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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF THE FASTWYRE LICENSEES FROM AMERICAN BROADBAND HOLDING COMPANY TO CSM INTERMEDIATE II, LLC

WC Docket No. 25-353

By this Public Notice, the Wireline Competition Bureau (Bureau) grants an application filed by American Broadband Holding Company (American Broadband) and CSM Intermediate II, LLC (CSM Intermediate) (together, Applicants), pursuant to section 214(a) of the Communications Act of 1934, as amended (Act), and section 63.04 of the Federal Communication Commission's (Commission) rules,¹ requesting Commission consent to transfer control of American Broadband's wholly owned subsidiaries, Cameron Communications, L.L.C. (Cameron Communications), Cameron Telephone Company, L.L.C. (Cameron Telephone), Elizabeth Telephone Company, L.L.C. (Elizabeth Telephone), LBH, L.L.C. (LBH), Moundville Telephone Company, Inc. (Moundville Telephone), and MTC Long Distance, Inc. (MTC) (collectively, Fastwyre Licensees) to CSM Intermediate.²

On February 11, 2026, the Bureau released a public notice seeking comment on the Application.³ The Bureau did not receive any comments or petitions in opposition to the Application.

American Broadband, a Delaware corporation, is an aggregator of several rural local exchange and broadband companies that serves customers under the brand name Fastwyre.⁴ The Fastwyre Licensees are indirect, wholly-owned subsidiaries of American Broadband and are directly owned through regional holding companies, Cameron Holdings of NC, Inc., (Cameron Holdings), a Delaware corporation, and ABAC Alabama Inc. (ABAC Alabama), a Delaware corporation.⁵

Cameron Communications, a Louisiana limited liability company and direct, wholly-owned subsidiary of Cameron Holdings, provides intrastate telecommunications services throughout Louisiana

¹ See 47 U.S.C. § 214(a); 47 CFR § 63.04.

² Domestic Section 214 Application for the Transfer of Control of the Fastwyre Licensees from American Broadband Holding Company to CSM Intermediate II, LLC, WC Docket No. 25-353 (filed Dec. 23, 2025) (Application). Applicants filed supplements to the Application on June 1, 2026, and June 29, 2026. Letter from Elizabeth R. Park, Counsel to CSM Intermediate II, LLC, and Brian W. Murray and Karen L. Milne Bowles, Counsel to American Broadband Holding Company, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 25-353 (filed June 1, 2026) (Voluntary Commitment Letter); Letter from Elizabeth R. Park, Counsel to CSM Intermediate II, LLC, and Brian W. Murray and Karen L. Milne Bowles, Counsel to American Broadband Holding Company, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 25-353 (filed June 29, 2026) (Supplement). Any action on the Application is without prejudice to Commission action on other related applications.

³ See *Domestic Section 214 Application Filed for the Transfer of Control of the Fastwyre Licensees from American Broadband Holding Company to CSM Intermediate II, LLC*, WC Docket No. 25-353, Public Notice, DA 26-143 (WCB 2026).

⁴ Application at 2.

⁵ *Id.* at 3-4.

and Texas, and resells intrastate, interstate, and international long distance toll services in the incumbent local exchange carrier (LEC) and competitive LEC exchanges served by its directly, wholly-owned subsidiaries, Cameron Telephone, Elizabeth Telephone, and LBH.⁶ Cameron Communications also provides cable video services to customers in Louisiana and Texas.⁷ Cameron Telephone, a Louisiana limited liability company, is an incumbent LEC providing local exchange and exchange access services in Louisiana and Texas.⁸ Elizabeth Telephone, a Louisiana limited liability company, is an incumbent LEC providing local exchange telephone and exchange access services in Louisiana.⁹ Cameron Telephone and Elizabeth Telephone receive high-cost Universal Service Fund (USF) support in the form of Enhanced Alternative Connect America Cost Model (A-CAM) and in the form of Connect America Fund Intercarrier Compensation (CAF-ICC) support.¹⁰ LBH, a Louisiana limited liability company, provides local exchange, interexchange, and other telecommunications services as a competitive LEC in Louisiana.¹¹

