the state, and will add 14,000 in subsequent years for a total of up to 28,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for Ohio, June 29, 2022 (stating that by the end of 2023, it will deliver over 170,000 fiber passings in 12 counties, and will add 210,000 in subsequent years for a total of over 380,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for Alabama, June 22, 2022 (stating that by the end of 2023, it will deliver over 60,000 fiber passings in several counties, and will add 60,000 in subsequent years for a total of up to 120,000 fiber-enabled locations); Brightspeed Announces Initial
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13. Consummation of this transaction would also result in the transfer of control of certain of Lumen's subsidiaries that have been designated as winning bidders in the RDOF Auction 904 and the associated rights and obligations.⁵⁷ Connect Holding will also acquire control of CTBS, which, at close, will principally resell international and domestic interexchange services to customers of the Applicant Incumbent LECs, and will serve as an Eligible Telecommunications Carrier (ETC) in non-incumbent LEC territories where the Applicant Companies have deployment obligations pursuant to RDOF.⁵⁸

C. Transaction Review Process

14. On December 16, 2021, the Wireline Competition Bureau (WCB), International Bureau, and Wireless Telecommunications Bureau released a Public Notice accepting the Applications for filing and establishing a pleading cycle for public comments.⁵⁹ Communications Workers of America (CWA) timely filed comments in response to the Public Notice.⁶⁰ Telephone USA Investments (TelUSA) filed the sole, but untimely, Petition to Deny.⁶¹ The Applicants, Michigan Public Service Commission, National Digital Inclusion Alliance, and Public Knowledge timely filed reply comments.⁶² The

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 Fiber Build Markets for Texas, June 15, 2022 (stating that by the end of 2023, it will deliver over 120,000 fiber passings in the state, and will add 160,000 in subsequent years for a total of up to 280,000 fiber-enabled locations); Brightspeed Announces Initial Fiber Build Markets for North Carolina, June 7, 2022 (stating that by the end of 2023, it will deliver over 300,000 fiber passings in 30 counties, and will add 500,000 in subsequent years for a total of up to 800,000 fiber-enabled locations); Brightspeed Announces First-Year Build Target for its State-of-the-Art Fiber Optics Network, May 25, 2022 (stating that it plans to achieve one million fiber passings in multiple states by the end of 2023).

⁵⁷ Lead Application at 1-2; *see also* First Supplement to Lead Application at 7-8. Connect Holding certified that it will meet all its legally applicable obligations under all Universal Service Fund programs. *Id.* at 10; Mar. 16 Letter at 4.

⁵⁸ Following closing, CTBS will obtain international and domestic interexchange services from Lumen for resale to those Applicant Incumbent LEC customers pursuant to an international section 214 reseller authorization that is currently held by Lumen subsidiary Madison River but which will be assigned to CTBS prior to closing. Connect Holding will also acquire certain unregulated subsidiaries of Lumen. Lead Application, Attach. 1 at 7. Applicants also request that "any Commission approval of the applications filed for this transaction include authority for Connect Holding to acquire control of: (1) any authorization issued to the Acquired Companies or their subsidiaries while this transaction is pending before the Commission and the period required for consummation of the transaction; (2) any construction permits held by the Acquired Companies or their subsidiaries that mature into licenses after closing; and (3) any applications that are pending at the time of consummation." *Id.*, Attach. 2 at 1.

⁵⁹ *Applications Filed for the Transfer of Control of Certain Subsidiaries of Lumen Technologies, Inc. (Formerly Known as CenturyLink) To Apollo*, WC Docket No. 21-350, Public Notice, DA 21-1586 (WCB, IB, WTB 2021) (*Public Notice*). Comments and Petitions to Deny were due on January 18, 2022. Reply Comments and Oppositions to Petitions were due on February 2, 2022.

⁶⁰ *See* Communications Workers of America Comments, WC Docket No. 21-350 (rec. Jan. 18, 2022) (CWA Comments).

⁶¹ *See* Telephone USA Investments, Inc. Petition To Deny, WC Docket No. 21-350 (rec. Jan. 31, 2022) (TelUSA Petition). On January 31, 2022, Telephone USA Investments (TelUSA) late-filed the sole Petition to Deny based on an ongoing business dispute with Lumen related to Lumen's partial ownership interest in TelUSA and its Wisconsin subsidiary, Telephone USA of Wisconsin, LLC. On March 16, 2022, Applicants withdrew their request for approval to transfer Lumen's interest in TelUSA Holdings, LLC and its Wisconsin subsidiary. *See* Mar. 16 Letter at 4. For this reason, we dismiss the TelUSA Petition as moot and therefore need not determine whether the petition should be dismissed for being late-filed or for other alleged violations of procedural rules. *See* Letter from John L. Flynn, Counsel for Connect Holding, LLC, and Brian Murray, Counsel for Lumen Technologies, Inc., to Marlene H. Dortch, Secretary, FCC (filed Feb. 10, 2022) (Feb. 10 Letter) (stating that TelUSA failed to serve Lumen or Apollo as required by Commission rules).

⁶² *See* Lumen Technologies, Inc. and Connect Holding LLC Reply, WC Docket No. 21-350 (rec. Feb. 2, 2022) (Applicants' Reply); Michigan Public Service Commission Reply, WC Docket No. 21-350 (rec. Feb. 2, 2022)

(continued....)

Applicants filed additional information to supplement the Applications on February 10,⁶³ February 21,⁶⁴ March 16,⁶⁵ April 11,⁶⁶ July 18,⁶⁷ and August 1⁶⁸ after the public comment period closed.⁶⁹

15. On August 1, 2022, Connect Holding filed a letter in which it made certain commitments “regarding the significant transaction-specific benefits that will flow from Connect Holding’s proposed acquisition” of the Applicant Incumbent LECs in 20 states.⁷⁰ As described below, the commitments address fiber deployment, broadband affordability, and employment.⁷¹

III. STANDARD OF REVIEW AND PUBLIC INTEREST FRAMEWORK

16. Pursuant to section 214(a) and 310(d) of the Act,⁷² and Commission precedent, we must determine whether the proposed transfer of control of Lumen to Connect Holding will serve the public interest, convenience, and necessity.⁷³ In making this determination, we first assess whether the proposed transaction complies with the specific provisions of the Act, other applicable statutes, and the Commission’s rules.⁷⁴ If the proposed transaction does not violate a statute or rule, we then consider

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(Michigan Commission Reply); National Digital Inclusion Alliance Reply, WC Docket No. 21-350 (rec. Feb. 2, 2022) (NDIA Reply); Public Knowledge Reply, WC Docket No. 21-350 (rec. Feb. 2, 2022).

⁶³ See Feb. 10 Letter.

⁶⁴ See Letter from John L. Flynn, Counsel for Connect Holding, LLC, and Brian Murray, Counsel for Lumen Technologies, Inc., to Marlene H. Dortch, Secretary, FCC (filed Feb. 21, 2022) (Feb. 21 Letter).

⁶⁵ See Mar. 16 Letter.

⁶⁶ See Letter from John L. Flynn, Counsel for Connect Holding, LLC, to Marlene H. Dortch, Secretary, FCC (filed Apr. 11, 2022) (Apr. 11 Letter).

⁶⁷ See Letter from John L. Flynn, Counsel for Connect Holding, LLC, to Marlene H. Dortch, Secretary, FCC (filed July 18, 2022) (July 18 Letter) (providing status of state regulatory approvals of the transaction).

⁶⁸ Applicants’ Commitment Letter.

⁶⁹ The Antitrust Division of the DOJ reviews telecommunications mergers pursuant to section 7 of the Clayton Act, which prohibits mergers that are likely to substantially lessen competition. 15 U.S.C. § 18. Its review is limited solely to an examination of the competitive effects of the acquisition, without reference to national security, law enforcement, or other public interest considerations. The Antitrust Division reviewed the proposed transaction between Lumen and Apollo, and on October 25, 2021, the Hart-Scott-Rodino waiting period expired without further action. Applicants’ Commitment Letter at Exh. 1 (Letter from Kathryn E. Walsh, Deputy Assistant Director, Pre-merger Notification Office, Federal Trade Commission, to David R Brennehan, Attorney for Applicants (Sep. 27, 2021)).

⁷⁰ Applicants’ Commitment Letter at 1.

⁷¹ *Id.* at 1-4.

⁷² 47 U.S.C. § 214(a).

⁷³ See, e.g., *Application of Verizon Communications Inc. and América Móvil S.A.B. de C.V. for Consent to Transfer Control of International Section 214 Authorization*, GN Docket No. 21-112; IBFS File No. ITC-T/C-20200930-00173, Memorandum Opinion and Order, FCC 21-121, at para. 21 (rel. Nov. 22, 2021) (*Verizon-TracFone Order*) (citing *China Mobile International (USA) Inc., Application for Global Facilities-Based and Global Resale International Telecommunications Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended*, Memorandum Opinion and Order, 34 FCC Rcd 3361, 3366, para. 9 (2019); *Applications for Consent to the Assignment and/or Transfer of Control of Licenses, Adelphia Communications Corporation (and subsidiaries, debtors-in-possession), Assignors, to Time Warner Cable Inc. (subsidiaries), Assignees; Adelphia Communications Corporation, (and subsidiaries, debtors-in-possession), Assignors and Transferors et al.*, MB Docket No. 05-192, Memorandum Opinion and Order, 21 FCC Rcd 8203, 8219-21, paras. 27-28 (2006) (*Adelphia-TWC Order*)).

⁷⁴ See *Verizon-TracFone Order* at para. 21(citing *Applications of T-Mobile US, Inc., and Sprint Corporation, Consent to Transfer Control of Licenses and Authorizations, Applications of American H Block Wireless L.L.C.,*

(continued....)

whether the transaction could result in public interest harms by substantially frustrating or impairing the objectives or implementation of the Act or related statutes.⁷⁵ We then employ a balancing test weighing any potential public interest harms of the proposed transaction against any potential public interest benefits.⁷⁶ The Applicants bear the burden of proving, by a preponderance of the evidence, that the proposed transaction, on balance, serves the public interest.⁷⁷

17. The Commission's public interest evaluation necessarily encompasses the "broad aims of the Communications Act,"⁷⁸ which include, among other things, a deeply rooted preference for preserving and enhancing competition in relevant markets,⁷⁹ accelerating private sector deployment of advanced services,⁸⁰ promoting a diversity of information sources and services to the public,⁸¹ and generally managing the spectrum in the public interest.⁸² The public interest analysis also entails assessing whether the proposed transaction would affect the quality of communications services or result in the provision of new or additional services to consumers.⁸³ In conducting this analysis, the Commission may consider

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DBSD Corporation, Gamma Acquisitions L.L.C., and Manifest Wireless L.L.C. for Extension of Time, WT Docket No. 18-197, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578, 10595, para. 39 (2019) (*T-Mobile-Sprint Order*); *Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent To Transfer Control of Licenses and Authorizations*, WC Docket No. 16-403, Memorandum Opinion and Order, 32 FCC Rcd 9581, 9585, para. 8 (2017) (*CenturyLink-Level 3 Order*); *Applications of Cricket License Company, LLC, et al., Leap Wireless International, Inc., and AT&T Inc. for Consent to Transfer Control of Authorizations, et al.*, WT Docket No. 13-193, Memorandum Opinion and Order, 29 FCC Rcd 2735, 2741-42, para. 13 (WTB/IB 2014) (*AT&T-Leap Order*)).

⁷⁵ See *Verizon-TracFone Order* at para. 21 (citing *T-Mobile-Sprint Order*, 34 FCC Rcd at 10595, para. 40; *CenturyLink-Level 3 Order*, 32 FCC Rcd at 9585, para. 9; *AT&T-Leap Order*, 29 FCC Rcd at 2741-42, para. 13).

