



PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

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DA 19-386
May 3, 2019

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
PEG BANDWIDTH IL, LLC TO MIP IV MIDWEST FIBER, LLC**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 19-49

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF
MISSOURI NETWORK ALLIANCE, LLC D/B/A BLUEBIRD NETWORK
TO MIP IV MIDWEST FIBER, LLC**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 19-50

Comments Due: May 17, 2019
Reply Comments Due: May 24, 2019

By this Public Notice, the Wireline Competition Bureau (Bureau) seeks comment from interested parties on two applications filed pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules,¹ requesting consent to transfer control of PEG Bandwidth IL, LLC (PEG Bandwidth) and Missouri Network Alliance, LLC d/b/a Bluebird Network (MNA/Bluebird) to MIP IV MidWest Fiber, LLC (MIP IV MW).²

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04.

² Application of Uniti Fiber LLC and MIP IV MidWest Fiber, LLC, for Consent to Transfer Control of PEG Bandwidth IL, LLC to MIP IV MidWest Fiber, LLC, WC Docket No. 19-49 (filed Mar. 4, 2019) (PEG Bandwidth Application); Application of MNA Holdings, LLC and Bluebird Media, LLC and MIP IV MidWest Fiber, LLC and Uniti Leasing MW LLC for Consent to Transfer Control of Missouri Network Alliance, LLC to MIP IV MidWest Fiber LLC, WC Docket No. 19-50 (filed Mar. 4, 2019) (MNA/Bluebird Application). Applicants for the PEG Bandwidth Application also filed applications for the transfer of authorizations associated with wireless services. On March 14, 2019, Applicants for both the PEG Bandwidth Application and the MNA/Bluebird Application filed a supplement to their domestic section 214 applications (March 14, 2019 Supplement). In addition, a separate application related to the MNA/Bluebird Application was filed requesting approval for an unauthorized transfer of control that occurred in 2011 related to Missouri Network Alliance, LLC (MNA) and Bluebird Media, LLC (Bluebird Media). Application of Missouri Network Alliance, LLC, MNA Holdings, LLC, and Bluebird Media, LLC to Transfer of Control of Missouri Network Alliance, LLC, WC Docket No. 19-68 (filed Mar. 11, 2019) (MNA Application). On April 8, 2019, the Bureau granted MNA's request for Special Temporary Authority for 60 days to

Transfer of Control of PEG Bandwidth IL, LLC to MIP IV MidWest Fiber, LLC (WC Docket No. 19-49)

On March 4, 2019, Uniti Fiber LLC (Uniti Fiber) and MIP IV MW (together, PEG Bandwidth Applicants) filed applications requesting approval for the transfer of control of PEG Bandwidth to MIP IV MW. PEG Bandwidth, a fiber network operator, primarily provides competitive local exchange and interexchange services in Illinois, Indiana, Iowa, and Missouri. PEG Bandwidth is a wholly owned subsidiary of Uniti Fiber, which provides or is authorized to provide cellular site backhaul and other services primarily to other carriers in multiple states. Uniti Fiber is an indirect subsidiary of Uniti Group Inc. (Uniti Group), a publicly traded corporation that does not provide telecommunications services.³

MIP IV MW is a holding company that does not provide telecommunications services and has been established as an acquisition vehicle for the purposes of the PEG Bandwidth Application and the MNA/Bluebird Application.⁴ MIP IV MW is indirectly controlled through a number of entities by Macquarie Group Limited (MGL), a publicly-traded Australian company that provides banking and investment services.⁵ MIP IV MW operates within the Macquarie Infrastructure and Real Assets, a U.S.-based division of MGL that manages investment vehicles.⁶

Pursuant to the terms of the proposed transaction, PEG Bandwidth will be transferred from Uniti Fiber to MIP IV MW in a multi-step transaction.⁷ The PEG Bandwidth Applicants state that, following

allow MNA to continue providing service pending approval of the MNA Application. *Domestic Section 214 Application Filed for the Transfer of Control of Missouri Network Alliance, LLC*, WC Docket No. 19-68, Public Notice, DA 19-268 (WCB Apr. 8, 2019). Any action on the PEG Bandwidth Application, MNA/Bluebird Application, or MNA Application are without prejudice to Commission action on other related, pending applications.

³ The PEG Bandwidth Applicants list several subsidiaries and affiliates of PEG Bandwidth and Uniti Fiber. See PEG Bandwidth Application at 7-8.

⁴ See *infra* for a description of the MNA/Bluebird Application.

⁵ The March 14, 2019 Supplement lists MGL's board of directors and senior management, each citizens of Australia.