Moundville Telephone, an Alabama corporation, is a direct, wholly-owned subsidiary of Moundville Communications, Inc. (Moundville Communications), an Alabama corporation, which is a direct, wholly-owned subsidiary of ABAC Alabama.¹² Moundville Telephone operates as a rural, independent incumbent LEC in Hale and Tuscaloosa counties in Alabama providing voice and Internet services to residential and business customers.¹³ Moundville Telephone receives high-cost USF support in the forms of Enhanced A-CAM and CAF-ICC.¹⁴ MTC, an Alabama corporation and also a wholly-owned subsidiary of Moundville Communications, provides toll resale service to certain of Moundville Telephone's residential and business customers in rural portions of Hale and Tuscaloosa counties in Alabama.¹⁵

CSM Intermediate, a Delaware limited liability holding company, has been established to acquire the ownership interests in the Fastwyre Licensees and is a direct, wholly-owned subsidiary of CSM Holding Company, LLC (CSM Holding), a Delaware limited liability holding company.¹⁶ CSM Holding is majority owned and controlled directly by MIP VI Outlier, LLC (MIP VI Outlier), a Delaware limited liability company.¹⁷ MIP VI Outlier is indirectly owned by investment vehicles managed by and affiliated with Macquarie Infrastructure Partners Inc. (MIP Inc.), a Delaware corporation that is a wholly-

⁶ *Id.* at 4.

⁷ *Id.*

⁸ *Id.*

⁹ *Id.*

¹⁰ *Id.* Cameron Telephone and Elizabeth Telephone also participate in the Lifeline program and will continue to do so post-consummation of the transaction. *Id.* at 27.

¹¹ *Id.* at 4-5.

¹² *Id.* at 5.

¹³ *Id.*

¹⁴ *Id.* Moundville Telephone also participates in the Lifeline program and will continue to do so post-consummation of the transaction. *Id.* at 27.

¹⁵ *Id.* at 5.

¹⁶ *Id.* at 5-6.

¹⁷ *Id.* at 6, Exh. A. (Post-Closing Organizational Chart – Part 2). MIP VI Outlier has a 57.35% direct equity interest in CSM Holding and 50% direct voting interest via the right to appoint four of eight members of CSM Holding. *Id.* at 17.

owned subsidiary of Macquarie Infrastructure and Real Assets Inc. (MIRA Inc.).¹⁸ MIP Inc. and MIRA Inc. are part of the Real Assets division of Macquarie Asset Management (MAM),¹⁹ a Delaware corporation and an operating group within Macquarie Group Limited (MGL), a publicly-traded diversified financial group incorporated in Australia.²⁰ The remaining minority interest in CSM Holding is directly held by Hunt Group Holdings, LLC (Hunt Group), a Louisiana limited liability company.²¹ Applicants state that CSM Intermediate is affiliated²² with various providers of domestic communications and telecommunications services including CableSouth Media III, LLC d/b/a Swyft Fiber (Swyft Fiber),²³ Bluebird Network, LLC (Bluebird)²⁴ and Cincinnati Bell Inc. d/b/a altafiber (Cincinnati Bell).²⁵ Applicants state that CSM Intermediates' affiliates receive high-cost Universal Service Fund support as follows: 1) Swyft Fiber receives Rural Digital Opportunity Fund (RDOF) support in Arkansas, Louisiana, and Mississippi; 2) three of Cincinnati Bell's subsidiaries receive CAF Phase II and/or RDOF

¹⁸ *Id.* at 6, Exh. A. (Part 2), Exh. C (Post-Closing Indirect Interests in the Fastwyre Licensees Held by MIP VI Outlier).

¹⁹ *See id.* at 20 n.16 (explaining that “MAM acts independently of other MGL businesses and has separate sources of funds. . . . and thus, it does not have, and will not have, access to information or any control over the operations of any interests that may be held by operating groups within MGL other than MAM”).

²⁰ *Id.* at 6, Exh. A. (Part 2), Exh. C (Post-Closing Indirect Interests in the Fastwyre Licensees Held by MIP VI Outlier).

²¹ *Id.* at 6, Exh. A. (Part 1), Exh. B (Post-Closing Indirect Interests in the Fastwyre Licensees Held by Hunt Group). Hunt Group has a 42.65% direct equity interest in CSM Holding and 50% direct voting interest via the right to appoint four of eight members of CSM Holding. *Id.* at 17.

²² *See id.* at 20 n.16 (noting the “affiliates of CSM Intermediate that are authorized to provide domestic telecommunications services and identified here are limited to such entities within MAM, and do not include other carrier entities that may ultimately be owned and/or controlled by MGL”).

