



PUBLIC NOTICE

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DOMESTIC SECTION 214 APPLICATION GRANTED FOR THE TRANSFER OF CONTROL OF HORIZON TELCOM, INC. TO HORIZON ACQUISITION PARENT, LLC

WC Docket No. 18-17

By this Public Notice, the Wireline Competition Bureau (Bureau) grants the application filed by Horizon Telcom, Inc. (Horizon) and Horizon Acquisition Parent, LLC (Horizon Parent) (together, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and section 63.03 of the Commission's rules, requesting consent to transfer control of The Chillicothe Telephone Company (CTC) and Horizon Technology, Inc. (HTI), wholly owned subsidiaries of Horizon, from Horizon to Horizon Parent.¹

On February 7, 2018, the Bureau released a Public Notice requesting comment on the Application.² On February 16, 2018, the U.S. Department of Justice (DOJ), with the concurrence of the U.S. Department of Defense and the U.S. Department of Homeland Security (collectively, the Executive Branch Agencies), filed a letter requesting that the Commission defer action on this proceeding while they completed their review of any national security, law enforcement, and public safety issues.³ We deferred action on the Application in response to the Executive Branch Agencies' request.⁴

On May 18, 2018, the DOJ, including the National Security Division and the Federal Bureau of Investigation, submitted a Petition to Adopt Conditions to Authorizations and Licenses (Petition).⁵ In the Petition, DOJ advises the Commission that it has no objection to the Commission approving the authority sought in this proceeding, provided the Commission conditions its approval on the assurances of Horizon and Horizon Parent to abide by the commitments and undertakings set forth in the May 17, 2018 Letter of

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Joint Application of Horizon Telcom, Inc. and Horizon Acquisition Parent, LLC for Transfer of Indirect Control of Holders of Domestic 214 Authorizations, WC Docket No. 18-17, (filed Jan. 26, 2018) (Application). On March 7, 2018, Applicants filed a supplement to their Application. Letter from Gerard Duffy and Sherrese M. Smith, Counsel to Applicants, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 18-17 (filed Mar. 7, 2018). Applicants also filed applications for the transfer of authorizations associated with international and wireless licenses. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² *Domestic Section 214 Application Filed for the Transfer of Control of Horizon Telcom, Inc. to Horizon Acquisition Parent, LLC*, WC Docket No. 18-17, Public Notice, DA 18-117 (rel. Feb. 7, 2018).

³ Letter from Bermel R. Paz, DOJ, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 18-17 (filed Feb. 16, 2018).

⁴ *Notice of Removal of Domestic Section 214 Application from Streamlined Treatment*, WC Docket No. 18-17, Public Notice, DA 18-224 (Mar. 8, 2018).

⁵ Petition to Adopt Conditions to Authorizations and Licenses, WC Docket No. 18-17 and File No. ITC-T/C-20180131-00020 (filed May 18, 2018).

Agreement (Agreement).⁶ The DOJ filed the Petition and Agreement in WC Docket No. 18-17.⁷

The Bureau finds, upon consideration of the record, that grant of the Application, subject to compliance with the Agreement, will serve the public interest, convenience, and necessity.⁸ Further, consistent with Commission precedent, the Bureau accords the appropriate level of deference to the Executive Branch Agencies' expertise on national security and law enforcement issues.⁹ Therefore, pursuant to section 214 of the Act, 47 U.S.C. § 214, and sections 0.91 and 0.291 of the Commission's rules, 47 CFR §§ 0.91, 0.291, the Bureau hereby grants the Application discussed in this Public Notice subject to compliance with the Agreement described above. A failure to comply with and/or remain in compliance with any of the provisions of the Agreement shall constitute a failure to meet a condition of this authorization and thus grounds for declaring the underlying authorizations terminated without further action on the part of the Commission. Failure to meet a condition of this authorization may also result in monetary sanctions or other enforcement action by the Commission.

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 applications 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 Dennis Johnson, Wireline Competition Bureau, Competition Policy Division, (202) 418-0809.

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⁶ *Id.* at 1.

⁷ *Id.* at 1, Attach.

⁸ 47 CFR § 63.03(b).

⁹ The Commission considers national security, law enforcement, foreign policy, and trade policy concerns when analyzing a transfer of control or assignment application in which foreign ownership is an issue. *See Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Satellites Providing Domestic and International Service in the United States*, Report and Order, 12 FCC Rcd 24094, 24170-72, paras. 178-82 (1997); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market*, IB Docket No. 97-142, Market Entry and Regulation of Foreign Affiliated Entities, IB Docket No. 95-22, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23919-21, paras. 61-66 (1997) (*Foreign Participation Order*), Order on Reconsideration, 15 FCC Rcd 18158 (2000). In assessing the public interest, the Commission considers the record and accords the appropriate level of deference to Executive Branch expertise on national security and law enforcement issues. *See Foreign Participation Order*, 12 FCC Rcd at 23919-21, paras. 61-66.