⁷⁶ See *Verizon-TracFone Order* at para. 21 (citing *Applications of AT&T Inc. and DIRECTV for Consent to Assign or Transfer Control of Licenses and Authorizations*, MB Docket No. 14-90, Memorandum Opinion and Order, 30 FCC Rcd 9131, 9140, para. 18 (2015) (*AT&T-DIRECTV Order*); *General Motors Corp. and Hughes Electronics Corp., Transferors, and the News Corporation, Transferee*, MB Docket No. 03-124, Memorandum Opinion and Order, 19 FCC Rcd 473, 483, para. 15 (2004) (*News Corp.-Hughes Order*); *AT&T-Leap Order*, 29 FCC Rcd at 2741-42, para. 13)).

⁷⁷ See *Verizon-TracFone Order* at para. 21 (citing *AT&T-DIRECTV Order*, 30 FCC Rcd at 9140, para. 18; *Adelphia-TWC Order*, 21 FCC Rcd at 8217, para. 23; *Application of EchoStar Communications Corp., General Motors Corp., and Hughes Electronics Corp., Transferors, and EchoStar Communications Corp., Transferee*, CS Docket No. 01-348, Hearing Designation Order, 17 FCC Rcd 20559, 20574, para. 25 (2002) (*EchoStar-DIRECTV HDO*); *AT&T-Leap Order*, 29 FCC Rcd at 2741-42, para. 13).

⁷⁸ See *Verizon-TracFone Order* at para. 22 (citing *Western Union Division, Commercial Telegrapher's Union, A.F. of L. v. United States*, 87 F. Supp. 324, 335 (D.D.C. 1949), *aff'd*, 338 U.S. 864 (1949); see *AT&T-DIRECTV Order*, 30 FCC Rcd at 9140, para. 19; see also *FCC v. RCA Communications, Inc.*, 346 U.S. 86, 93-95 (1953)).

⁷⁹ See *Verizon-TracFone Order* at para. 22 (citing 47 U.S.C. §§ 521(6), 532(a); *Applications for Consent to the Transfer of Control of Licenses and Authorizations by Time Warner, Inc. and America Online, Inc. to AOL Time Warner Inc.*, Memorandum Opinion and Order, 16 FCC Rcd 6547, 6555-56, para. 22 (2001) (*AOL-Time Warner Order*)).

⁸⁰ See *Verizon-TracFone Order* at para. 22 (citing 47 U.S.C. §§ 254, 332(c)(7), 1302; Telecommunications Act of 1996, Preamble, Pub. L. No. 104-104, 110 Stat. 56 (1996) (one purpose of the Act is to "accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services"))).

⁸¹ See *Verizon-TracFone Order* at para. 22 (citing 47 U.S.C. §§ 521(4), 532(a); *Turner Broad. Sys., Inc. v. FCC*, 512 U.S. 622, 663 (1994) ("[I]t has long been a tenet of national communications policy that the widest possible dissemination of information from diverse and antagonistic sources is essential to the welfare of the public.") (quoting *United States v. Midwest Video Corp.*, 406 U.S. 649, 668, n.27 (1972)) (internal quotation marks omitted)).

⁸² See *Verizon-TracFone Order* at para. 22 (citing 47 U.S.C. §§ 301, 303, 307, 309, 310(d)).

technological and market changes, and the nature, complexity, and speed of change of, as well as trends within, the communications industry.⁸⁴

18. The Commission also employs a competitive analysis to determine if a proposed transaction is in the public interest that is informed by traditional antitrust principles⁸⁵ as well as other broader factors, including whether a transaction would enhance, rather than merely preserve, competition.⁸⁶

19. Finally, the Commission's public interest authority enables it, where appropriate, to impose and enforce transaction-related conditions to ensure that the public interest is served by the transaction,⁸⁷ including conditions to confirm specific benefits or remedy harms likely to arise from the transaction.⁸⁸

IV. QUALIFICATIONS OF APPLICANTS AND COMPLIANCE WITH COMMUNICATIONS ACT AND FCC RULES AND POLICIES

20. Section 310(d) of the Act requires that the Commission make a determination as to whether the Applicants have the requisite qualifications to hold Commission licenses.⁸⁹ Among the factors the Commission considers in its public interest review is whether the applicant for a license has the requisite "citizenship, character, financial, technical, and other qualifications."⁹⁰ Therefore, as a

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⁸³ See *Verizon-TracFone Order* at para. 22 (citing *AT&T-DIRECTV Order*, 30 FCC Rcd at 9140, para. 19; *Adelphia-TWC Order*, 21 FCC Rcd at 8218, para. 24; *EchoStar-DIRECTV HDO*, 17 FCC Rcd at 20575, para. 26).

⁸⁴ See *Verizon-TracFone Order* at para. 22 (citing *AT&T-DIRECTV Order*, 30 FCC Rcd at 9140, para. 19; *Application of Comcast Corp., General Electric Company and NBC Universal, Inc. For Consent to Assign Licenses and Transfer Control of Licenses*, MB Docket No. 10-56, Memorandum Opinion and Order, 26 FCC Rcd 4238, 4248, para. 23 (2011) (*Comcast-NBC Universal Order*); *EchoStar-DIRECTV HDO*, 17 FCC Rcd at 20575, para. 26).

⁸⁵ See *Verizon-TracFone Order* at para. 23 (citing *T-Mobile-Sprint Order*, 34 FCC Rcd at 10595-96, para. 40; *CenturyLink-Level 3 Order*, 32 FCC Rcd at 9585-86, para. 9; *AT&T-Leap Order*, 29 FCC Rcd at 2742-43, para. 15; *Northeast Utils. Serv. Co. v. FERC*, 993 F.2d 937, 947 (1st Cir. 1993) (public interest standard does not require agencies "to analyze proposed mergers under the same standards that the Department of Justice . . . must apply").

⁸⁶ See *Verizon-TracFone Order* at para. 23 (citing *AT&T-DIRECTV Order*, 30 FCC Rcd at 9141, para. 21; *EchoStar-DIRECTV HDO*, 17 FCC Rcd at 20575-76, para. 27; *Verizon Commc'ns, Inc. v. Law Offices of Curtis V. Trinko, LLP*, 540 U.S. 398, 415 (2004) ("The 1996 Act is, in an important respect, much more ambitious than the antitrust laws. It attempts 'to eliminate the monopolies enjoyed by the inheritors of AT&T's local franchises.' Section 2 of the Sherman Act, by contrast, seeks merely to prevent *unlawful monopolization*. It would be a serious mistake to conflate the two goals.") (emphasis in original) (quoting *Verizon Commc'ns v. FCC*, 535 U.S. 467, 476 (2002) (internal citations omitted)).

⁸⁷ See *Verizon-TracFone Order* at para. 24 (citing *AT&T-DIRECTV Order*, 30 FCC Rcd at 9141, para. 22; *Comcast-NBC Universal Order*, 26 FCC Rcd at 4249, para. 25; *EchoStar-DIRECTV HDO*, 17 FCC Rcd at 20575, para. 27; see also *Application of WorldCom, Inc. and MCI Commc'ns Corp. for Transfer of Control of MCI Communications Corporation to WorldCom, Inc.*, Memorandum Opinion and Order, 13 FCC Rcd 18025, 18032, para. 10 (1998) (*WorldCom-MCI Order*) (stating that the Commission may attach conditions to the transfers); *T-Mobile-Sprint Order*, 34 FCC Rcd at 10596, para. 42).

⁸⁸ See *Verizon-TracFone Order* at para. 24 (citing *AT&T-DIRECTV Order*, 30 FCC Rcd at 9141, para. 22; *Adelphia-TWC Order*, 21 FCC Rcd at 8219, para. 26; see also *T-Mobile-Sprint Order*, 34 FCC Rcd at 10596, para. 42).

⁸⁹ 47 U.S.C. § 310(d).

⁹⁰ 47 U.S.C. §§ 308, 310(d); see also *T-Mobile-Sprint Order* at 19, para. 43; *AT&T-DIRECTV Order*, 30 FCC Rcd at 9142, para. 24; *Applications Filed by Qwest Communications International, Inc. and CenturyTel, Inc. d/b/a CenturyLink for Consent to Transfer Control*, WC Docket No. 10-110, Memorandum Opinion and Order, 26 FCC Rcd 4194, 4201, para. 11 (2011) (*CenturyLink-Qwest Order*); *AT&T Inc. and BellSouth Corporation Application for* (continued....)

threshold matter, the Commission must determine whether Connect Holding II meets the requisite qualification requirements to hold and transfer licenses under section 310(d) of the Act and the Commission's rules.⁹¹

21. The Commission generally does not reevaluate the qualifications of transferors unless issues related to basic qualifications have been sufficiently raised in petitions to warrant designation for hearing.⁹² We find that there is no reason to reevaluate the requisite citizenship, character, financial, technical, or other basic qualifications of the Applicants under the Act or our rules, regulations, and policies. Indeed, no party has raised an issue with respect to the basic qualifications of the Applicants.⁹³ Although commenters' filings reflect concerns regarding the proposed transaction, they do not take issue with the basic qualifications of the Applicants under the Act, our rule, regulations, or policies.⁹⁴ Accordingly, we find that the Applicants have the requisite citizenship, character, financial, technical, and other basic qualifications under the Act and our rules, regulations, and policies.

22. The proposed transaction must comply with the Act, other applicable statutes, and the Commission's rules before we can find that it is in the public interest.⁹⁵ We find that the proposed transaction will not violate any statutory provision or Commission rule.

V. PUBLIC INTEREST ANALYSIS

A. Potential Public Interest Harms

23. Applying the Commission's standard of review and public interest framework, we find that there are no potential public interest harms raised by commenters or identified elsewhere in the record.⁹⁶ Absent any potential harms, and considering that the proposed transaction is likely to yield some benefits, including through the commitments pledged by Connect Holding, we find, on balance, that the proposed transaction serves the public interest.

24. *Competitive Concerns.* We find that the proposed transaction will not eliminate a competitor in any market in which the Applicant Incumbent LECs operate, and no commenter has raised this issue as a potential harm. While certain funds of Apollo have an interest in Intrado, we agree with Applicants that Intrado does not provide broadband or voice services to retail customers, and any middle mile transport or other services that Applicant Incumbent LECs could provide in competition with Intrado

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Transfer of Control, WC Docket No. 06-74, Memorandum Opinion and Order, 22 FCC Rcd 5662, 5756, paras. 190-91 (2007) (*AT&T-BellSouth Order*).

⁹¹ See *T-Mobile-Sprint Order* at 19, para. 43; *AT&T-DIRECTV Order*, 30 FCC Rcd at 9142, para. 24; *CenturyLink-Qwest Order*, 26 FCC Rcd at 4201, para. 11; *AT&T-BellSouth Order*, 22 FCC Rcd at 5756, para. 191.

⁹² See *T-Mobile-Sprint Order* at 20, para. 45; *AT&T-DIRECTV Order*, 30 FCC Rcd at 9142, para. 25.

⁹³ The Commission has previously reviewed the qualifications of funds affiliated with Apollo. See *Consent to Transfer Control of Certain License Subsidiaries of NBI Holdings, LLC to Terrier Media Buyer, Inc.*; *Consent to Transfer Control of Certain License Subsidiaries of Cox Enterprises, Inc. to Terrier Media Buyer, Inc., et al.*, MB Docket Nos. 19-98, 19-197, Memorandum Opinion and Order, 34 FCC Rcd 10554 (MB 2019).

⁹⁴ See generally CWA Comments at 1-15; Michigan Commission Reply at 1-4; NDIA Reply at 1-2; Public Knowledge Reply at 1-8. As discussed above, the Petition to Deny filed by TelUSA is dismissed as moot.