²³ *Id.* at 6, 20. Swyft Fiber provides broadband, VoIP, and video services to end-user customers in Arkansas, Louisiana, and Mississippi. *Id.* at 20. Swyft Fiber's fiber network in Louisiana includes portions of Allen and Vernon Parishes, in which it has limited overlaps with certain Fastwyre Licensee territories. *Id.* at 11 n.15 (noting the “companies' service areas are adjacent in a portion of Rapides Parish, and could have de minimis overlaps.”).

²⁴ *Id.* at 20-21. Bluebird, which is owned by a fund managed by MIP Inc., provides domestic telecommunications through: 1) Missouri Network Alliance, LLC d/b/a Bluebird Network (MNA), provider of transport and Internet services to wholesale and enterprise customers in Missouri, Illinois, Iowa, Oklahoma, Kansas, Kentucky, Tennessee, Nebraska, and Wisconsin, as well as a provider tandem switching and transport services for interexchange carriers in Missouri pursuant to interstate and intrastate tariffs; 2) Illinois Network Alliance, LLC, a provider of transport and Internet access services to wholesale customers in Illinois, Kentucky, and Tennessee; and 3) PEG Bandwidth IL, LLC, a provider of competitive interexchange services in Illinois, Indiana, Iowa, and Missouri. *Id.* Applicants note that an affiliate of MNA, Bluebird MidWest, LLC, expects to acquire assets under which it may operate under domestic section 214 authority and would provide broadband Internet, voice, and data services to small and medium-sized and enterprise businesses, as well as carrier, government, and other non-residential customers in Illinois, Indiana, Kentucky, Michigan, Ohio, and Wisconsin. *Id.* at 21 n.17 (citing *Domestic Section 214 Application Granted for the Acquisition of Certain Assets of Everstream Solutions LLC, Debtor-in-Possession, Everstream GLC Holding Company, Lynx Network Group, Inc., Debtor-in-Possession, and HRS Internet, LLC, Debtor-in-Possession by Bluebird MidWest, LLC*, WC Docket No. 25-245, Public Notice, DA 25-978 (Nov. 21, 2025)).

²⁵ *Id.* at 21. MIP VI Outlier is affiliated with Red Fiber Parent, LLC, which is majority-owned by an investment vehicle managed by MIP Inc. *Id.* Red Fiber Parent, LLC owns Cincinnati Bell, which, through its subsidiaries, provides telecommunications services to residential and business customers through the following entities: 1) Cincinnati Bell Telephone Company LLC (CBT), an incumbent local exchange carrier (LEC) providing service in portions of Ohio, Kentucky, and Indiana; 2) Cincinnati Bell Extended Territories LLC (CBET), a competitive LEC providing service in Ohio in areas outside CBT's territory, which also holds authorization but does not currently provide competitive LEC and interexchange service throughout Ohio, Kentucky, and Indiana; 3) Hawaiian Telcom, Inc. (HTI), an incumbent LEC in Hawaii; and 4) Hawaiian Telcom Services Company, Inc., a provider of interstate and intrastate long distance, wireless, and other communications services in Hawaii. *Id.* at 21-22.

support—CBET receives CAF Phase II support in Ohio, CBT receives CAF Phase II support in Kentucky and Ohio and RDOF support in Indiana, Kentucky, and Ohio, and HTI receives CAF Phase II and RDOF support in Hawaii.²⁶

Pursuant to the terms of the proposed transaction, American Broadband, Cameron Holdings, ABAC Alabama, and CSM Intermediate, among others, entered into an interest purchase agreement pursuant to which CSM Intermediate will acquire 100% of the interests in Cameron Holdings and ABAC Alabama, and therefore, indirect ownership and control of their respective subsidiaries, the Fastwyre Licensees.²⁷ Applicants state that, as a result of the proposed transaction, the Fastwyre Licensees will be indirectly owned and controlled by CSM Intermediate.²⁸

Public Interest Analysis

Pursuant to section 214(a) of the Act,²⁹ we must determine whether the proposed transfer of control of Licensees will serve the public interest, convenience, and necessity. We first assess whether the proposed transaction complies with the specific provisions of the Act, other applicable statutes, and the Commission's rules.³⁰ We then consider whether the transaction could result in public interest harms by substantially frustrating or impairing the objectives or implementation of the Act or related statutes.³¹ Notably, the Commission has determined it may impose and enforce transaction-related conditions, or accept voluntary commitments, to ensure that the public interest is served by the transaction.³² We next

²⁶ *Id.* at 25.

