

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of the Application of)	
)	
Atlantic Engineering Group, Inc.,)	
<i>Transferor</i>)	
)	
Aspire Networks 1, LLC,)	
<i>Licensee</i>)	
)	
and)	WC Docket No. 21-_____
)	
ITC Broadband Operating, LLC)	
<i>Transferee</i>)	
)	
Application for Consent to Transfer)	
Control of Domestic Authority Pursuant to)	
Section 214 of the Communications Act)	
of 1934, as Amended)	

APPLICATION FOR DOMESTIC § 214 TRANSFER OF CONTROL

Pursuant to Section 214 of the Communication Act of 1934, as amended (the “Act”), 47 U.S.C. § 214, and Section 63.04 of the Commission’s rules, 47 C.F.R. § 63.04, Atlantic Engineering Group, Inc. (“AEG” or “Transferor”); Aspire Networks 1, LLC (“Aspire” or “Licensee”); and ITC Broadband Operating LLC (“ITC Operating” or “Transferee”) (together, “Applicants” filing the “Application”) hereby request authority to consummate a transaction in which ITC Operating will acquire control of Aspire, an indirect, wholly owned subsidiary of AEG. As described in more detail below, the transaction will result in a significant infusion of capital resources into Aspire, which will enhance the company’s ability to accelerate deployment of high-speed broadband services to customers in Michigan.

I. Description of the Applicants

a. Transferor and Licensee

AEG is a corporation based in Georgia and is the ultimate parent company of Aspire. AEG's primary business is broadband network construction. AEG is a member of the Consortium of AEG and Heron Broadband I ("the Consortium"), which was an auction winner for Rural Digital Opportunity Fund ("RDOF") Phase I support in Michigan. The Consortium assigned its winning RDOF bids to Aspire.¹

Aspire is an indirect, wholly owned subsidiary of AEG that is building a network to provide gigabit-speed broadband and voice over Internet Protocol ("VoIP") services to residential end-user customers in Michigan. Aspire will provide domestic telecommunications service pursuant to the Commission's blanket domestic Section 214 authority and has been authorized to provide competitive local exchange service in the state of Michigan.² Aspire also has been designated as an Eligible Telecommunications Carrier by the Michigan Public Service Commission.³ On October 20, 2021, Aspire was tapped for RDOF authorization.⁴

b. Transferee

ITC Operating is a limited liability company whose principal business is investing in communications services companies. ITC Operating now offers domestic telecommunications services through affiliates in Colorado, Georgia, Kansas, Nebraska, and Texas. ITC Operating's ultimate parent is ITC Broadband Holdings, LLC ("ITC Holdings"), a limited liability company

¹ The Consortium was awarded \$18,766,912.40 per year for a 10-year period and assigned 48,449 locations in the state of Michigan.

² Michigan Public Service Commission Case No. U-20956.

³ Michigan Public Service Commission Case No. U-20957.

⁴ See Rural Digital Opportunity Fund Support For Winning Bids Ready To Be Authorized, *Public Notice*, DA-21-1310 (October 20, 2021).

recently approved by the Commission to indirectly control USConnect Holdings Inc. and its licensed subsidiaries.⁵ The management and members of ITC Holdings are all U.S. citizens or entities organized in the United States.

II. Description of the Transaction

Pursuant to the terms of a Contribution Agreement, dated June 8, 2021, as amended, ITC Operating will acquire 100% of the membership interests in Aspire from the Transferor (the “Transaction”). As noted above, Aspire’s ultimate parent, AEG, is an RDOF Auction winner through its membership in the Consortium, and its winning bids were assigned to Aspire. The Applicants seek to consummate the Transaction promptly after Aspire is authorized for RDOF support by the Commission. Authorization of RDOF support is a condition to closing the Transaction. Aspire has not previously received any Universal Service Fund (“USF”) subsidy, nor had it participated in any Commission auction for USF support prior to the RDOF auction.⁶

Upon consummation of the Transaction, Aspire will become a wholly owned subsidiary of ITC Operating. The Applicants will work jointly to continue building out Aspire’s RDOF-supported network, which began providing service to residential customers in Michigan in October 2021.