⁶ See PEG Bandwidth Application at 2 and Exh. A (providing ownership information of MIP IV MW and MGL as well as pre- and post-consummation ownership charts); see also March 14, 2019 Supplement at 1-2 (discussing controlling U.S. entities sitting above MIP IV MW but under the ownership chain of MGL and stating that neither MIP IV MW, nor any entity that controls it, holds an interest of more than 10 percent in any other U.S. telecommunications provider).

⁷ As described more fully in the PEG Bandwidth Application, the proposed multi-step transaction entails transferring PEG Bandwidth's existing fiber optic network and real property interests in the states of Illinois, Indiana, Iowa, and Missouri to a Uniti Group affiliate, Uniti Leasing MW LLC (Uniti MW), which will concurrently lease it back to PEG Bandwidth. MIP IV MW will enter into a master lease agreement (Master Lease) with Uniti MW and, immediately thereafter, MIP IV MW will acquire all of the limited liability interests in PEG Bandwidth and have operational control and responsibility for substantially all of the costs of maintaining and operating the leased assets. See PEG Bandwidth Application at 3-4.

the consummation of the transaction, MIP IV MW will own all of the equity, legal title, interest, and have operational control of the fiber optic network and real property of PEG Bandwidth in the states of Illinois, Indiana, Iowa, and Missouri. The proposed transaction in the PEG Bandwidth Application is contingent on the consummation of the proposed transaction in the MNA/Bluebird Application.

Transfer of Control of Missouri Network Alliance, LLC d/b/a Bluebird Network to MIP IV MidWest Fiber, LLC (WC Docket No. 19-50)

On March 4, 2019, MNA Holdings, LLC (MNA Holdings), Bluebird Media, Uniti MW, and MIP IV MW (together, MNA/Bluebird Applicants) filed an application for the transfer of control of MNA/Bluebird to MIP IV MW. MNA/Bluebird provides competitive transport and other services to wholesale and enterprise customers in Missouri, Iowa, Oklahoma, Kansas, and Nebraska, as well as tandem switching and transport services for interexchange carriers in Missouri. MNA/Bluebird also holds a 10 percent membership interest in, and manages the day-to-day operations of, Illinois Network Alliance, LLC, which owns a fiber network in Illinois and provides service in Illinois, Kentucky, and Tennessee.⁸

Pursuant to the terms of the proposed transaction, MNA/Bluebird will be transferred from MNA Holdings and Bluebird Media to MIP IV MW in a multi-step transaction.⁹ The MNA/Bluebird Applicants state that, following the consummation of the transaction, MIP IV MW will own all of the equity, legal title, interest, and have operational control of the fiber optic network and real property of MNA/Bluebird. MIP IV MW will therefore have control or own the entirety of the business of MNA/Bluebird. The proposed transaction in the MNA/Bluebird Application is not contingent on the proposed transaction in the PEG Bandwidth Application.

Non-Streamlined Treatment for WC Docket Nos. 19-49 and 19-50

Both the PEG Bandwidth Applicants and the MNA/Bluebird Applicants assert that a grant of their respective applications will serve the public interest, convenience, and necessity, and request that the Bureau process the applications concurrently. Because the transactions are more complex than usual, in order to analyze whether the proposed transactions would serve the public interest, these applications will not be streamlined.¹⁰

⁸ MNA/Bluebird Applicants explain that MNA Holdings and Bluebird Media are members of Bluebird Network, LLC (Bluebird), with each holding 50 percent of Bluebird's limited liability interests. Bluebird is a regional network fiber provider with three direct, wholly owned subsidiaries: MNA/Bluebird, Bluebird Media Network, LLC, and Bluebird Underground, LLC. MNA/Bluebird Applicants further state that AT&T, CenturyLink, and Windstream operate in MNA/Bluebird's service areas.

⁹ As described more fully in the MNA/Bluebird Application, MNA/Bluebird will distribute its fiber optic network and real property interests to Uniti MW, which will concurrently lease back the fiber optic network and real property interests to MNA/Bluebird. Under the Master Lease, MIP IV MW will acquire all of the limited liability company interests in MNA/Bluebird. MNA/Bluebird Applicants state that Uniti MW will acquire title to certain assets of Bluebird, but ultimately will not own or control Bluebird's regulated operations. MNA/Bluebird Application at 3-5.

¹⁰ 47 CFR § 63.03(c)(1)(v).

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 and petitions **on or before May 17, 2019**, and reply comments or oppositions to petitions **on or before May 24, 2019**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by paper. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- 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. Paper filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail.
 - All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC, 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. All envelopes and boxes must be disposed of before entering the building.
 - 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 445 12th Street, SW, Washington DC, 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at 202-418-0530 (voice), 1-888-835-5322 (tty).

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;
- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov; and
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

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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.¹¹ 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 Gregory Kwan at (202) 418-1191.

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¹¹ See 47 CFR § 1.45(c).