²⁷ *Id.* at 7.

²⁸ *Id.* Applicants note that prior to the closing of the proposed transaction, each of the acquired entities that are currently organized as corporations—namely, Cameron Holdings, ABAC Alabama, Moundville Communications, Moundville Telephone and MTC—will be converted to limited liability companies. *Id.*

²⁹ 47 U.S.C. § 214(a).

³⁰ See, e.g., *Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 32 FCC Rcd 9581, 9585, para. 8 (2017) (*CenturyLink-Level 3 Order*); *Frontier Communications Parent, Inc. and Verizon Communications, Inc. Application for Consent to Transfer Control*, WC Docket No. 25-445, Memorandum Opinion and Order, 40 FCC Rcd 3156, 3160, para. 9 (WCB, OIA, WTB 2025) (*Verizon-Frontier Order*); *Application of Verizon Communications Inc. and Straight Path Communications, Inc. for Consent to Transfer Control of Local Multipoint Distribution Service, 39 GHz, Common Carrier Point-to-Point Microwave, and 3650-3700 MHz Service Licenses*, Memorandum Opinion and Order, 33 FCC Rcd 188, 189, para. 5 & n.11 (WTB 2018) (*Verizon-Straight Path Order*); *Applications of GCI Communication Corp., ACS Wireless License Sub, Inc., ACS of Anchorage License Sub, Inc., and Unicom, Inc. for Consent to Assign Licenses to the Alaska Wireless Network, LLC*, Memorandum Opinion and Order and Declaratory Ruling, 28 FCC Rcd 10433, 10442, para. 23 & n.71 (2013) (*Alaska Wireless-GCI Order*).

³¹ See, e.g., *CenturyLink-Level 3 Order*, 32 FCC Rcd at 9585, para. 9; *Verizon-Frontier Order*, 40 FCC Rcd at 3160, para. 9; *Verizon-Straight Path Order*, 33 FCC Rcd at 190, para. 5; *Alaska Wireless-GCI Order*, 28 FCC Rcd at 10442, para. 23.

³² See, e.g., *Applications of AT&T Inc. and DIRECTV for Consent to Assign or Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 30 FCC Rcd 9131, 9141, para. 22 (2015) (*AT&T-DIRECTV Order*); *Applications of Comcast Corp., General Electric Co. and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licenses*, Memorandum Opinion and Order, 26 FCC Rcd 4238, 4249, para. 25 (2011); *Application of EchoStar Communications Corp., (a Nevada Corp.), General Motors Corp., and Hughes Electronics Corp (Delaware Corps.) (Transferors) and EchoStar Communications Corp. (a Delaware Corp.) (Transferee)*, Hearing Designation Order, 17 FCC Rcd 20559, 20575, para. 27 (2002) (*EchoStar-DIRECTV HDO*); 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) (stating that the Commission may attach conditions to the transfers); *Applications of T-Mobile US, Inc., and Sprint Corp. for Consent to Transfer Control of Licenses and Authorizations*; *Applications of American H Block Wireless L.L.C., DBSD Corp., Gamma Acquisition L.L.C., and Manifest Wireless L.L.C. for Extension of Time*, WT Docket

(continued....)

consider a transaction's public interest benefits. Applicants bear the burden of proving those benefits by a preponderance of the evidence.³³ As part of our public interest authority, we may impose conditions to ensure for the public the transaction-related benefits claimed by the Applicants.³⁴

Based on the current record, and the Applicants' voluntary commitments, we find that there are no likely potential transaction-related public interest harms. Applicants maintain that a grant of the Application "will not result in competitive harms or adversely affect competition in any manner."³⁵ Applicants explain that Swyft Fiber and the Fastwyre Licensees' service territories "generally do not overlap, except for limited overlap within Allen and Vernon Parishes," and "Swyft Fiber's serviceable locations in Oakdale within Allen Parish are predominantly RDOF-funded locations, which [] would not be expected to be served by Fastwyre or other carriers."³⁶ Applicants assert that competitive offerings from other broadband service providers are available to most households throughout Allen and Vernon Parishes, including any overlapping service areas of Swyft Fiber and Fastwyre.³⁷ Applicants also assert that "[b]ecause Applicants generally do not compete directly for customers, and because competitive pressure from alternative providers exists and is growing in the service territories of each of Applicants, the potential harms that may result are relatively miniscule."³⁸ Further, Applicants emphasize the transaction will not harm customers as it will be transparent, will result in continued high quality broadband services under the same rates, terms and conditions, and will not result in any immediate change of carrier or the discontinuation, reduction, loss, or impairment of service for any customer.³⁹

