**DA 23-1168**

**Released:**  **December 15, 2023**

**DOMESTIC SECTION 214 APPLICATION FILED**

**FOR THE TRANSFER OF CONTROL OF HORIZON ACQUISITION PARENT LLC AND ITS SUBSIDIARIES TO SHENANDOAH TELECOMMUNICATIONS COMPANY**

**NON-STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 23-384**

**Comments Due: December 29, 2023**

**Reply Comment Due: January 5, 2024**

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Horizon Acquisition Parent LLC (HAP) and Shenandoah Telecommunications Company (Shentel), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission’s rules,[[1]](#footnote-3) requesting consent for the transfer of control of The Chillicothe Telephone Company (CTC) and its affiliates Horizon Services, Inc. (Horizon Services), Infinity Fiber, LLC (Infinity Fiber), and Urban System, LLC (Urban Systems), (Horizon Services, Infinity Fiber and Urban Systems, together, the Horizon Licensees, and, together with CTC, the Licensees) (Licensees, together with HAP and Shentel, the Applicants) from HAP to Shentel.[[2]](#footnote-4)

The Licensees provide telecommunications services and other services in Indiana, Kentucky, Michigan, Ohio, Pennsylvania, and/or West Virginia.[[3]](#footnote-5) CTC is authorized to provide service as an incumbent local exchange carrier (LEC) in Kentucky, as a competitive LEC throughout Ohio, and as a competitive access provider (CAP) in Michigan.[[4]](#footnote-6) CTC provides interstate exchange access and interstate interexchange services to customers in ten exchanges within portions of the counties of Hocking, Jackson, Pickaway, Pike, Ross, and Vinton in central Ohio.[[5]](#footnote-7) While Horizon Services is authorized to provide competitive LEC services in Ohio, it does not currently provide any services.[[6]](#footnote-8) Infinity Fiber and Urban Systems currently provide dark fiber services in Indiana.[[7]](#footnote-9) HAP, a Delaware limited liability, operates as a holding company and parent to the Licensees and does not offer or provide telecommunications services.[[8]](#footnote-10) HAP is “controlled by its majority shareholder, Novacap TMT, L.P., a limited partnership formed under the laws of the Province of Quebec, Canada, and an entity that is ultimately controlled by certain principals of Novacap Management Inc.”[[9]](#footnote-11)

Shentel, a publicly-traded Virginia corporation, is a holding company that provides residential and commercial communication services through its operating subsidiaries.[[10]](#footnote-12) Shentel, through its affiliates, provides domestic telecommunications services in Kentucky, Maryland, Pennsylvania, Virginia, and West Virginia.[[11]](#footnote-13) The following U.S. entities hold a ten percent or greater interest in Shentel: Black Rock, Inc. (and subsidiaries) (16.3%); and The Vanguard Group, Inc. (10.98%).[[12]](#footnote-14)

Pursuant to the terms of the Agreement and Plan of Merger, the Applicants propose to transfer control of the Licensees through two steps, wherein a newly created Shentel subsidiary, Fox Merger Sub I, Inc., (Merger Sub I), a Delaware corporation, and another newly created Shentel subsidiary, Fox Merger Sub II, LLC (Merger Sub II), a Delaware limited liability company, will facilitate Shentel’s acquisition and assumption of control of the Licensees.[[13]](#footnote-15) Specifically, Applicants state that “Merger Sub I will merger into HAP, with HAP as the surviving entity, and then such surviving entity will be merged into Merger Sub II, with Merger Sub II as the surviving equity (the name of which will be Horizon Acquisition Parent LLC), such that the Licensees will become direct, wholly-owned subsidiaries of Shentel.”[[14]](#footnote-16) As a result, Shentel will acquire an indirect interest in 100% of the equity and voting interest in the Licensees, and will thus assume indirect control of the Licensees.[[15]](#footnote-17) Applicants state that Shentel will ultimately own and control the Licensees following consummation of the proposed transaction.[[16]](#footnote-18)

Applicants assert that the proposed transaction is consistent with the public interest, convenience and necessity.[[17]](#footnote-19) Applicants state that customers’ rates, terms, and conditions of service will not change except in compliance with customers’ contracts, the Licensees’ tariffs, and applicable law.[[18]](#footnote-20) Applicants contend that the transaction will not result in a loss of a competitive provider in the markets in which the Licensees currently operate.[[19]](#footnote-21)

Because the proposed transaction is more complex than those accepted for streamlined treatment, and in order to analyze whether the proposed transaction would serve the public interest, we accept the Application for non-streamlined processing.[[20]](#footnote-22)

Domestic Section 214 Application Filed for the Transfer of Control of

Horizon Acquisition Parent LLC to Shenandoah Telecommunications Company,

WC Docket No. 23-384 (filed Nov. 7, 2023).