The Transaction will be transparent to prospective customers, who will be served pursuant to Aspire’s existing authorizations and currently-advertised terms and conditions. Any future changes to the rates, terms, and conditions of service will be undertaken pursuant to customers’ contracts, tariffs, and applicable law. Additionally, after the close of the Transaction, employees of ITC Operating will help to manage the company and facilitate its transition to the

⁵ See Notice of Domestic Section 214 Authorization Granted, *Public Notice*, DA 21-903 (WCB July 26, 2021).

⁶ The Transaction thus is not a “mixed support” transaction.

new ownership structure. Further, ITC Operating's ability to quickly deploy the network will be facilitated through technical expertise and operational synergies afforded through ITC Operating's other affiliates. A diagram of the pre- and post-closing corporate structure of the Applicants is attached hereto as Exhibit A.

III. Information Required for Filing an Application for Transfer of Control of Domestic Section 214 Authorization

In support of this Application and in compliance with 47 C.F.R. § 63.04 of the Commission's Rules, the Applicants provide the following information:

1. The name, address, and telephone number of each applicant:

Transferor: Atlantic Engineering Group, Inc.
4465 Commerce Drive
Buford, GA 30515
Tel: (706) 654-2298
FRN: 0022323497

Licensee: Aspire Networks 1, LLC
4465 Commerce Drive
Buford, GA 30515
Tel: (706) 654-2298
FRN: 0030311567

Transferee: ITC Broadband Operating, LLC
1791 O.G. Skinner Drive, Suite A
West Point, GA 31833
Tel: (706) 645-8714
FRN: 0031470891

2. The government, state, or territory under the laws of which each corporate or partnership applicant is organized:

Transferor Atlantic Engineering Group, Inc. is a corporation organized under the laws of Georgia. Licensee Aspire Networks 1, LLC, is a limited liability company organized under the laws of the state of Delaware. Transferee ITC Broadband Operating, LLC is a limited liability company organized under the laws of Delaware.

3. The name, title, post office address, and telephone number of the officer or contact point, such as legal counsel, to whom correspondence concerning the application is to be:

For Transferor and Licensee

Kara Hartman
4465 Commerce Drive
Buford, GA 30515
Tel: (706) 654-2298
kara.hartman@aeg.cc

For Transferee

Jerry Elliott
1791 O.G. Skinner Drive Suite A
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With a copy to:

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John.Beahn@shearman.com
Dana.Zelman@shearman.com

4. The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest one (1) percent):

Upon consummation of the proposed Transaction, the following entities will hold directly or indirectly a ten (10) percent or greater equity interest in the Transferee:

Name: ITC Rural Connect, Inc.
Address: 1791 O.G. Skinner Drive Suite A
West Point, GA 31833
Citizenship: United States (DE)
Principal Business: Holding Company
Percentage Owned: ITC Rural Connect, Inc. is a wholly owned direct subsidiary of ITC Fiber Holdings, LLC. Upon closing, ITC Rural Connect, Inc. will directly own an equity interest (2% common and 100% preferred) in Transferee.

Name: ITC Fiber Holdings, LLC
Address: 1791 O.G. Skinner Drive Suite A
West Point, GA 31833
Citizenship: United States (DE)
Principal Business: Holding Company
Percentage Owned: ITC Fiber Holdings, LLC is a wholly owned direct subsidiary

of ITC Broadband Capital, LLC. Upon closing, ITC Fiber Holdings, LLC will directly and indirectly own a 100% equity interest (98% common equity interest held directly, and a 2% common equity and 100% preferred equity held indirectly) in Transferee.

Name: ITC Broadband Capital, LLC
Address: 1791 O.G. Skinner Drive Suite A
West Point, GA 31833
Citizenship: United States (DE)
Principal Business: Holding Company
Percentage Owned: ITC Broadband Capital, LLC is a wholly owned direct subsidiary of ITC Broadband Holdings, LLC. Upon closing, ITC Broadband Capital, LLC will indirectly own 100% equity interest in Transferee.