We also find no harms associated with Universal Service Fund (USF) programs will arise from the proposed transaction.⁴⁰ The Applicants acknowledge that Swyft Fiber, an affiliate of CSM, reported in the Broadband Data Collection (BDC) as providing fixed broadband service with speeds that meet or exceed 100/20 Mbps at certain Broadband Serviceable Locations in Louisiana Study Area (SAC 270430), where Elizabeth Telephone, a transferring Licensee, receives Enhanced A-CAM support.⁴¹ The Applicants further acknowledge that LBH, a transferring Licensee, reported in the BDC as providing fixed broadband service with speeds that meet or exceed 100/20 Mbps at certain BSLs in Louisiana SAC

No. 18-197, ULS File Nos. 0008741236, 0008741420, 0008741603, and 0008741789 et al., Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578, 10596, para. 42 (2019) (*T-Mobile-Sprint Order*); *Verizon-Frontier Order*, 40 FCC Rcd at 3160, para. 10.

³³ 47 U.S.C. § 309(e); *CenturyLink-Level 3 Order*, 32 FCC Rcd at 9586, para. 10; *Verizon-Frontier Order*, 40 FCC Rcd at 3161, para. 11; *Verizon-Straight Path Order*, 33 FCC Rcd at 190-91, para. 7; *Alaska Wireless-GCI Order*, 28 FCC Rcd at 10442, para. 23.

³⁴ See, e.g., *Alaska Wireless-GCI Order*, 28 FCC Rcd at 10443, para. 26; *Applications of AT&T Inc. and Centennial Communications Corp. for Consent to Transfer Control of Licenses, Authorizations, and Spectrum Leasing Arrangements*, Memorandum Opinion and Order, 24 FCC Rcd 13915, 13929, para. 30 (2009); *Verizon-Frontier Order*, 40 FCC Rcd at 3161, para. 11.

³⁵ Application at 11.

³⁶ *Id.*

³⁷ *Id.* (noting that many of these competing services including fixed wireless and satellite, are offered by large, national providers with significantly more resources than Swyft Fiber and the Fastwyre Licensees combined).

³⁸ *Id.*

³⁹ *Id.* at 10 & n.14.

⁴⁰ *Id.* at 1-9; 12-17.

⁴¹ See Voluntary Commitment Letter at 1. *Wireline Competition Bureau Authorizes 368 Companies in 44 States to Receive Enhanced Alternative Connect America Cost Model Support to Expand Rural Broadband*, WC Docket No. 10-90, Public Notice, 39 FCC Rcd 11737 (WCB 2023); Enhanced A-CAM Authorization Report 1.1 at 22, <https://docs.fcc.gov/public/attachments/DOC-407197A1.pdf>.

279061, where Swyft Fiber receives RDOF support.⁴² At the time of the Applicant's commitment,⁴³ CSM reported service to 190 units in American Broadband's SAC 270430 (E-ACAM), and American Broadband reported service of at least 100/20 Mbps to 848 units in CSM's SAC 279061 (RDOF) (collectively, Overlapped Locations).⁴⁴

CSM Intermediate voluntarily commits that, after consummation of the proposed transaction and as part of its commitment to good stewardship of high-cost USF support, CSM will return on a pro-rata, per location basis support already received for, and will relinquish all future support payments associated with, the Overlapped Locations.⁴⁵ Such adjustments to the total authorized support for the relevant SACs will be amortized across each monthly disbursement of support over the remainder of the relevant program's support term. We accept these commitments as firm and definite, and expect that they will help ensure that the post-transaction company will continue to deliver high quality broadband service to rural Americans while avoiding potentially inefficient use of universal service support. As a result of these voluntary commitments and consistent with Swyft Fiber's expectations and understandings, Swyft Fiber will no longer be subject to the relevant high-cost program service obligations for these locations but will be obligated to serve all other eligible/obligated locations within the relevant SAC, consistent with program requirements.⁴⁶