**GENERAL INFORMATION**

The application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission’s rules and policies.

Interested parties may file comments **on or before December 29, 2023**, and reply comments **on or before January 5, 2024**. Comments may be filed using the Commission’s Electronic Comment Filing System (ECFS) or by paper.

* Electronic Filers:  Comments may be filed electronically by accessing ECFS at <http://apps.fcc.gov/ecfs/> .
* *Paper Filers*: Parties who choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.
  + Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail.[[21]](#footnote-23) All filings must be addressed to the Commission’s Secretary, Office of the Secretary, Federal Communications Commission.
  + Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street, NE, Washington, DC 20554.

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

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

1. Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, [tracey.wilson@fcc.gov](mailto:tracey.wilson@fcc.gov);
2. Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, [dennis.johnson@fcc.gov](mailto:dennis.johnson@fcc.gov);
3. David Krech, Office of Internal Affairs, [david.krech@fcc.gov](mailto:david.krech@fcc.gov); and
4. Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov).

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 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.[[22]](#footnote-24) A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Tracey Wilson at (202) 418-1394 or Dennis Johnson at dennis.johnson@fcc.gov.

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1. *See* 47 U.S.C. § 214; 47 CFR §§ 63.03-04. [↑](#footnote-ref-3)
2. Joint Application for Consent to Transfer Indirect Control of Domestic Section 214 Authorization Holders, WC Docket No. 23- 384 (filed on Nov. 7, 2023). Applicants filed a supplements to their application on November 29, 2023 and December 11, 2023. Letter from Michael P. Donahue, PLLC, Counsel to Transferor and Licensees, and K.C. Halm, Counsel to Transferee, to Marliene H. Dortch, Secretary, FCC, WC Docket No. 23-384 (filed Nov. 29, 2023) (Nov. 29 Supplement); Letter from Michael P. Donahue, PLLC, Counsel to Transferor and Licensees, and K.C. Halm, Counsel to Transferee, to Marliene H. Dortch, Secretary, FCC, WC Docket No. 23-384 (filed Dec. 11, 2023) (Dec. 11 Supplement). . Applicants also filed applications for the transfer of international authorizations and wireless radio licenses. Any action on this application is without prejudice to other pending applications before the Commission. [↑](#footnote-ref-4)
3. Application at 3. [↑](#footnote-ref-5)
4. CTC holds authorization to provide competitive LEC services in New Jersey; however, it intends to surrender that authorization pursuant to New Jersey Board of Public Utilities procedures prior to the proposed transaction’s consummation. *Id*. at 3. CTC participates in the Rural Healthcare and E-rate programs in Ohio. *Id*. at 17. [↑](#footnote-ref-6)
5. *Id*. at 3. [↑](#footnote-ref-7)
6. *Id.* [↑](#footnote-ref-8)
7. *Id*. [↑](#footnote-ref-9)
8. *Id.* at 11, 12, 15. [↑](#footnote-ref-10)
9. *Id.* at 3-4. Horizon All West Holdings, Inc., an indirect subsidiary of Novacap Management Inc., a Canadian company, filed an application for consent to transfer control of All West Communications, Inc. to another indirect subsidiary of Novacap Management Inc. Restated Joint Section 214 Application of All West Communications, Inc. and Novacap All West Holdings, Inc. for Consent to Transfer Control, WC Docket No. 22-410 (filed Apr. 25, 2023) (updating the initial application filed on Nov. 28, 2022). [↑](#footnote-ref-11)
10. *Id.* at 4. [↑](#footnote-ref-12)
11. *Id*. at 4-5, 15. [↑](#footnote-ref-13)
12. *Id*. at Exhibit C (Post-Closing Ownership Structure Chart). [↑](#footnote-ref-14)
13. *Id*. at 5. [↑](#footnote-ref-15)
14. *Id.* [↑](#footnote-ref-16)
15. *Id.* [↑](#footnote-ref-17)
16. Nov. 29 Supplement at 2. The Board of Directors of Shentel are all U.S. citizens. Dec. 11 Supplement at 1. [↑](#footnote-ref-18)
17. Application at 6. [↑](#footnote-ref-19)
18. *Id*. at 9. [↑](#footnote-ref-20)
19. *Id*. [↑](#footnote-ref-21)
20. 47 CFR § 63.03(c)(1)(v). [↑](#footnote-ref-22)
21. Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. *See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, 35 FCC Rcd 2788 (OS 2020). [↑](#footnote-ref-23)
22. *See* 47 CFR § 1.45(c). [↑](#footnote-ref-24)