⁹⁵ See *T-Mobile-Sprint Order* at 21, para. 47; *CenturyLink-Level 3 Order*, 32 FCC Rcd at 9587, para. 14.

⁹⁶ CWA filed comments raising a number of public interest concerns and proposing conditions to address those concerns. See generally CWA Comments at 1-15. The Michigan Commission, NDIA, and Public Knowledge filed replies in support of CWA's comments and proposed conditions. See generally Michigan Commission Reply at 1-4; NDIA Reply at 1-2; Public Knowledge Reply at 1-8. These three reply commenters did not raise additional concerns or propose other conditions.

are subject to competition from other providers.⁹⁷ We also expect that Lumen, which is retaining its competitive LEC operations, will be a competitor for many services.

B. Potential Public Interest Benefits

25. After assessing the potential competitive or other public interest harms of the proposed transaction, we next consider whether the proposed transaction is likely to generate verifiable, transaction-specific public interest benefits.⁹⁸ Applicants must provide evidence of a claimed benefit to allow the Commission to verify its likelihood and magnitude.⁹⁹ Where potential harms appear unlikely, as is the case with the Applications before us here, the Commission accepts a lesser degree of magnitude and likelihood than when harms are present.¹⁰⁰ Further, when determining whether a proposed benefit will result in a quantifiable, transaction-specific benefit, the Commission asks whether the benefit likely will be accomplished in the absence of the proposed transaction and whether the benefit will flow through to consumers and accrue to the public interest.¹⁰¹ We have carefully considered the concerns raised by CWA in the record, along with the commenters that support CWA, and CWA's requested conditions.

26. *Investment in Fiber Broadband Services.* The record reflects that the Lumen currently offers broadband service using fiber-to-the-premises (FTTP) to only 3% of residential households and 6% of business locations in its 20-state footprint.¹⁰² The Applicants argue that “consummation of the proposed transaction will provide substantial capital and managerial resources to expand availability of symmetrical gigabit FTTP broadband in that service area.”¹⁰³ The Applicants state that the “percentage of households in the Applicant [Incumbent] LECs’ footprint that are rural is more than double the distribution in the U.S. as a whole, and the planned fiber upgrade will include a substantial number of these rural areas.”¹⁰⁴ Apollo maintains that it plans to invest nearly \$2 billion in private funding for planned capital expenditures and FTTP deployments over the next five years to over three million additional homes and businesses, representing approximately 50% of the premises in the Applicant Incumbent LEC footprint,¹⁰⁵ and that more than half of these passings will be in rural areas and that there will be “substantial benefits beginning in year one as the first homes and businesses receive fiber.”¹⁰⁶ Apollo explains that this investment will be in addition to deployment financed through state and federal USF funding.¹⁰⁷ Specifically, Apollo has committed to commence building fiber in 17 of the states in its footprint by the end of 2023, with approximately 1 million fiber passings expected to be built by the end of that time” and construction in the remaining three states will occur during the balance of the five-year period,¹⁰⁸ in total bringing fiber service to approximately three million additional homes and business locations in five years.¹⁰⁹ These upgraded passings represent nearly half of the premises in the Applicant

⁹⁷ Lead Application, Attach. 1 at 12-13; First Supplement to Lead Application at 4 (stating that certain leased circuits used by Intrado may overlap in the Applicant Incumbent LEC territories).

⁹⁸ See *AT&T/DIRECTV Order*, 30 FCC Rcd at 9237, para. 273-74.

⁹⁹ See *id.* at 9237-38, paras. 275-76.

¹⁰⁰ See *id.*

¹⁰¹ *AT&T/DIRECTV Order*, 30 FCC Rcd at 9237-38, paras. 273-76.

¹⁰² Lead Application, Attach. 1 at 3, 9.

¹⁰³ *Id.*, Attach. 1 at 3; see *id.*, Attach. 1 at 10-11; First Supplement to Lead Application at 6-7.

¹⁰⁴ Lead Application, Attach. 1 at 3.

¹⁰⁵ Mar. 16 Letter at 2.

¹⁰⁶ *Id.*; First Supplement to Lead Application at 6.

¹⁰⁷ Mar. 16 Letter at 3.

¹⁰⁸ Applicants’ Commitment Letter at 3.

¹⁰⁹ *Id.* at 2.

Incumbent LECs' footprint, and over half of these upgraded passings will be in rural areas, which include underserved and low-income communities, thereby advancing digital equity and inclusion for all customers.¹¹⁰

27. To ensure transparency and accountability with regard to its progress in meeting this commitment, Apollo and Connect Holding "further commit[] to filing a confidential report with the Commission by January 31 of each year, starting with January 31, 2023, and ending with January 31, 2027, providing the number of premises passed with new fiber construction in each state for the immediately preceding calendar year. In addition, Connect Holding will file a confidential report with the Commission 30 days after the five-year anniversary of the closing of the Transaction providing the cumulative total of new fiber construction in each state as of the five-year anniversary."¹¹¹

28. CWA contends that the Commission should not approve the proposed transaction without specific deployment conditions, including potential penalties on Apollo.¹¹² CWA suggests that the proposed transaction could harm the public interest because the Applicants may not live up to the fiber deployment statements they have proffered as public interest benefits of the deal.¹¹³ In support of its position, CWA cites CenturyLink's alleged past failures to meet interim milestones for CAF II funding.¹¹⁴ Further, CWA contends that Apollo may not hold the Applicant Incumbent LECs for a long enough period of time to realize adequate fiber deployment.¹¹⁵ Relying on Apollo statements elsewhere that the average holding period for its private equity investments is three to five years,¹¹⁶ CWA concludes that Apollo, as a private equity investor, has a limited time horizon for its investments, which "raises questions about the long-term stability and performance of the acquiring assets, as large-scale fiber deployment projects could take several years, from the planning stage to completion and delivery."¹¹⁷

29. In response, Applicants dispute CWA's characterization of Lumen's performance and contend that even if accurate, the CWA argument is backward looking and proves that there is no harm to be addressed by the proposed deployment condition.¹¹⁸ In addition, Applicants argue that holding periods

¹¹⁰ *Id.*

¹¹¹ *Id.* at 3.

¹¹² CWA Comments at 6-7; *see also* Michigan Commission Reply at 2-3; NDIA Reply at 1; Public Knowledge at 3-4. CWA also asks the Commission to issue a data request to analyze Apollo's internal fiber deployment projections over a five-year and ten-year timeframe and Lumen's projected deployments as a standalone company. CWA Comments at 5-6; *see also* Michigan Commission Reply at 2; Public Knowledge Reply at 2, 3-4. Applicants have provided commitments and details about their fiber deployment plans and alternatives for remaining customers on legacy copper, their proposed budget and timelines for investment, sources of capital for the proposed investment, Lumen's intentions for the Applicant Incumbent LECs in the absence of a transaction, and Lumen's plans for its remaining territories following the transaction. We do not believe that additional data is required in order to understand Applicants' deployment plans, and therefore, we decline to request additional data.

¹¹³ CWA Comments at 2-7.

¹¹⁴ *Id.* at 6.

¹¹⁵ *Id.* at 2-4; *see also* Letter from Hooman Hedayati, CWA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-350, at 1 (filed July 19, 2022) (CWA July 19 Letter); Letter from Hooman Hedayati, CWA, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-350, at 1 (filed July 28, 2022) (CWA July 28 Letter).

¹¹⁶ CWA Comments at 2-3 (citing Apollo Management International LLP, Walker Guidelines for Disclosure and Transparency in Private Equity (Nov. 30, 2020), <https://www.apollo.com/~media/Files/A/Apollo-V3/documents/disclosure/2020-ami-walker-disclosure-document>).

¹¹⁷ CWA Comments at 3; *see also* Public Knowledge Reply at 2-3; CWA July 19 Letter at 1; CWA July 28 Letter at 1.

¹¹⁸ Applicants' Reply at 7-8. CWA's arguments about Lumen's past compliance with CAF II performance metrics is not specific to the proposed transaction. CWA Comments at 6. In addition, Lumen has certified in the High Cost (continued....)

for Apollo's investments vary and the cited disclosure does not relate to the instant transaction.¹¹⁹ Without specific allegations of harms, Commission precedent supports giving deference to business judgments underlying a transaction.¹²⁰ Applicants' claimed public interest benefits rest on Connect Holding's plan and commitment to invest approximately \$2 billion in private funding to deploy 10 gigabit symmetrical FTTP network in each state in the Applicant Incumbent LECs' 20-state footprint over the next five years, with Connect Holding commencing building fiber in 17 states by the end of 2023, with approximately one million fiber passings expected to be built by that time.¹²¹ Applicants state and pledge overall that this deployment will bring fiber service to approximately three million additional homes and business locations in five years.¹²² According to Applicants, these upgraded passings represent nearly half of the premises in the 20-state footprint and over half of these upgraded passings will be in rural areas, which include underserved and low-income communities.¹²³ In addition, Applicants will file annual progress reports addressing these milestones for five years after the transaction closes.¹²⁴ With these defined commitments, we do not believe that Apollo has failed to establish that it will retain and invest in the Applicant Incumbent LECs.¹²⁵ Rather, we agree with Applicants that they have strong economic incentives to retain the company and complete the promised deployments in order to compete with other providers,¹²⁶ and that the investments will put the Applicant Incumbent LECs in a stronger position than they are today to compete against cable companies and other rural broadband entrants, thereby giving consumers more robust service choices.¹²⁷ For these reasons, we do not believe that a broadband deployment condition with mandated and interim timelines and potential penalties is necessary to prevent harm resulting from the proposed transaction.

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Universal Broadband portal that it has met or exceeded the requisite requirements in the 33 states in which it receives CAF II support. The certification may be subject to a compliance review, which could result in support having to be recovered. 47 CFR § 54.320(d)(3). *See also* Applicants' Reply at 7-8.

¹¹⁹ Applicants' Reply at 5-7.

¹²⁰ *See Motient Corporation and Subsidiaries and SkyTerra Communications, Inc. Application for Authority to Transfer Control of Mobile satellite Ventures Subsidiary LLC*, WC Docket No. 06-106, Memorandum Opinion and Order and Declaratory Ruling, 21 FCC Rcd 10198, 10208-09, para. 25 (WCB/IB/OET 2006) (citing *MMM Holdings, Inc. for Transfer of Control of LIN Broadcasting Corporation*, Memorandum Opinion and Order, 4 FCC Rcd 8243, 8245 para 14 (1989) (noting "the Commission's basic predilection not to second-guess [the] kinds of business judgments" that "must be ratified by a significant segment of the financial community."); *Stockholders of CBS Inc. (Transferor) and Westinghouse Electric Corporation (Transferee)*, Memorandum Opinion and Order, 11 FCC Rcd 3733, 3746, para. 26 (1995) ("the Commission generally refrains from interfering with a company's capital structure"); *GAF Corporation*, Memorandum Opinion and Order, 7 FCC Rcd 3225, 3229, para. 15 (1992) ("The Commission's general policy is not to interfere with a company's capital structure or second guess the financial community or investors . . .").

¹²¹ *See* Lead Application, Attach. 1 at 10; Applicants' Reply at 3; Mar. 16 Letter at 1-2; Applicants' Commitment Letter at 1-3.

¹²² Applicants' Commitment Letter at 2.

¹²³ *Id.*

¹²⁴ *Id.* at 3.

¹²⁵ CWA Comments at 2-3 (maintaining that Apollo has only short time horizons for its investments and will not complete deployments). *Accord* Public Knowledge Comments at 1-2.

¹²⁶ Applicants' Commitment Letter at 3. *See* Applicants' Reply at 4 (explaining the "committed capital" available for capital expenditures, which is in addition to cashflow from the Applicant Incumbent LEC operating entities).