We next consider whether the proposed transaction is likely to generate verifiable, transaction-specific public interest benefits.⁴⁷ Applicants must provide evidence of a claimed benefit to allow the Commission to verify its likelihood and magnitude.⁴⁸ Where potential harms appear unlikely, as is the case with the Application before us here, the Commission accepts a lesser degree of magnitude and likelihood than when harms are present.⁴⁹

The Commission has specified that ensuring consumers receive new or additional services is an important public interest factor,⁵⁰ and accelerating private sector deployment of advanced services is one of the aims of the Act.⁵¹ In light of the Applicants' continuing commitments to meet all federal high-cost support obligations and the fact that Applicants are prepared to accelerate facilities-based service offerings, we find it likely that the proposed transaction would result in some public interest benefits.

⁴² See Voluntary Commitment Letter at 1. *Rural Digital Opportunity Fund Support Authorized for 5,657 Winning Bids*, AU Docket No. 20-34, WC Docket Nos. 19-126, 10-90, Public Notice, 37 FCC Rcd 3570, Attach. A (Authorized Long-Form Applicants and Winning Bids) (WCB 2022) (authorizing Swyft Fiber to receive \$142,323,296.80 in RDOF support to serve 52,430 locations within Louisiana SAC 279061) (RDOF *Authorization Public Notice*).

⁴³ See Voluntary Commitment Letter.

⁴⁴ FCC National Broadband Map, <https://broadbandmap.fcc.gov/datadownload/nationwidedata?pubDataVer=jun2025>.

⁴⁵ See Voluntary Commitment Letter at 1-2.

⁴⁶ See *id.* at 2.

⁴⁷ See *AT&T/DIRECTV Order*, 30 FCC Rcd at 9237, paras. 273-74; *CenturyLink-Level 3 Order*, 32 FCC Rcd at 9604, para. 50 (citing *AT&T Inc. and BellSouth Corporation Application for Transfer of Control*, WC Docket No. 06-74, 22 FCC Rcd 5662, 5761, para. 202 (2007)).

⁴⁸ See *AT&T/DIRECTV Order*, 30 FCC Rcd at 9237-38, paras. 275-76; *CenturyLink-Level 3 Order*, 32 FCC Rcd at 9586, para. 10.

⁴⁹ *Id.*

⁵⁰ See, e.g., *AT&T-DIRECTV Order*, 30 FCC Rcd at 9140, para. 19.

⁵¹ See *Verizon-TracFone Order*, 36 FCC Rcd at 17001, para. 21 (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"))).

Applicants state that, as a result of the proposed transaction, the Fastwyre Licensees “will be well positioned to accelerate construction and deployment of their fiber networks and services, and to meet their Enhanced A-CAM obligations,”⁵² and the record indicates that CSM Holding and its owners have the technical, financial, and managerial expertise to do so.⁵³ Applicants state that the proposed transaction will also include the retention of a majority of the current employees responsible for the operations of the Fastwyre Licensees.⁵⁴ Accordingly, Applicants maintain that the proposed transaction will “enable the continued provision of high-quality communications services to the Fastwyre Licensees’ customers and enhance the ability of the Fastwyre Licensees to deploy advanced network services, which will in turn advance telecommunications and information infrastructure in the predominantly rural areas of Alabama, Louisiana, and Texas that the Fastwyre Licensees serve.”⁵⁵ We find that there will likely be efficiencies and increased investment that result from the proposed transaction and conclude that a grant is in the public interest. Because any potential harms are mitigated by the voluntary commitment discussed herein and considering that the proposed transaction is likely to yield some benefits, we find that the proposed transaction serves the public interest.