Name: ITC Broadband Holdings, LLC
Address: 1791 O.G. Skinner Drive Suite A
West Point, GA 31833
Citizenship: United States (DE)
Principal Business: Holding Company
Percentage Owned: Upon closing, ITC Broadband Holdings, LLC will become the ultimate parent of and indirectly own 100% equity interest in Transferee.

Name: HF Direct Investments Pool LLC
Address: 502 Union Avenue
Knoxville, TN
Citizenship: United States (TN)
Principal Business: Special Purpose Vehicle Investment
Percentage Owned: Upon closing, HF Direct Investments Pool LLC will indirectly hold 14.5% of the voting and equity interest in Transferee.

Name: 4612-Broadband Holdco, LLC
Address: 3345 Peachtree Road Northeast, Suite 175
Atlanta, GA 30326
Citizenship: United States (DE)
Principal Business: Special Purpose Vehicle Investment
Percentage Owned: Upon closing, 4612-Broadband Holdco, LLC will indirectly hold 14.5% of the voting and equity interest in Transferee.

Name: ITC Broadband Investments (QP), LLC
Address: 1791 O.G. Skinner Drive Suite A
West Point, GA 31833
Citizenship: United States (DE)
Principal Business: Investment

Percentage Owned: Upon closing, ITC Broadband Investments (QP), LLC will indirectly hold 17.8% of the voting and equity interest in Transferee.

Name: Kinetic – ITC Broadband Investments, LLC
c/o Kinetic Ventures LLC

Address: Two Wisconsin Circle, Suite 660
Chevy Chase, MD 20815

Citizenship: United States (DE)

Principal Business: Special Purpose Vehicle Investment

Percentage Owned: Upon closing, Kinetic- ITC Broadband Investments, LLC will indirectly hold 13.9% of the voting and equity interest in Transferee.

Name: Atlantic Engineering Group, Inc.

Address: 4465 Commerce Drive
Buford, GA 30515

Citizenship: United States (GA)

Principal Business: Network construction

Percentage Owned: Upon closing, AEG will indirectly hold 16.2% of the voting and equity interest in Transferee.

Name: ITC Broadband Management, LP⁷

Address: 1791 O.G. Skinner Drive Suite A
West Point, GA 31833

Citizenship: United States (DE)

Principal Business: Investment

Percentage Owned: Upon closing, ITC Broadband Management will indirectly hold 15% of the voting and equity interest in Transferee.

After consummation, no other individual or entity will hold directly or indirectly a ten (10) percent or greater voting or equity interest in Transferee.

5. Certification pursuant to §§ 1.2001 through 1.2003 of this chapter that no party to the application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988:

Applicants certify that no party to the Application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

6. A description of the transaction:

⁷ Campbell B. Lanier, III and Jerry Elliott are the managers of ITC Broadband Management, LP. They are both U.S. citizens.

A description of the Transaction is included above in Section II, *supra*.

7. A description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

Upon consummation and following the construction of its network, Aspire will provide gigabit-speed broadband and VoIP service to residential end-user customers in census blocks in the Upper Peninsula of Michigan, including within the Tribal lands of the Hannahville Indian Community.

8. A statement as to how the application fits into one or more of the presumptive streamlined categories in this section or why it is otherwise appropriate for streamlined treatment:

The instant Application fits into the presumptive streamlined category set forth in Section 63.03(b)(2)(i) of the Commission's rules, 47 C.F.R. § 63.03(b)(2)(i), which permits streamlined processing of a domestic 214 transfer application under certain circumstances where the transferee would have less than ten percent (10%) market share. Specifically, the Application is eligible for streamlined processing because immediately following the Transaction: (1) through its affiliates, ITC Operating will have a total market share in the interstate interexchange market of well under ten percent (10%); (2) Aspire will provide competitive telephone exchange services or exchange access services exclusively in geographic areas in Michigan that are currently served by a dominant local exchange carrier that is not a party to the Transaction; and (3) neither Aspire nor ITC nor any of their affiliates are dominant with respect to any services. Applicants respectfully request such streamlined treatment.