¹²⁷ Lead Application, Attach. 1 at 13 (arguing that "the most salient competitive effect of the transaction will be that Apollo's planned fiber upgrades 'will primarily increase competition for broadband service currently offered by cable companies.'").

30. CWA has acknowledged that Applicants' plans for additional fiber deployments are "positive" in light of the existing network infrastructure,¹²⁸ and we agree with the Applicants that the proposed transaction likely will result in more broadband investment than would have otherwise occurred absent the transaction.¹²⁹ As Applicants explain, "[c]urrently, broadband investment is not a focus of the [Applicant Incumbent LECs], which are losing market share – and hence value—to other broadband providers."¹³⁰ Lumen has stated that "these are markets that Lumen would not have invested as heavily in" and it is instead looking to refocus on investments in its remaining 17 markets.¹³¹ In fact, Applicants have affirmatively stated that Lumen does not have plans to make investments of the scope, scale or timeline in the 20 state footprint.¹³² We also note that Lumen has incurred debt that may have limited the resources it has had available to fund capital expenditures in the service territory to be acquired.¹³³ We find that the fiber investment commitments will flow through to consumers in the form of expanded access to upgraded broadband services, which will ultimately be available to three million additional homes and business locations that would otherwise not likely received fiber service. Accordingly, we credit these claimed benefits to support a finding that the transaction is in the public interest.

31. *Management Experience:* Applicants contend that "[b]etter, faster service will lead to a better customer experience and increased value for consumers," and that the "FTTP upgrades will be managed by the highly experienced team of executives responsible for Verizon's successful fiber buildouts, relying on the existing service and technical personnel of the [Applicant] Companies with no planned reductions in force to maintain continuity of operations."¹³⁴ Applicants explain that the transaction will be seamless for existing customers of the Applicant Companies.¹³⁵ We agree that Connect Holding has formed a post-transaction management team who are familiar with copper networks and who specifically oversaw large-scale fiber transitions and deployments for other carriers. Because Applicants have not specifically shown why Lumen, an established incumbent LEC, is not managerially capable of achieving the claimed benefits absent the transaction, we are unable to quantify a potential benefit to consumers from Connect Holding's management experience. However, we acknowledge that Connect Holding's management team will bring advantages to the ability of the Applicant Incumbent LECs to oversee buildout and upgrades to the copper networks. In addition, Connect Holding has stated

¹²⁸ CWA Comments at 8.

¹²⁹ See *Applications Filed by Frontier Communications Corporation and Verizon Communications Inc. for the Partial Assignment or Transfer of Control of Certain Assets in California, Florida, and Texas*, WC Docket No. 15-44, Memorandum Opinion and Order, 30 FCC Rcd 9812, 9821-22, para. 23, 9826-28, paras. 34-35 (WCB/IB/WTB 2015) (*Verizon/Frontier 2015 Order*); *Applications Filed by Frontier Communications Corporation and AT&T Inc. for the Assignment or Transfer of Control of the Southern New England Telephone Company and SNET America, Inc.*, WC Docket No. 14-22, Memorandum Opinion and Order, 29 FCC Rcd 9203 9213-14, para. 27 (WCB/IB/WTB 2014).

¹³⁰ Lead Application, Attach. 1 at 9.

¹³¹ First Supplement to Lead Application at 5 & n.3 (citing Drew FitzGerald and Miriam Gottfried, *Lumen Technologies to Sell U.S. Telecom Assets to Apollo for \$7.5 Billion*, Wall Street Journal (Aug. 3, 2021), <https://www.wsj.com/articles/lumen-technologies-tosell-u-s-telecom-assets-to-apollo-for-7-5-billion-11628020916>).

¹³² Applicants' Commitment Letter at 2.

¹³³ Lumen has indicated that it has significant levels of debt that could require it to dedicate a "substantial portion of cash flow from operations," including from capital expenditures, to debt payments. 2022 Form 10-K at 28-30. Lumen's CEO has publicly stated that Lumen would not invest in the markets being transferred to the same extent as Apollo. Applicants' Reply at 4.

¹³⁴ Lead Application, Attach. 1 at 3.

¹³⁵ *Id.*, Attach. 1 at 3, 9.

that the management team will “supplement” the Applicant Incumbent LEC’s existing expertise,¹³⁶ and we expect that the additional new management will facilitate the promised deployment.

C. Other Public Interest Considerations

32. *Equity and Affordability.* Citing the significance of affordable broadband service as a transaction-specific benefit, Applicants have committed to participate actively in state and federal grant programs aimed at increasing broadband penetration in rural markets through expanded deployment of fiber-based high-speed broadband.¹³⁷ They pledge that these programs will augment, not substitute for, Connect Holding’s private investment.¹³⁸ Connect Holding commits that under its ownership, all Applicant Incumbent LECs in the 20 states will continue to participate in the Commission’s Lifeline program and ACP.¹³⁹ Significantly, as described above, Connect Holding further commits to offering a new “net \$0” broadband plan for ACP-eligible households.¹⁴⁰

33. CWA asks the Commission to adopt conditions on the grant of the transaction that would promote (1) equitable fiber deployment; (2) participation in state and federal affordable broadband programs; and (3) a commitment for low-income residential customers.¹⁴¹ First, CWA asks that Connect Holding be required to explain how it plans to ensure equity for its fiber investments in the 20-state footprint and cites various criticisms of Lumen’s historic investment decisions.¹⁴² Applicants respond that Apollo’s investment will help address inequalities in broadband deployment, particularly in the mostly rural areas in this transaction.¹⁴³ We find that the substantial investments that Connect Holding will undertake in the 20-state footprint, committing to at least one-half of the expansion taking place in rural areas, will benefit the public interest and expect this transaction will benefit all former Lumen customers throughout the 20-state footprint.

34. Next, CWA urges the Commission to require Connect Holding to participate in federal and state affordable voice and broadband programs, including the Lifeline and ACP, and to apply for ETC certification where needed.¹⁴⁴ It also seeks objective, verifiable commitments designed specifically to ensure that the benefits of a merger transaction extend to low-income residential customers throughout all of the merging parties’ regions.¹⁴⁵

35. The Commission has taken a number of steps to facilitate equal access to broadband by taking into account technical and economic feasibility and by preventing digital discrimination based on income, race, ethnicity, color, religion, or national origin.¹⁴⁶ It has cited the ACP as a necessary tool in

¹³⁶ First Supplement to Lead Application at 8.

¹³⁷ Applicants’ Commitment Letter at 3-4.

¹³⁸ *Id.* at 3.

¹³⁹ *Id.*

¹⁴⁰ *Id.*

¹⁴¹ CWA Comments at 7-8; *see also* CWA July 19 Letter at 2; CWA July 28 Letter at 1-2.

¹⁴² *Id.*; *see also* Michigan Commission Reply at 3 (arguing that the Commission should ensure equitable access in incumbent LEC territories and that no customers will lose service); NDIA Reply at 2; Public Knowledge Reply at 4-5; CWA July 19 Letter at 2.

¹⁴³ Applicants’ Reply at 1, 3-5, 11.

¹⁴⁴ CWA Comments at 8; *see also* NDIA Reply at 2; Public Knowledge Reply at 4-5; CWA July 19 Letter at 2; CWA July 28 Letter at 1-2.

¹⁴⁵ CWA Comments at 8.

¹⁴⁶ *See* FCC, *Equity Action Plan Pursuant to the President’s Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government*, at 1-8 (2022) (Equity Action Plan).

this effort.¹⁴⁷ There is no dispute in the record that only 3% of residential households and 6% of business locations in their 20-state footprint have access to the speed and quality of fiber broadband services, and we agree with CWA that it is necessary that the benefits of the transaction extend to low income customers in all areas served by the Applicant Incumbent LECs.¹⁴⁸ Applicants have unequivocally stated Connect Holding's commitment to participate in affordable broadband programs such as ACP and Lifeline.¹⁴⁹ They have also committed to expand affordability options by offering a "net \$0' broadband plan" that will allow ACP-eligible households to receive service at no cost to the customer if it chooses such plan.¹⁵⁰ Particularly given that the 20-state footprint is largely rural, we believe that Apollo will have strong incentives to pursue support for additional deployments in these service areas. We find no evidence that would lead us to doubt Connect Holding's and Apollo's publicly stated intentions with regard to participation in state and federal affordability programs and find additional conditions unnecessary. We find that these concrete benefits will flow through to consumers and serve the public interest.

36. We also conclude that Apollo's investment in the 20-state footprint, particularly aimed toward upgrades to facilities in rural areas, is likely to benefit low-income residential customers through improved offerings, increased competition with cable operators, and better consumer choice. These customers will likely have faster and potentially cheaper broadband services than they would have had absent this transaction. In addition, for customers who will not be upgraded to fiber, Apollo has committed to maintaining and improving service for the homes and businesses that will continue to be served by copper facilities, which will likely benefit other low-income residential customers.¹⁵¹

37. Overall, while CWA has raised important concerns regarding equal access to broadband service, these concerns are assuaged by Connect Holding's commitments to complete three million fiber passings over the next five years in all areas covered by the 20-state footprint, only a tiny percentage of which has access to fiber-based services today. As we have noted, these three million upgraded passings represent nearly half of the premises in the Acquired Incumbent LECs' footprint, and over half of these upgraded passings will be in rural areas, which include underserved and low-income communities. The Commission's concept of digital equity encompasses persons who live in rural areas and who are adversely affected by the lack of broadband service.¹⁵² In addition, Connect Holding will participate in

¹⁴⁷ *Id.* at 1, 4-5 (describing ACP and its positive impact on barriers causing digital discrimination).

¹⁴⁸ CWA Comments at 8.

¹⁴⁹ Applicants' Commitment Letter at 3-4; Applicants' Reply at 9.

¹⁵⁰ Applicants' Commitment Letter at 4. The Commission's ACP requirements adopted the standard monthly discount and reimbursement rate of \$30 for an Internet service offering, as mandated in the Infrastructure Investment and Jobs Act. *Affordable Connectivity Program, Emergency Broadband Benefit Program*, WC Docket Nos. 21-450 and 20-445, Report and Order and Further Notice of Proposed Rulemaking, FCC 22-2, at para. 118 (2022) (*ACP Order*) (citing Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (2021), 47 U.S.C. § 1752(a)(7)(A)). The Commission also adopted a \$75 per month subsidy for eligible households located on Tribal lands. *ACP Order* at para. 125. Providers would offer a net \$0 broadband plan to ACP-eligible households at a price that is covered by the monthly discount and reimbursement.

¹⁵¹ Applicants' Commitment Letter at 4. *See* Mar. 16 Letter at 2.