Grant of Waiver of Section 61.41(c)(2) of the Commission’s Rules (the “All-or-Nothing” Rule)

We also grant CSM Intermediate’s supplement to its Application requesting waiver of section 61.41(c)(2) of the Commission’s rules to allow its affiliates to continue operating as rate-of-return-designated carriers despite being affiliated with price cap carriers.⁵⁶

The “all-or-nothing” rule provides that when a price cap carrier acquires or becomes affiliated with a rate-of-return carrier, the affiliates must convert to price cap regulation within one year of the transaction and file price cap tariffs.⁵⁷ The purpose of this rule is to limit rent-seeking opportunities for cost-shifting that take advantage of the differences in price cap and rate-of-return ratemaking methodologies.⁵⁸ The Commission, however, has explained it would waive this rule where the efficiencies gained from the transaction outweigh the threat of cost-shifting or gaming.⁵⁹ The Bureau has granted requests for waiver of the all-or-nothing rule where it has found that there is minimal or no risk of cost-shifting between price cap and rate-of-return study areas.⁶⁰

After consulting with Commission staff, CSM Intermediate supplemented its application on June 5, 2026 requesting a waiver of the “all-or-nothing” rule to allow its acquired affiliates to continue

⁵² Application at 9.

⁵³ *Id.* at 9-10.

⁵⁴ *Id.*

⁵⁵ *Id.* at 9.

⁵⁶ Letter from Elizabeth R. Park, Counsel for CSM Intermediate II, LLC, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 25-353 (filed June 5, 2026) (Waiver Request).

⁵⁷ 47 CFR § 61.41(c)(2).

⁵⁸ See *Consolidated Communications of Pennsylvania Company, Inc. et al.*, WC Docket No. 19-275, Order, 37 FCC Rcd 4514, 4515, para. 3 (WCB 2022) (*Consolidated Waiver Order*); *Policy and Rules Concerning Rates for Dominant Carriers*, CC Docket No. 87-313, Second Report and Order, 5 FCC Rcd 6786, 6819-20, paras. 271-81 (1990).

⁵⁹ *Policy and Rules Concerning Rates for Dominant Carriers*, CC Docket No. 87-313, Order on Reconsideration, 6 FCC Rcd 2637, 2706, para. 149 n.207 (1991).

⁶⁰ See *Consolidated Waiver Order*, 37 FCC Rcd at 4521-22, paras. 16-18; *Domestic Section 214 Application Granted for the Acquisition of Certain Assets of Michigan Bell Telephone Company, LLC by UP Fiber, Inc.; Joint Petition of Michigan Bell Telephone Company, LLC and UP Fiber, Inc. for Waiver of Part 36 and Section 61.42(c)(2) of the Commission’s Rules*, WC Docket No. 25-181, CC Docket No. 96-45, Public Notice, DA 26-181, at 5-7 (WCB Feb. 23, 2026) (*UP Fiber Public Notice*).

operating as rate-of-return carriers despite affiliation with price cap carriers post-transaction.⁶¹ CSM Intermediate explains that post-transition its price cap affiliates – Cincinnati Bell and Hawaiian Telcom, Inc. – will be affiliated with rate-of-return carriers – Cameron Communications, Cameron Telephone, Elizabeth Telephone, and Moundville Telephone – that each receive Enhanced A-CAM and CAF ICC support.⁶² We note that importantly, this transaction does not create an affiliation between a price cap carrier and a carrier receiving legacy high-cost support.⁶³

Generally, the Commission’s rules may be waived for good cause shown.⁶⁴ The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest.⁶⁵ In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis.⁶⁶ Waiver of the Commission’s rules is therefore appropriate only if special circumstances warrant a deviation from the general rule and such deviation will serve the public interest.⁶⁷

Based on the facts presented, we find good cause exists to grant CSM Intermediate a waiver of the “all-or-nothing” rule pursuant to section 1.3 of the Commission’s rules.⁶⁸ We find that the public interest benefits of granting a waiver of the “all-or-nothing” rule outweigh the potential, if any, risks of cost-shifting. We agree with CSM Intermediate that strict compliance with the all-or-nothing rule is contrary to the public interest in this case.⁶⁹ Absent a waiver, the rate-of-return carriers would lose CAF ICC support because price cap carriers are no longer eligible for that support.⁷⁰ We agree with CSM Intermediate that requiring the rate-of-return carriers to convert to price cap regulation would harm the public interest by “imposing unnecessary costs and resulting in potential disruptions or delays in service.”⁷¹

Further, we find that there is minimal or no risk of cost-shifting between price cap and rate-of-return study areas. We agree with CSM Intermediate that there are no risks of cost-shifting with respect to tariffed interstate switched and special access services because these rates are not calculated based on cost.⁷² Interstate switched access rates are capped and no longer subject to rate-of-return regulation based

⁶¹ Waiver Request at 1.

⁶² *Id.*; see Application at 24-27.