9. Identification of all other Commission applications related to the same transaction:

None.

10. A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:

Applicants are not requesting special consideration based on imminent business failure.

11. Identification of any separately filed waiver requests being sought in conjunction with the transaction; and

There are no separately filed waiver requests being sought in conjunction with the Transaction.

12. A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transactions on competition in domestic markets.

The proposed Transaction would serve the public interest, convenience, and necessity by providing additional capital and managerial resources that will enable Aspire to accelerate the build-out of its Michigan network.

Transferee and its ultimate parent ITC Holdings have extensive financial resources that will support construction of the Aspire network and the provision of broadband and voice services to customers in Michigan. The leadership and management of ITC Holdings has a long history and extensive experience with telecommunications and the construction of fiber networks. Transferor AEG, a company experienced in constructing telecommunications networks, is a partner in ITC Holdings and will provide technical support and know-how to Aspire. The combination of ITC Holdings' extensive financial resources and managerial and technical expertise in building out broadband networks will better position Aspire to accelerate its network deployment and provide high quality broadband service to customers in Michigan in the near term, as well as fulfill its RDOF public interest obligations. As noted above, the Applicants seek to consummate the Transaction promptly after Aspire is authorized for RDOF support by the Commission. Authorization of RDOF support is a condition to closing the Transaction.

RDOF funding is an essential part of Aspire’s plans to build out its network and provide broadband service to unserved and underserved areas, and the Applicants have been careful in developing their approach to the Transaction to ensure that Aspire will continue to meet all of the applicable public interest obligations tied to RDOF funding post-consummation. In its long-form Application, Aspire provided the Commission with information explaining how it plans to construct and finance the network described in the Application, including the identification of AEG as its partner in building out the RDOF network. The Applicants affirm that this Transaction will not result in any alteration to the buildout plans submitted to the Commission in order to qualify for RDOF Auction funding.

Transferee AEG will remain part of Aspire’s leadership and management team, to provide continuity as Aspire builds out its network. Aspire will also benefit from additional industry experience offered by ITC Holdings, as a result of ITC Holdings’ prior investment in other telecommunications providers. Indeed, the addition of ITC’s financial resources and other technical and managerial support and expertise from AEG and other ITC Holdings affiliates will ensure that Aspire is positioned to complete its network construction in the near term and begin offering broadband and VoIP services consistent with its RDOF obligations.

The Commission’s approval of the Transaction will serve to bolster Aspire’s ability to achieve and accelerate the required build-out and fulfill its public interest obligations. Therefore, the infusion of capital and resources from the Transaction will benefit the public by ensuring Aspire’s successful participation in the “Commission’s single largest step toward bridging the rural digital divide.”⁸ The Transaction will also serve to better safeguard RDOF funds by

⁸ Notice and Filing Requirements and Other Procedures for Auction 904, *Public Notice*, 35 FCC Rcd 6077, 6079 ¶3 (FCC 2020).

providing Aspire with additional resources to address any unexpected challenges it may encounter during network build-out.

Importantly, the Transaction will not result in any harms to customers or to competition for services in Michigan or elsewhere in the United States. As noted above, the Transaction will be seamless to Michigan customers. Further, none of ITC Operating's other subsidiaries operate within the state of Michigan. Instead, the Transaction will enable and fast-track increased investment and competition for telecommunications and broadband services in Michigan.

In sum, the Transaction will cause no reduction in competitors or result in any negative impact on customers or to competition in the communications market in the United States. The Transaction will further facilitate the implementation of the Commission's important RDOF Auction program goals. Accordingly, approval of the Transaction would serve the public interest.

IV. Conclusion

For the foregoing reasons, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application, and respectfully request that this Application be expeditiously approved by the Commission under its streamlined processing rules.