¹⁵² *Implementing the Infrastructure Investment and Jobs Act: Prevention and Elimination of Digital Discrimination*, GN Docket No. 22-69, Notice of Inquiry, FCC 22-21, para. 40 and n.106 (2022) (stating that the term "equity" is used consistent with Executive Order 13985 as the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to *underserved communities* that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; *persons who live in rural areas*; and *persons otherwise adversely affected by persistent poverty* or inequality. *See* Exec. Order No. 13985, 86 Fed. Reg. 7009, Executive Order on Advancing

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affordable broadband programs and offer a new net \$0 option for ACP eligible households to have the opportunity to receive broadband service at no cost to them. The Commission's 2022 Equity Action Plan contemplates both availability of broadband services and affordability, including by expanding the ACP, so that the Commission can eliminate barriers to people accessing the "modern communications they need for work, learning, healthcare, and access to the information they require to make decisions about their lives, their communities, and their country."¹⁵³ We find no potential harms associated with the proposed transaction that would impede this goal. Instead, we agree with Applicants that this transaction will help advance digital equity and inclusion.¹⁵⁴

38. *Remaining Copper Facilities.* In addition to significant upgrades to fiber throughout much of the 20-state footprint, Applicants tout additional benefits of the transaction for consumers in areas not covered by the planned deployment.¹⁵⁵ According to the Applicants, "Connect Holding is also committed to maintaining and improving service for the homes and businesses that will continue to be served by copper facilities."¹⁵⁶ Among other things, Connect Holding "will identify areas with high trouble rates that need to be upgraded or repaired to address service-related issues" and will "explore opportunities to improve customer service generally, which will benefit customers served by copper plant as well as fiber."¹⁵⁷ Connect Holding commits to improve customer service by reducing the need for service calls, ensure customers can quickly report outages to the companies, and they commit to conducting customer satisfaction assessments.¹⁵⁸ Apollo will "take steps to improve the [Applicant Incumbent LECs'] existing copper plant, including undertaking targeted repairs; conducting a detailed analysis of the state of the plant and upgrading the plant where necessary; and improving installation and maintenance activities."¹⁵⁹ As part of this plan, Applicants explain that "Apollo will also explore the use of alternatives to copper for broadband where available, including fixed wireless,"¹⁶⁰ and to identify areas with high trouble rates that need to be upgraded or repaired and address these issues with the best technology feasible.¹⁶¹

39. Based on our analysis of the record, we agree with the Applicants' assertion that the transaction will result in Applicant Incumbent LECs being better positioned to deliver high-quality services post-transaction. While the Commission has recognized that state regulators often undertake a more granular review of service quality issues than we can do on our existing record,¹⁶² Connect Holding's management team, which it states has extensive experience with copper networks, and its

(Continued from previous page) _____
Racial Equity and Support for Underserved Communities Through the Federal Government (Jan. 20, 2021))
(emphasis added).

¹⁵³ Equity Action Plan at 1.

¹⁵⁴ Applicants' Commitment Letter at 2-3 (stating the its fiber deployment to rural areas and participation in affordability programs will advance digital equity and inclusion).

¹⁵⁵ Lead Application, Attach. 1 at 11.

¹⁵⁶ Mar. 16 Letter at 2.

¹⁵⁷ *Id.*

¹⁵⁸ Applicants' Commitment Letter at 4.

¹⁵⁹ *Id.*

¹⁶⁰ *Id.*

¹⁶¹ *Id.*

¹⁶² See, e.g., *Joint Application of Consolidated Communications Holdings, Inc. and Fairpoint Communications, Inc. to Transfer Indirect Control of Authorization Holders to Consolidated Communications Holdings, Inc.*, WC Docket No. 16-417, Memorandum Opinion and Order, 32 FCC Rcd 3820, 3827-28, paras. 21-23 (WCB/IB/WTB 2017). Several state regulators have addressed service quality issues and accepted commitments from Connect Holding. See *infra* n.170.

affirmation that it will identify and correct maintenance problems within the existing copper network, are positive developments.¹⁶³ Because the Applicants failed to provide firm service quality commitments, however, the amount of anticipated service quality improvements that are likely to result from the instant transaction are difficult to weigh or quantify.

40. CWA argues that “[f]ixed wireless may make sense in truly remote regions where it is geographically impossible or extremely costly to deploy fiber” but “fiber technology remains far superior to fixed wireless.”¹⁶⁴ CWA, therefore, urges the Commission not to give fixed wireless “equal weight in any Commission-mandated deployment requirements” and to require Connect Holding “to provide a detailed explanation and financial analysis for why fixed broadband is not a feasible approach in the geographic areas [where] it seeks to provide fixed wireless.”¹⁶⁵ Applicants respond that they have pledged to complete improvements including repairs and upgrades to existing copper plant, and CWA has not cited any precedent under which the Commission has imposed a “maintenance” program focused on a particular technology, in this case, copper.¹⁶⁶ We view Applicants’ plan to address what they admit to be Lumen’s long-standing quality of service issues for copper-based services as a benefit of this transaction.¹⁶⁷ We also expect that Connect Holding will have an incentive to maximize their planned infrastructure investments by replacing aging copper facilities with fiber in order to be competitive in all 20 states. We conclude that the concerns CWA expresses about the suitability of fixed wireless as a substitute for copper-based broadband are not specific to this transaction. To the extent that Connect Holding seeks to substitute fixed wireless technology for copper at some point in its network upgrade process in some service areas, such substitution would be subject to both the Commission’s network change disclosure rules for notice of the change to facilities, and its technology transition section 214 discontinuance application process for authority to discontinue, reduce, or impair the services offered over those facilities. This would enable stakeholders the opportunity to publicly comment on or object to the notice of network change and/or the application for authority to engage in a substitution of service in each affected service area, to ensure that notice of the move to fixed wireless technology is appropriate, and that the service offered over those facilities is a suitable replacement service for the affected community.¹⁶⁸

41. CWA next alleges that Lumen has failed to maintain its copper plant¹⁶⁹ and urges the Commission to be “apprehensive that the deployment will not be done rapidly or equitably” due to “Apollo’s [alleged] average holding period for its private equity investments of three to five years.”¹⁷⁰ For this reason, CWA contends that the Commission should condition approval of the proposed transaction on implementation of a comprehensive service quality improvement plan for areas that are not being transitioned to fiber and a commitment to meet state service quality standards where applicable.¹⁷¹

¹⁶³ Applicants’ Commitment Letter at 4.

¹⁶⁴ CWA Comments at 9.

¹⁶⁵ *Id.*; see also Michigan Commission Reply at 3.

¹⁶⁶ Applicants’ Reply at 8-9; see also Lead Application, Attach. 1 at 11; Mar. 16 Letter at 2.

¹⁶⁷ See Lead Application, Attach 1 at 10-11; Applicants’ Reply at 8-9 (stating Apollo plans to take steps to improve existing copper plant).

¹⁶⁸ See 47 CFR §§ 51.333, 63.71(f)(2), 63.6302.

¹⁶⁹ CWA Comments at 9.

¹⁷⁰ *Id.* at 10.

¹⁷¹ *Id.* (seeking to require Connect Holding to “set aside sufficient copper maintenance budgets, including funds dedicated to preventative maintenance, and hiring of adequate staffing needed to address issues on a timely basis”); see also Public Knowledge Reply at 5-6; CWA July 19 Letter at 2; CWA July 28 Letter at 1.

42. Applicants reply that concerns about Lumen's track record with plant maintenance are not specific to the transaction, such a condition would be unprecedented, and Apollo's pledge to improve copper facilities that will remain in areas without fiber upgrades has been ignored.¹⁷² Moreover, Applicants commit on the record that Connect Holding will address copper service quality concerns by identifying areas with high trouble rates that need to be upgraded or repaired, identifying the best technology to address service issues (including fiber, copper, or wireless), and exploring opportunities to improve outage reporting and customer communications.¹⁷³ We expect that Apollo's intended investment in copper maintenance will improve service quality and that state commissions may exercise their authority to address service quality issues as necessary based on more detailed state-specific records and, therefore, no condition is needed.¹⁷⁴

43. Relatedly, CWA suggests that the Commission disallow copper retirement by Connect Holding without the presence of a wireline alternative as a replacement service,¹⁷⁵ contending that "[w]ireless is not a comparable substitute for wireline."¹⁷⁶ Applicants respond that a transaction review is an inappropriate vehicle to resolve any novel law and policy questions (if any) regarding such a potential future discontinuance.¹⁷⁷ They contend that if such a discontinuance is proposed in the future, the Commission should consider any issues related to alternatives in the required section 214 discontinuance proceeding.¹⁷⁸ We agree, as explained above. No such discontinuance application is before the Commission at this time, and, if or when such an application is filed, the Commission and the public, including affected customers, would have ample opportunity to consider any legal, policy, or factual issues specific to the proposed copper retirement replacement services.¹⁷⁹

¹⁷² Applicants' Commitment Letter 4; Applicants' Reply at 8-9.

¹⁷³ Applicants' Commitment Letter 4; Mar. 16 Letter at 2; *see* Lead Application, Attach. 1 at 11 (explaining that "Apollo plans to take steps to improve the [Applicant Incumbent LECs'] existing copper plant, including undertaking targeted repairs; conducting a detailed analysis of the state of the plant and upgrading the plant where necessary; and improving installation and maintenance activities.").

¹⁷⁴ *See Cablevision/Altice Order*, 31 FCC Rcd at 4375-76, paras. 23-24 (finding that the buyer would be unlikely to enter into the transaction if it could not profitably compete by operating a network that meets service quality standards); *Verizon/Frontier 2015 Order*, 30 FCC Rcd at 9822, 9827-28, paras. 23, 35-36; *Joint Application of United Telephone Company of Pennsylvania LLC d/b/a CenturyLink; CenturyTel Broadband Services, LLC; Connect Holding LLC; and Lumen Technologies, Inc. for All Approvals of a General Rule Transfer of Control and Registration of Securities*, Docket No. A-2021-3028668, Final Order (PA PUC 2022) (addressing service quality requirements, citing Joint Petition for Settlement, Docket Nos. A-201-3028668 and A-2021-3028669, and adopting the Petition for Settlement in its entirety without modification); Joint Petition of Lumen Technologies Inc. et al. and Connect Holding For Approval of Transfer of Control, Case No. PUR-2021-00246, Final Order, at Attach. (Joint Stipulation), at Exh. A (Service Quality Term Sheet) (Virginia Corp. Com'n. 2022); *Certified Petition of Connect Holding LLC; Lumen Technologies, Inc.; and United Telephone Company of New Jersey, Inc. d/b/a CenturyLink for Approval of Transfer of Control and Certain Financing Arrangements*, Docket No. TM21091142, Decision and Order Approving Settlement, at 6 (NJ BPU 2022) (addressing service quality commitments).

¹⁷⁵ CWA Comments at 11; *see also* Michigan Commission Reply at 3; Public Knowledge Reply at 7-8.

¹⁷⁶ CWA Comments at 11 (asserting that fixed wireless "remains less reliable, affected by terrain, weather, distance to the tower, spectrum limitations, and user demand").

¹⁷⁷ Applicants' Reply at 10.

¹⁷⁸ *Id.*

¹⁷⁹ *See* 47 U.S.C. § 214; 47 CFR §§ 63.71, 63.602. Section 214 of the Act and the Commission's rules require a carrier to file such an application prior to retiring copper facilities where no wireline service would remain. The Commission conducts a review of replacement service availability raised in the context of these applications at the time they are filed.

44. *Employment.* CWA seeks broad conditions to protect U.S. employment, to ensure that no transferred employees of Lumen will lose their jobs as a result of the transaction, to abide by all labor and employment laws, and to maintain neutrality in allowing employees to form a union of their own choosing, free from any interference by the employer.¹⁸⁰ Connect Holding states that it commits to “rely on the existing service and technical personnel of the [Applicant] Companies for its fiber buildout, with no planned reductions in force to maintain continuity of operation.”¹⁸¹ It also commits to honor all labor agreements being transferred as part of the transaction.¹⁸²

45. Consistent with CWA’s concerns, the Commission recognizes that the current workforce needs of the telecommunications industry are critical, and that the telecommunications industry requires a robust and safe workforce to deploy broadband services.¹⁸³ We find that Connect Holding’s explicit commitment to rely on existing service and technical personnel of the Applicant Incumbent LECs for its planned fiber buildout with “no planned reductions in force to maintain the continuity of operations”¹⁸⁴ addresses CWA’s concerns directly. In addition, we agree that the fiber deployment resulting from the transaction will generate additional new jobs,¹⁸⁵ although the magnitude is uncertain. Finally, we are persuaded that Connect Holding’s express commitment to honor the terms and conditions of all the labor agreements with CWA and the International Brotherhood of Electrical Workers (IBEW) being transferred as part of the transaction strengthens the workforce available to Connect Holding to meet its deployment commitments.¹⁸⁶ In light of these commitments, we see no need for broad employment conditions.