⁶³ Specifically, Connect America Fund Broadband Loop Support and High Cost Loop Support under Part 54, subparts K and M, of the Commission’s rules (or successor cost-based programs, if any). See *UP Fiber Public Notice* at 6-7. See also Supplement at 2 (acknowledging and recommitting to ensuring that all information that section 54.313(a)(4) of the Commission’s rules, 47 CFR § 54.313(a)(4), requires to be reported annually will be accurately and completely reported as part of their respective annual FCC Form 481 filing obligations).

⁶⁴ 47 CFR § 1.3.

⁶⁵ *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (*Northeast Cellular*).

⁶⁶ *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Northeast Cellular*, 897 F.2d at 1166.

⁶⁷ *Northeast Cellular*, 897 F.2d at 1166.

⁶⁸ See 47 CFR § 1.3.

⁶⁹ Waiver Request at 3.

⁷⁰ 47 CFR § 51.915(f)(5) (“Beginning July 1, 2019, a Price Cap carrier may no longer recover any amount related to revenue recovery under this paragraph from CAF ICC Support.”).

⁷¹ Waiver Request at 3; see *Consolidated Waiver Order*, 37 FCC Rcd at 4521, para. 16; *UP Fiber Public Notice* at 6.

⁷² Waiver Request at 3.

on cost.⁷³ Because the rate-of-return carriers elected incentive regulation for their business data services under section 61.50 of the Commission's rules,⁷⁴ rates for special access services are based on price cap indices not carriers' costs.⁷⁵ We agree with CSM Intermediate that there are no cost-shifting concerns with respect to universal service support because these carriers receive model-based support not support based on cost.⁷⁶ We also agree with CSM Intermediate that there is minimal risk of cost-shifting because the price cap and rate-of-return study areas are "not adjacent or...near each other" – the price cap carriers operate in Louisiana and Alabama while the rate-of-return carriers operate in Ohio, Kentucky, Indiana, and Hawaii.⁷⁷

We further find persuasive CSM Intermediate's commitment to maintain "entirely separate operations with separate books of account" and not share "capitalized plant" or "operational, maintenance, or administrative costs between or among the Rate-of-Return Carriers and Price Cap Carriers."⁷⁸ We agree with CSM Intermediate that this direct assignment of capital expenditures and costs reduces the risk of cost-shifting between study areas. Finally, we find persuasive CSM Intermediate's commitment "not to engage in rent-seeking cost-shifting between the Rate-of-Return Carriers and any price cap study areas post-transaction."⁷⁹

In sum, we find that the public interest benefits outweigh the risk of cost-shifting and, accordingly, we find good cause exists to grant CSM Intermediate a waiver of section 61.41(c)(2) of the Commission's rules to allow the rate-of-return carriers to continue operating as rate-of-return-designated carriers post-transaction.

We find that grant of the Application will serve the public interest, convenience, and necessity.⁸⁰ Therefore, pursuant to section 214 of the Act, 47 U.S.C. § 214, and sections 0.91, 0.291, and 63.04 of the Commission's rules, 47 CFR §§ 0.91, 0.291, and 63.04, the Bureau hereby grants the Application and request for waiver discussed in this Public Notice.

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

For further information, please contact Megan Danner, Competition Policy Division, Wireline Competition Bureau, at Megan.Danner@fcc.gov.

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⁷³ 47 CFR §§ 51.909, 51.917; *Connect America Fund et al.*, WC Docket No. 10-90 et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663, 17934-37, 17983-84, paras. 801-805, 900 & Fig. 9 (2011); see Waiver Request at 3.

⁷⁴ *Wireline Competition Bureau Announces Additional 120 Rate-of-Return Carrier Study Areas Electing Incentive Regulation for Their Business Data Services*, WC Docket No. 17-144, Public Notice, 39 FCC Rcd 7098, Appx. (WCB 2024); see Waiver Request at 3.

⁷⁵ See 47 CFR § 61.50(c) ("A rate-of-return carrier electing to offer business data services pursuant to this section shall employ the procedures outlined in 61.42 through 61.49 to calculate rates for its business data services....")

⁷⁶ Waiver Request at 3.

⁷⁷ *Id.*

⁷⁸ *Id.* at 2-3.

⁷⁹ *Id.* at 4.

⁸⁰ See 47 U.S.C. § 214(a).