Respectfully submitted,

/s/

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/s/

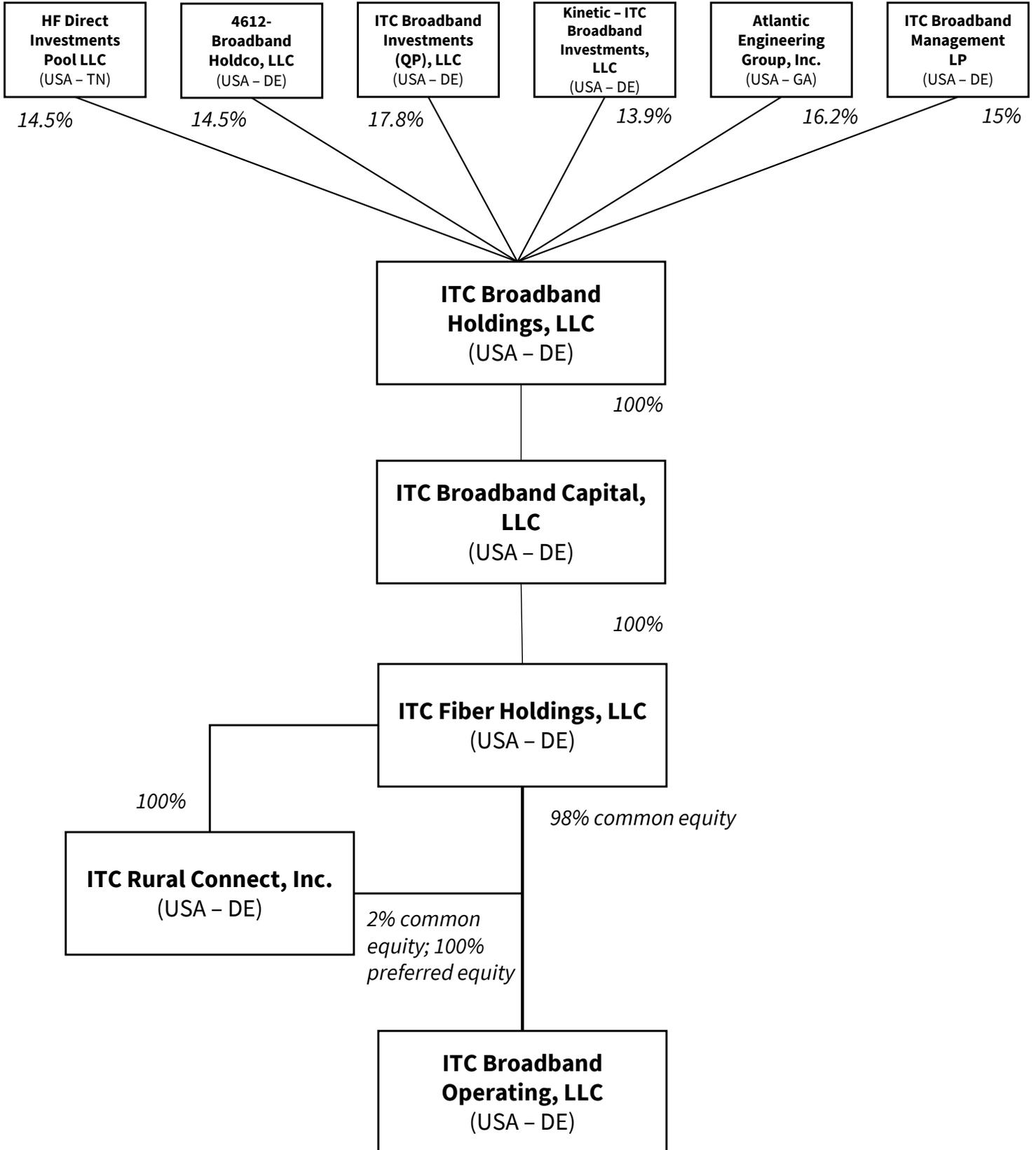
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October 21, 2021