¹⁸⁰ CWA Comments at 13; *see also* Public Knowledge Reply at 6; CWA July 19 Letter at 2; CWA July 28 Letter at 2. CWA states that the number of CWA-represented employees at Lumen has declined by 50% over the five years prior to the proposed transaction and contends that the “degradation of Lumen’s infrastructure is closely correlated with the decline in the number of trained, career employees in the field.” CWA Comments at 12-13.

¹⁸¹ Applicants’ Commitment Letter at 4.

¹⁸² *Id.* (“In addition, Connect Holding is committed to honor the terms and conditions of all 29 of the labor agreements being transferred as part of the Transaction. These agreements—with the Communication Workers of America (“CWA”) and International Brotherhood of Electrical Workers (“IBEW”)—cover employees in Alabama, Arkansas, Illinois, Indiana, Kansas, Michigan, Missouri, New Jersey, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, and Wisconsin. Connect Holding agrees to continue the uninterrupted employment of employees covered by these agreements and to recognize the CWA and IBEW as the exclusive representative of those employees.”).

¹⁸³ *See* Public Notice, *Telecommunications Workforce Interagency Group Announces Kickoff Webcast for March 8, 2022*, DA 22-208 (Mar. 1, 2022) (*Workforce Interagency Group Public Notice*) (kicking off interagency work group created under the Infrastructure Investment and Jobs Act and comprised of the Federal Communications Commission, Department of Labor, the Department of Education, and the National Telecommunications and Information Administration to address the workforce needs of the telecommunications industry, including the safety of that workforce).

¹⁸⁴ Applicants’ Commitment Letter at 4.

¹⁸⁵ *Id.*; Applicants’ Reply at 11; Lead Application, Attach. 1 at 14 (“Apollo’s commitment includes retaining existing Lumen employees to continue to operate the business on a day-to-day basis, which will help ensure a seamless transition for Lumen customers and the continued provision of high-quality service.”). *See* <https://careers.smartrecruiters.com/Brightspeed> (listing many job postings, including for operations and technical support personnel, and stating that diversity, equity, and inclusion are part of the hiring process as the company begins its buildout operations).

¹⁸⁶ Applicants’ Commitment Letter at 4 (committing to honor the 29 labor agreements with CWA and IBEW). *See Applications Filed for the Transfer of Control of Authorizations Held by Frontier Communications Corporation, Debtor-in-Possession and its Wholly-Owned Subsidiaries*, WC Docket No. 20-197, Memorandum Opinion and Order and Declaratory Ruling, 36 FCC Rcd 291, 298-99, paras. 20–21 (WCB/IB/WTB/OEA 2021) (finding no merit to CWA’s concerns about workforce given assurances that new owners would retain all employee wages, compensation, benefit programs, and collective bargaining agreements); *Transfer of Control of the Licenses, Authorizations, and Spectrum Lease Held by AT&T Mobility Puerto Rico Inc. and AT&T Mobility USVI Inc. to*

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Further, we agree with Applicants that because the transaction does not combine existing entities, it is not driven by a desire to consolidate and create efficiencies by reducing the workforce.¹⁸⁷ In sum, we find that Connect Holding's assurances that it will retain the existing workforce and respect existing labor agreements significantly reduces the risk of a negative employment impact.¹⁸⁸

46. *Summary.* In light of the firm commitments that Applicants have offered addressing equitable fiber deployment in all 20 states, participation in affordable broadband programs and the availability of a net \$0 plan for ACP customers, and employment and workforce assurances, we are able to find that benefits will flow to consumers. We accept Applicants' commitments as firm and definite and, accordingly, credit them as benefits that support a finding that the transaction is in the public interest. Absent any potential harms, and considering that the proposed transaction will yield some benefits, we find, on balance, that the proposed transaction serves the public interest.

VI. NATIONAL SECURITY, LAW ENFORCEMENT, FOREIGN POLICY, AND TRADE CONCERNS

47. When analyzing a transfer of control or assignment application, or a petition for declaratory ruling, that includes foreign investment, we also consider public interest issues related to national security, law enforcement, foreign policy, and trade policy concerns.¹⁸⁹ As part of our public interest analysis, the Commission coordinates with the relevant Executive Branch agencies that have expertise in these particular issues.¹⁹⁰ The Commission accords deference to the expertise of these

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Liberty Latin America Ltd., WT Docket No. 19-384, Memorandum Opinion and Order and Declaratory Ruling, 36 FCC Rcd 2328, 2340, para. 26 (WTB/WCB/IB 2020) (*AT&T-LLA*) (refusing job retention conditions given LLA's promise to honor existing collective bargaining agreements with CWA); *Comcast-NBCU Order*, 26 FCC Rcd at 4329-30, paras. 223-25 (finding Comcast's voluntary commitment to honor all of NBCU's collective bargaining agreements, to not fundamentally change the manner it had conducted labor relations in the past, and to not impede union negotiations or employee organizing was sufficient to meet the public interest); *Verizon-TracFone Order* at para. 108 (finding that the transaction would have limited impacts on telecommunications workers and declining to impose job-related conditions).

¹⁸⁷ Applicants' Reply at 11; *see* Lead Application, Attach. 1 at 14 ("Apollo has no plans to carry out force reductions related to the [Applicant Incumbent LECs].").

¹⁸⁸ *See Applications of Softbank Corp., Starburst II, Inc., Sprint Nextel Corporation, and Clearwire Corporation for Consent to Transfer Control of Licenses and Authorizations*, IB Docket No. 12-343, Memorandum Opinion and Order, Declaratory Ruling, and Order on Reconsideration, 28 FCC Rcd 9642, 9669-70, paras. 68-70 (2013) (considering and rejecting as speculative the claims that the transaction would negatively impact jobs). In addition, as the Commission has found, labor matters are handled and enforced by federal agencies other than the Commission. *Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, FCC Docket No. 11-4, Memorandum Opinion and Order, 26 FCC Rcd. 4238, 4329-30, para. 223 -24 (2011) (*Comcast-NBCU Order*) (declining to impose employment conditions that the Commission found were not related to the transaction and that are enforced by agencies other than the Commission).

¹⁸⁹ *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 applications 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 T-Mobile-Sprint Order*, 34 FCC Rcd at 10732, para. 349.

¹⁹⁰ *See Executive Branch Review Order*, 35 FCC Rcd at 10935-36, paras. 17, 24.

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.¹⁹¹ Ultimately, the Commission, however, makes an independent decision on the application based on the record in the proceedings.¹⁹²

48. Pursuant to Commission practice, the Applications were referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy, or trade policy concerns related to the foreign ownership of the Applicants.¹⁹³ The Committee stated that it had no objection to the Commission's granting the Applications and the Petition provided that the Commission conditions its approval on the assurances of Connect Holding and VoteCo to abide by the commitments and undertakings set forth in the LOA.¹⁹⁴

49. In assessing the public interest, we take into account the record developed in each particular case and accord appropriate deference to the expertise of the Executive Branch agencies on national security and law enforcement, and other concerns related to foreign ownership of Commission licensees.¹⁹⁵ As the Commission stated in the *Foreign Participation Order*, foreign participation in the U.S. telecommunications market may implicate significant national security or law enforcement issues uniquely within the expertise of the Executive Branch.¹⁹⁶ For the reasons set out herein, in accordance with the request of the Committee and in the absence of any objection from the Applicants, we grant the Committee Petition and condition grant of the Applications and the Petition on compliance by Connect Holding and VoteCo with the commitments and undertakings set forth in the LOA.¹⁹⁷ 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 thus grounds for declaring the underlying authorizations and licenses terminated without further action on the part of the Commission. A failure to meet a condition of this grant and the authorizations may also result in monetary sanctions or other enforcement action by the Commission.

¹⁹¹ *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, para. 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) (*2016 Foreign Ownership Order*), *pet. for recon. dismissed*, 32 FCC Rcd 4780 (2017).

¹⁹² 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.").

¹⁹³ See *Executive Branch Review Order*, 35 FCC Rcd at 10935-36, paras. 17, 24; *Foreign Participation Order*, 12 FCC Rcd 23891, 23919, paras. 61-63.

¹⁹⁴ Committee Petition at 1; LOA.

¹⁹⁵ *T-Mobile-Sprint Order*, 34 FCC Rcd at 10734-35, para. 353; 2016 *Foreign Ownership Order*, 31 FCC Rcd at 11277, para. 6; *Foreign Participation Order*, 12 FCC Rcd at 23919, paras. 61-62.

¹⁹⁶ *Foreign Participation Order*, 12 FCC Rcd at 23919, para. 62.

¹⁹⁷ The DOJ Petition and LOA are publicly available on the Commission's website at https://licensing.fcc.gov/myibfs/download.do?attachment_key=2501456 (DOJ Petition) and https://licensing.fcc.gov/myibfs/download.do?attachment_key=2501458 (LOA).

VII. SECTION 310(B) FOREIGN OWNERSHIP REVIEW AND PETITION FOR DECLARATORY RULING

50. In connection with the proposed transaction, Connect Holding filed a petition for declaratory ruling, pursuant to section 310(b)(4) of the Act and section 1.5000(a)(1) of the Commission's rules,¹⁹⁸ to permit foreign ownership in the proposed controlling U.S. parent, Connect Holding II, to exceed the 25% benchmarks in section 310(b)(4) of the Act.¹⁹⁹ Petitioner contends that grant of the proposed foreign ownership of Lumen would serve the public interest.²⁰⁰

51. According to the Petition, after consummation of the proposed transaction, each of the Acquired Companies will be 100% directly or indirectly owned by Connect Holding II, a Delaware limited liability company.²⁰¹ Connect Holding II will be 100% indirectly owned by Connect Parent through a series of Delaware limited liability companies, including Connect Holding.²⁰² Connect Holding is indirectly held by the following entities through their ownership interests in Connect Parent: AP IX Connect Holdings (approximately 55-60% equity and voting interests); Co-Invest Holdings (approximately 35-40% equity and voting interests); and AIOF II Holdings (less than 5% equity and voting interests).²⁰³

52. Petitioner asserts that AP IX Connect Holdings, Co-Invest Holdings, and AIOF II Holdings will include foreign ownership held solely through limited partnership interests that are insulated pursuant to section 1.5003 of the Commission's rules.²⁰⁴ Petitioner specifies that, "insulated limited partners are prohibited by their respective limited partnership agreements from, and in fact will not be engaged in, active involvement in the management or operation of their respective partnerships, and no investor protections other than the usual and customary investor protections identified in 47 CFR 1.5003(c) are contained in their respective limited partnership agreements."²⁰⁵

53. As discussed above, we find that New AGM exercises *de facto* control of Connect Holding resulting in New AGM being treated as a foreign-controlled entity under the Commission's rules,²⁰⁶ thus, Petitioner also seeks approval for the foreign ownership of New AGM.²⁰⁷ While the Petition was pending before the Commission, on January 1, 2022, two transactions were completed that changed the ownership of AGM: (1) a reorganization of AGM and (2) a transaction involving Athene Holding Ltd. (Athene).²⁰⁸ Prior to these transactions, AGM was indirectly controlled by its founders – Leon Black, Joshua Harris, and Marc Rowan – who held part of their voting interests through BRH Holdings GP, Ltd. (BRH Holdings), a Cayman Islands exempt entity.²⁰⁹ BRH Holdings held AGM stock directly and indirectly as the sole member of AGM Management, LLC, a Delaware limited liability

¹⁹⁸ 47 U.S.C. § 310(b)(4); 47 CFR §1.5000(a)(1).

¹⁹⁹ Petition at 1, 3.

²⁰⁰ *Id.* at 9-12.

