**DA 22-894**

**Released: August 26, 2022**

**DOMESTIC SECTION 214 APPLICATION FILED FOR**

**THE TRANSFER OF CONTROL OF WestELCOM COMMUNICATIONS, INC. TO Atlas CONNECTIVITY, LLC**

**STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 22-291**

**Comments Due: September 9, 2022**

**Reply Comment Due: September 16, 2022**

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Chazy and Westport Telephone Corporation (C&W) and Atlas Connectivity, LLC (Atlas) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission’s rules, requesting consent to transfer control of Westelcom Communications, Inc. (Westelcom Communications), parent company of Westelcom Network, Inc. (Westelcom), from C&W to Atlas.[[1]](#footnote-3)

C&W, a New York corporation and rural incumbent local exchange carrier (LEC) in New York, is the direct parent of Westelcom Communications, a holding company that wholly-owns Westelcom. Westelcom is a competitive LEC serving approximately 1,680 customers in the counties of Jefferson, Lewis, St. Lawrence, Franklin, Clinton, and Essex in New York.[[2]](#footnote-4)

Atlas, a Delaware limited liability company, operates as a holding company for
Commission-regulated entities, including Nicholville Telco LLC (Nicholville Telco), a New York limited liability company, and SLIC Network Solutions, Inc. (SLIC), a New York corporation. Nicholville Telco operates as a rural LEC serving the Nicholville and Winthrop exchanges in areas of upstate New York.[[3]](#footnote-5) SLIC, a competitive LEC, provides telecommunications services in the North Country of New York. Atlas has other affiliates, Keene Valley Video, Inc. and HCCI, LLC, that provide cable services and other services in northern New York. 5LOOP, LLC (5LOOP), a Delaware investment entity, holds 81.22% of Atlas. Bradley Pattelli and his family, U.S. citizens, own a 17.63% non-voting equity interest in 5LOOP, and Rock Island Capital Fund II, L.P. (Rock Island), a Delaware limited partnership, owns a 78.97% equity interest in 5LOOP. Rock Island is held by the following individuals and entities: Lanigan Holdings, LLC (12.6% equity interest), an Illinois limited liability corporation, whose managing members are all U.S. citizens; limited partners each holding less than a 10% interest (87.4% total equity interest); and Rock Island’s general partner, RIC GP II, LLC, a Delaware limited liability company whose managing members are U.S. citizens. Applicants state that the owners of Atlas do not have a 10% or greater interest in any other regulated telecommunications entity.[[4]](#footnote-6)

Pursuant to terms of the proposed transaction, Atlas will purchase 100% of the outstanding common stock of Westelcom Communications from C&W, and thereby become the ultimate parent of Westelcom and TEO Communications, Inc.

Applicants request streamlined treatment of the proposed transaction under the Commission’s rules and assert that a grant of the application would serve the public interest, convenience, and necessity. We accept the application for streamlined filing under section 63.03(b)(2)(ii) of the Commission’s rules.[[5]](#footnote-7)

Domestic Section 214 Application Filed for the Transfer of Control of

Westelcom Communications, Inc. to Atlas Connectivity, LLC, WC Docket No. 22-291 (filed Aug. 1, 2022).

**GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission’s rules and policies. Pursuant to section 63.03(a) of the Commission’s rules, 47 CFR § 63.03(a), interested parties may file comments **on or before September 9, 2022**, and reply comments **on or before September 16, 2022**. Pursuant to section 63.52 of the Commission’s rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to section 63.03 of the Commission’s rules, 47 CFR § 63.03, parties to this proceeding should file any documents using the Commission’s Electronic Comment Filing System (ECFS): http://apps.fcc.gov/ecfs/.

**In addition, e-mail one copy of each pleading to each of the following:**

1. Myrva Charles, Competition Policy Division, Wireline Competition Bureau, myrva.charles@fcc.gov;
2. Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
3. Sumita Mukhoty, Telecommunications and Analysis Division, International Bureau, sumita.mukhoty@fcc.gov; and
4. Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

People with Disabilities:  We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible.  Send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.[[6]](#footnote-8) A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Myrva Charles at (202) 418-1506 or Dennis Johnson at (202) 418-0809.

**FCC**

1. *See* 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Applicants filed a supplement to their application on August 16, 2022. Letter from Todd B. Lantor, Counsel to Chazy and Westport Telephone Corporation and Atlas Connectivity, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 22-291 (filed Aug. 16, 2022). Applicants also filed applications for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. [↑](#footnote-ref-3)
2. TEO Communication, Inc., a subsidiary of Westelcom, provides interconnected VoIP services to approximately 37 customers in New York and several other states. [↑](#footnote-ref-4)
3. Applicants state that there is no geographic overlap between Nicholville Telco and Westelcom in New York, and their operating territories are not adjacent to each other. [↑](#footnote-ref-5)
4. On August 23, 2022, Atlas and SDC Atlas AcquisitionCo, LLC (SDC Acquisition), a Delaware limited liability company ultimately owned by affiliates of SDC Capital Partners, LLC, a New York investment entity, filed an application to transfer control of Atlas, Nicholville Telco, and SLIC to SDC Acquisition. Joint Application by SDC Atlas AcquisitionCo, LLC and Atlas Connectivity, LLC for a Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, and Sections 63.03 and 63.24 of the Commission’s Rules, WC Docket No. 22-309 (filed Aug. 23, 2022). Applicants state that the SDC Atlas Acquisition proposed transaction is independent of the Westelcom proposed transaction. *Id*. at 13-14 and n.8. [↑](#footnote-ref-6)
5. 47 CFR § 63.03(b)(2)(ii). [↑](#footnote-ref-7)
6. *See* 47 CFR § 1.45(c). [↑](#footnote-ref-8)