EXHIBIT A

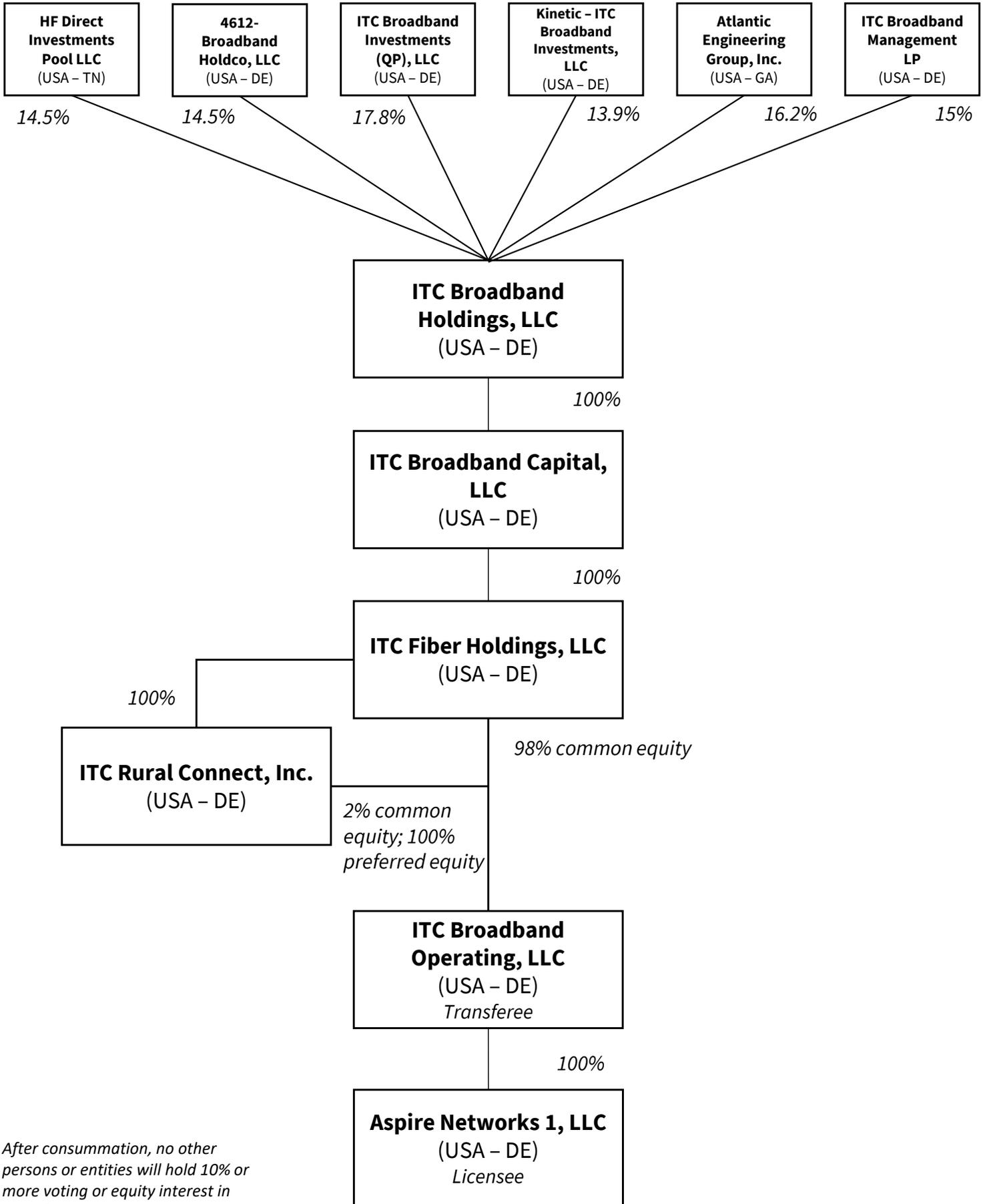
Pre-Transaction Ownership

ITC Broadband Operating, LLC



Post-Transaction Ownership

Aspire Networks 1, LLC



After consummation, no other persons or entities will hold 10% or more voting or equity interest in Transferee.