²⁰¹ *Id.* at 4; November 2021 Supplement to Petition at 4; Lead Application at 4-5, Exh. C (Post-Transaction Ownership Structure).

²⁰² Petition at 4-5. The other companies are Connect Midco LLC and Connect Intermediate LLC.

²⁰³ *Id.* at 5, Exh. B. December 8, 2021 Supplement to Petition at 1, Exh. A.

²⁰⁴ November 2021 Supplement to Petition at 1; *see also* Petition at 6.

²⁰⁵ November 2021 Supplement to Petition at 1; *see also* Petition at 6.

²⁰⁶ *See* para. 10 *supra*.

²⁰⁷ Petition at 3, 9; August 4, 2022 Supplement to Petition at 1-2.

²⁰⁸ April 4, 2022 Supplement to Petition at 1.

²⁰⁹ December 8, 2021 Supplement to Petition at 1; April 4, 2022 Supplement to Petition at 2.

company.²¹⁰ Through these arrangements, BRH Holdings held a majority of the voting stock of AGM.²¹¹ In the January 2022 transactions, AGM and Athene merged with separate merger subsidiaries of a newly created Delaware corporation, Tango Holdings, Inc., which was subsequently renamed Apollo Global Management, Inc. (New AGM).²¹² Petitioner asserts that following the two transactions described above, BRH Holdings no longer holds any direct interest in AGM (now renamed Apollo Asset Management, Inc. (AAM)) or the new ultimate parent entity, New AGM.²¹³ However, BRH Holdings is party to a voting agreement with the founders regarding the voting of their interests in New AGM, and consequently holds a 27.8% voting interest and 0% equity interest in New AGM.²¹⁴ As a result of these transactions, AGM (now AAM) has become a wholly owned subsidiary of New AGM.²¹⁵ New AGM, in turn, has become the successor corporation to AGM as the publicly traded ultimate parent entity in the ownership chain.²¹⁶ The founders²¹⁷ and public stockholders of AGM now hold common stock in New AGM.²¹⁸ Petitioner states that based on available information, no foreign entity or individual holds more than 5% of New AGM's common stock.²¹⁹ Petitioner also asserts that no U.S. individual or entity holds 10% or more of New AGM's common stock.²²⁰

54. Pursuant to section 1.5001(i) of the Commission's rules,²²¹ Petitioner seeks specific approval for the direct and/or indirect foreign equity and/or voting interests that would be held in Connect Holding II, the controlling U.S. parent, upon completion of the proposed transaction by certain foreign-organized entities and foreign individuals at the percentages specified below:

Platinum Falcon B 2018 RSC Limited (5-9.99% equity, 5-9.99% voting) (United Arab Emirates);
Aviva Investment Pte Ltd (5-9.99% equity, 5-9.99% voting) (Singapore);
Stichting Pensioenfonds ABP (5-9.99% equity, 5-9.99% voting) (Netherlands); and

²¹⁰ Petition at 6; December 8, 2021 Supplement to Petition at 1-2, Exh. B.

²¹¹ Petition at 6.

²¹² April 11, 2022 Supplement to Petition at 1, Att.1.

²¹³ *Id.* at 2.

²¹⁴ August 4, 2022 Supplement to Petition at 2. "As of May 27, 2022, Leon Black is deemed the beneficial owner of 9.2% of the common stock of New AGM. Heritage Trust u/a/d 11/12/2018, a New York trust established for the benefit of the family of Mr. Black, is the beneficial owner of 4.6% of the common stock of New AGM. LDB 2014 LLC, a Delaware investment vehicle for trusts for the benefit of Mr. Black's family members, is deemed the beneficial owner of 1.2% of the common stock of New AGM. The trustees and beneficiaries of these entities are all U.S. citizens. Mr. Black does not hold any ownership interest, beneficial or otherwise, in these entities, nor does he have the right to vote the shares of either of them. Of the remaining founders, Joshua Harris is deemed beneficial owner of 6.7% common stock of New AGM, some of which is held through intermediate U.S. entities that themselves hold less than 10% in New AGM, and Marc Rowan is deemed beneficial owner of 6.1% common stock of New AGM, some of which is held through intermediate U.S. entities that themselves hold less than 10% in New AGM." *Id.* at n.41.

²¹⁵ April 11, 2022 Supplement to Petition at 1.

²¹⁶ *Id.*

²¹⁷ The founders are Leon Black, Joshua Harris, and Marc Rowan. *Id.* at 1 n.2.

²¹⁸ *Id.* at 1.

²¹⁹ According to the August 4, 2022 Supplement to Petition, "[t]his information is based on currently available Securities and Exchange Commission filings." August 4, 2022 Supplement to Petition at 2 n. 5.

²²⁰ According to the Petitioner, "[t]his information is based on currently available Securities and Exchange Commission filings (as of May 27, 2022 for Mr. Black and January 1, 2022 for Mr. Harris and Mr. Rowan)." *Id.* at 2 n.4.

²²¹ 47 CFR § 1.5001(i).

BRH Holdings GP, Ltd. (0% equity, 27.8% voting) (Cayman Islands).²²²

55. Petitioner requests approval for aggregate foreign equity and voting interests in Connect Holding II up to 100%.²²³ Pursuant to section 1.5001(k),²²⁴ Petitioner requests advance approval for BRH Holdings GP, Ltd. to hold up to a non-controlling 49.99% voting and 0% equity in New AGM.²²⁵

56. We received no comments regarding foreign ownership. NTIA, on behalf of the Committee, has advised the Commission that the Committee has no objection to the Commission approving the authority sought, provided that the Commission conditions its approval on the assurance of Connect Holding and VoteCo to abide by the commitment and undertakings set forth in the Connect Holding LOA.²²⁶

57. Based on our review of the record, we find that the public interest would not be served by prohibiting the foreign ownership of Connect Holding II, the controlling U.S. parent, in excess of the 25% benchmarks in section 310(b)(4) of the Act. We, therefore, grant the Petition subject to the conditions set out herein.

58. This ruling authorizes 100% aggregate foreign ownership of Connect Holding II, the controlling U.S. parent, subject to the terms and conditions set forth in the section 1.5004 of the Commission's rules.²²⁷ In addition, pursuant to section 1.5001(i) of the rules, we approve the foreign equity and voting interests that would be held in Connect Holding II by each of the above-listed foreign entities and individuals in the amounts specified above. We also approve the Petitioner's request for advance approval, pursuant to section 1.5001(k), permitting BRH Holdings GP, Ltd. to increase its voting interest in Connect Holding II LLC up to and including 49.99%.²²⁸

59. Under this ruling, Connect Holding II has an affirmative duty to monitor its foreign equity and voting interests, calculate these interests consistent with the principles enunciated by the Commission, including the standards and criteria set forth in sections 1.5002 through 1.5003 of the rules,²²⁹ and otherwise ensure continuing compliance with the provisions of section 310(b) of the Act.²³⁰ Failure to comply and/or remain in compliance with a condition of this authorization shall constitute grounds for declaring the ruling terminated without further action on the part of the Commission. Failure

²²² August 4, 2022 Supplement to Petition at 2.

²²³ Petition at 3, 14-16.

²²⁴ 47 CFR § 1.5001(k).

²²⁵ August 4, 2022 Supplement to Petition at 2.

²²⁶ Committee Petition; LOA.

²²⁷ 47 CFR § 1.5004. A few of the terms and conditions set forth in section 1.5004 of the Commission's rules are as follows: (1) where a previously unapproved foreign-organized entity is inserted into the vertical ownership chain of a licensee, or its controlling U.S.-organized parent, without prior Commission approval, the licensee shall file a letter to the attention of the Chief, International Bureau, within 30 days after the insertion of the new, foreign organized entity; (2) a licensee that has received a foreign ownership ruling, including a U.S.-organized successor in-interest to such licensee as part of a pro forma reorganization, or any subsidiary or affiliate relying on such licensee's ruling, shall file a new petition for declaratory ruling under § 1.5000 to obtain Commission approval before its foreign ownership exceeds the routine terms and conditions of this section, and/or any specific terms of conditions of its rulings; and (3) if at any time the licensee, including any successor-in interest and any subsidiary or affiliate knows, or has reason to know, that it is no longer in compliance with its foreign ownership rulings or the Commission's rules relating to foreign ownership, it shall file a statement with the Commission explaining the circumstances within 30 days of the date it knew, or had reason to know, that it was no longer in compliance.

²²⁸ August 4, 2022 Supplement to Petition at 2.

²²⁹ See 47 CFR 1.5002-1.5003.

²³⁰ See 47 CFR 1.5004, Note to paragraph (a).

to meet a condition of this ruling may also result in monetary sanctions or other enforcement action by the Commission.

VIII. UNIVERSAL SERVICE FUND OBLIGATIONS-- CONNECT AMERICA FUND (CAF) PHASE II AND RURAL DIGITAL OPPORTUNITY FUND AUCTION (AUCTION 904)

60. The record demonstrates that the proposed transaction will not negatively impact the ability of the Lumen RDOF Subsidiaries to meet their universal service support obligations. With the consummation of the transfer, Connect Holding assumes responsibility for meeting the universal service obligations for the Applicant Incumbent LECs. There is nothing in the record to indicate that Connect Holding is not qualified to efficiently meet these universal service obligations.²³¹

61. Specifically, in 2014, Lumen accepted the Commission's offer of CAF Phase II model-based support (CAF Phase II model) to incumbent price cap carriers in 18 of the 20 states covered by the proposed transaction.²³² Initially, these support recipients had a support term of six years, but the Commission offered, and Lumen accepted, a seventh year of support ending December 31, 2021 for all 18 states.²³³ Applicants indicate that their Purchase Agreement requires that Lumen will have met all of its CAF Phase II model obligations prior to closing the proposed transaction.²³⁴ Connect Holding has also affirmed that "in the unlikely event that any noncompliance by the [Applicant] Companies requires recovery of CAF II support, however, Connect Holding acknowledges that it will be responsible to the Commission for satisfying any recovery required by the Commission."²³⁵

62. Moreover, the Applicant Incumbent LECs maintain a federal high-cost ETC obligation to offer voice telephony throughout their service areas.²³⁶ On the first day of the month after a CAF Phase II auction or RDOF support recipient that is not the incumbent price cap carrier is authorized, the incumbent price-cap carrier is relieved of its federal high-cost ETC obligation to offer voice telephony in those specific census blocks for which the RDOF recipient was authorized for support.²³⁷ However, such incumbent carriers must continue to comply with state requirements, remain subject to other ETC obligations unless or until they relinquish their ETC designations pursuant to Section 214(e)(4) of the Act, and must continue to maintain existing voice service until they receive discontinuance authority under section 214(a) of the Act and section 63.71 of the Commission's rules.²³⁸

²³¹ First Supplement to Lead Application at 8; Mar. 16 Letter at 3-4.

²³² See *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order, 29 FCC Rcd 15644, 15656, para. 31 (2014) (*December 2014 Connect America Order*) (setting parameters for offer, including a six-year support term); *Wireline Competition Bureau Authorizes Additional Price Cap Carriers to Receive Almost \$950 Million in Phase II Connect America Support*, WC Docket No. 10-90, Public Notice, 30 FCC Rcd 8577 (WCB 2015).

²³³ *Rural Digital Opportunity Fund Connect America Fund*, WC Docket Nos. 19-126, 10-90, Report and Order, 35 FCC Rcd 686, 740-42, paras. 127, 129 (2020) (*Rural Digital Opportunity Fund Order*) (directing WCB to establish a process by which eligible price cap carriers could elect to receive an additional year of support); *Wireline Competition Bureau Authorizes all Eligible Price Cap Carriers to Receive a Seventh Year of Connect America Fund Phase II Model-Based Support*, WC Docket No. 10-90, Public Notice, 35 FCC Rcd 12933, Attach. A (WCB 2020) (*CAF Phase II Model Seventh Year Authorization Public Notice*).

²³⁴ First Supplement to Lead Application at 8.

²³⁵ *Id.*; Mar. 16 Letter at 4 and n.10.

²³⁶ 47 U.S.C. § 214(e)(1)(A).

²³⁷ *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 745, para. 139. See also *December 2014 Connect America Order*, 29 FCC Rcd at 15663-71, paras. 50-70; 47 CFR § 54.201(d)(3). The "List of Census Blocks Subject to Federal High-Cost Voice Obligations," listing the census blocks where price cap carriers retain the federal high-cost ETC obligation to offer voice telephony, is available at <https://www.fcc.gov/general/price-cap-resources>.

²³⁸ 47 U.S.C. § 214(a), (e)(4); *Rural Digital Opportunity Fund Order*, 35 FCC Rcd at 744-45, paras. 136-38.

63. Connect Holding also remains financially, technically, and managerially obligated to meet all public interest and performance obligations associated with the receipt of RDOF funding in accordance with the Commission's pre-transaction authorization of the Lumen RDOF Subsidiaries, and it has affirmatively acknowledged and assumed responsibility for these obligations.²³⁹ The Applicants also explain that Apollo "will seek the necessary state approvals to ensure that the [Lumen RDOF Subsidiaries] retain their ETC designations, where applicable."²⁴⁰

64. The Lumen RDOF Subsidiaries have been authorized to receive a total of \$94,566,405.80 in support to serve a total of 32,580 locations in 9 of the states that are the subject of this transaction, which is approximately 36% of the \$262,367,614.20 in total RDOF support authorized for Lumen for 77,257 locations. As a condition of receiving RDOF support, the Lumen RDOF Subsidiaries must comply with all reporting, deployment, public interest requirements, and testing requirements for the RDOF program as well as requirements specified in the statutes and rules for ETC designation.²⁴¹

65. The Lumen RDOF Subsidiaries demonstrated, as a condition of authorization, that they are financially and technically qualified to meet the RDOF requirements.²⁴² We find that the proposed transaction will enhance these qualifications. Applicants assert that the infusion of capital resulting from the proposed transaction will enable the Applicant Incumbent LECs, including the Lumen RDOF Subsidiaries, to augment planned fiber deployments in unserved areas.²⁴³ Applicants are "confident" that the planned fiber services "will be highly competitive," and thus they anticipate any competition they face in rural areas from new nationwide broadband providers will not thwart their ability to meet their universal service support obligations.²⁴⁴ They have stated on the record that any debt issued in connection with the proposed transaction will be modest and will not increase Connect Holding's costs to deploy service or negatively affect its deployment timetable.²⁴⁵ Applicants have further confirmed that, following the proposed transaction, Connect Holding does not plan any material changes to the technology that the Lumen RDOF Subsidiaries will use to satisfy their commitments.²⁴⁶ Applicants have also confirmed that Connect Holding will "supplement" the existing management expertise of the

²³⁹ See *Lumen May 12 RDOF Public Notice* at 1-8 (summarizing Auction 904 obligations); *Lumen June 14 RDOF Public Notice* at 1-10; March 16 Letter at 3. Separately, Lumen has affirmed that it will remain responsible after the transaction close date for RDOF obligations that have been agreed to by Lumen's non-conveying operating subsidiaries, and will continue to have the financial, technical, and managerial capacity to meet those obligations. Mar. 16 Letter at 3.

²⁴⁰ Lead Application, Attach. 1, at 14.

²⁴¹ *Lumen May 12 RDOF Public Notice* at 1-8; *Lumen June 14 RDOF Public Notice* at 1-10. Applicants stated that the proposed transaction would not be consummated until after the Lumen RDOF Subsidiaries had been authorized to receive support, but they also requested a waiver of the Commission's rule prohibiting major modifications of a RDOF-long form application in case they had not been authorized at the time of closing. Lead Application, Attach. 1 at 14-15 (citing 47 CFR § 54.804(b)(6)(iv)). Because the Lumen RDOF Subsidiaries have been authorized to receive support, we dismiss as moot Applicants' request for a waiver of the Commission's prohibition on major modifications to RDOF long-form applications.

²⁴² *Auction 904 Closing Public Notice*, 36 FCC Rcd at 13895, para. 18 (explaining that RDOF long-form applications "will be reviewed by Commission staff for completeness and compliance with the Commission's rules and to determine if the long-form applicant has demonstrated that it is technically and financially qualified to fulfill its [RDOF] public interest obligations if authorized to receive support").

²⁴³ Mar. 16 Letter at 2.

²⁴⁴ First Supplement to Lead Application at 4-5, 7 (stating that Connect Holding will meet all assumed USF broadband obligations and that its fiber offerings will be highly competitive against any broadband providers entering the market).

²⁴⁵ First Supplement to Lead Application at 8.

²⁴⁶ Mar. 16 Letter at 3.

Applicant Incumbent LECs, including the Lumen RDOF Subsidiaries, with an experienced management team that will oversee fiber deployment.²⁴⁷

66. The Commission has specified that ensuring consumers receive new or additional services is an important public interest factor,²⁴⁸ and accelerating private sector deployment of advanced services is one of the aims of the Communications Act.²⁴⁹ In light of Connect Holding's commitments to meet all federal high cost funding obligations of the Applicant Incumbent LECs and the fact that Connect Holding and Apollo are prepared to increase capital and other resources for them to accelerate and expand facilities-based service offerings, we find that the proposed transaction will result in some public interest benefits.

IX. CONCLUSION

67. After a thorough review of the Applications and the record in this proceeding, we find that the Applicants are fully qualified and conclude that the grant of the Applications would serve the public interest. Accordingly, we grant the Applications and the Petition, subject to the LOA condition, and also grant the Committee Petition.

X. ORDERING CLAUSES

68. Accordingly, having reviewed the record in this matter, **IT IS ORDERED**, pursuant to sections 4(i) and (j), 5(c), 214(a), 214(c), 303(r), 309, and 310(d) of the Act, 47 U.S.C. §§ 154(i), 154(j), 155(c), 214(a), 214(c), 303(r), 309, 310(d), and sections 1.948, 63.04, and 63.24 of the Commission's rules, 47 CFR §§ 1.948, 63.04, 63.24, and pursuant to the authority delegated under sections 0.51, 0.91, 0.131, 0.261, 0.291, and 0.331 of the Commission's rules, 47 CFR §§ 0.51, 0.91, 0.131, 0.261, 0.291, 0.331, that the Applications to transfer control of the authorizations listed in Appendix A **ARE GRANTED**, as conditioned in this Memorandum Opinion and Order and Declaratory Ruling.

69. **IT IS FURTHER ORDERED** that, pursuant to sections 4(i)-(j) and 310(b) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j), 310(b), and sections 1.5001-04 of the Commission's rules, 47 CFR §§ 1.5001-04, the Petition for Declaratory Ruling filed by Petitioner **IS GRANTED**, as conditioned in this Memorandum Opinion and Order and Declaratory Ruling.

70. **IT IS FURTHER ORDERED** that, pursuant to Sections 4(i)-(j) and 310(b) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j), 310(b), and §§ 1.5001-04 of the Commission's rules, 47 CFR § 1.5001-04, the Committee Petition to Adopt Conditions to Authorizations and Licenses filed by the NTIA **IS GRANTED**.

71. **IT IS FURTHER ORDERED** that, pursuant to sections 4(i)-(j), 214, 303(r), 309, 310(b), and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j), 214, 303(r), 309, 310(b), 310(d), and sections 1.948, 63.03-63.04, 63.24 and 1.40001-40004 of the Commission's rules, 47 CFR §§ 1.948, 63.03-63.04, 63.24, 1.40001-40004, grant of the Applications and Petition for Declaratory Ruling **IS CONDITIONED UPON** compliance by Connect Holding and VoteCo with the Letter of Agreement from Thomas Maguire, Connect Holding, and Aaron Sobel, VoteCo, to the Chief, Foreign Investment Review Section (FIRS), Deputy Chief, Compliance and Enforcement (FIRS) on Behalf of the Assistant Attorney General for National Security, United States Department of Justice, National Security Division, dated July 19, 2022. Any failure to comply and/or remain in compliance with any of these commitments and undertakings shall constitute a failure to meet a condition of the underlying authorizations and licenses and thus grounds for declaring the authorizations and licenses terminated

²⁴⁷ First Supplement to Lead Application at 9; Lead Application, Exh. 1 at 8.

²⁴⁸ See, e.g., *AT&T-DIRECTV Order*, 30 FCC Rcd at 9140, para. 19.

²⁴⁹ See *Verizon-TracFone Order* at 9, para. 22 (citing 47 U.S.C. §§ 254, 332(c)(7), 1302; Telecommunications Act of 1996, Pub. L. No. 104-104, Preamble, 110 Stat. 56 (1996) (one purpose of the Act is to "accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services")).

without any further action on the part of the Commission. Failure to meet a condition of the grant may also result in monetary sanctions or other enforcement action by the Commission.

72. **IT IS FURTHER ORDERED** that this Memorandum Opinion and Order and Declaratory Ruling **SHALL BE EFFECTIVE** upon release, in accordance with section 1.102 of the Commission's rules, 47 CFR § 1.102. Petitions for reconsideration under section 1.106 of the Commission's Rules, 47 CFR § 1.106, may be filed within thirty days of the release date of this Memorandum Opinion and Order and Declaratory Ruling.

FEDERAL COMMUNICATIONS COMMISSION

Trent B. Harkrader
Chief, Wireline Competition Bureau

Thomas P. Sullivan
Chief, International Bureau

Joel Taubenblatt
Acting Chief, Wireless Telecommunications Bureau

ATTACHMENT A**SECTION 214 AUTHORIZATIONS****A. International**

The International Bureau grants the following applications for consent to the assignment of certain international section 214 authorizations:

<u>File Number</u>	<u>Authorization Holder</u>	<u>Authorization Number</u>
ITC-T/C-20210903-00139	CenturyTel Broadband Services, LLC	ITC-214-20000706-00385 ²⁵⁰

B. Domestic

The Wireline Competition Bureau grants the application filed by Lumen Technologies, Inc. (Lumen) and Connect Holding, LLC (Connect Holding) to transfer control of domestic section 214 authority in WC Docket No. 21-350.²⁵¹

SECTION 310(d) APPLICATIONS

The Wireless Telecommunications Bureau grants the following applications for consent to the assignment and transfer of control of licenses:

WIRELESS LICENSES

<u>File Number</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0009669963 ²⁵²	Carolina Telephone and Telegraph Company LLC	WQR37
0009669967	Central Telephone Company of Texas	WLC623
0009669970	CenturyTel of Alabama, LLC	WFY653
0009669971	CenturyTel of Arkansas, LLC	KNKG844
0009669972	CenturyTel of Missouri, LLC	WQLJ485
0009669973	CenturyTel of San Marcos, Inc.	KNKG811
0009669974	CenturyTel of Upper Michigan, Inc.	KNKP350
0009669977	Coastal Utilities, Inc.	WQMN435
0009669980	Embarq Missouri, Inc.	KYO87
0009669985	United Telephone Southeast LLC	KJH26

²⁵⁰ On July 1, 2022, ITC-214-20000706-00385 was assigned from Madison River Communications Corporation (Madison River) to CenturyTel Broadband Services, LLC (CTBS). Both Madison River and CTBS are indirect wholly owned subsidiaries of Lumen. See ITC-ASG-20220715-00084.

²⁵¹ 47 CFR § 63.03.

²⁵² This application is the lead application for the wireless applications.

Petition for Declaratory Ruling Under Section 310(b)(4)

The International Bureau grants the Petition, File No. ISP-PDR-20211028-00008.