

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

In the Matter of)	
)	
TDS Telecommunications Corp., d/b/a TDS Telecom,)	
)	
Transferor,)	
)	
and)	File No. _____
)	
RiverStreet Networks, LLC,)	
)	
Transferee.)	
)	
For Consent to Transfer Control pursuant to Section 214)	
of the Communications Act of 1934, as amended)	

APPLICATION FOR TRANSFER OF CONTROL

Pursuant to Sections 63.03 and 63.04 of the Commission's Rules, (47 C.F.R. §§ 63.03 and 63.04), TDS Telecommunications Corp. d/b/a TDS Telecom ("TDS Telecom" or "Transferor") and RiverStreet Networks, LLC ("RiverStreet Networks" or "Transferee") (together, "Applicants") hereby respectfully request authorization to consummate a transaction whereby RiverStreet Networks will purchase one hundred percent (100%) of the issued and outstanding shares -- and thus acquire control -- of three (3) TDS Telecom subsidiaries providing local exchange and exchange access services in North Carolina: Barnardsville Telephone Company, Inc. ("Barnardsville"), Saluda Mountain Telephone Company, Inc. ("Saluda Mountain"), and Service Telephone Company, Inc. ("Service") (each, a "TDS Subsidiary").

The proposed transaction is entitled to streamlined treatment pursuant to section 63.03(b)(2)(iii) of the Commission's Rules. This is because, upon consummation of the transfer of control, all companies affiliated with RiverStreet Networks will have a market share in the interstate, interexchange market of less than 10% and will not, as a result of this transaction, provide competitive telephone exchange services or competitive exchange access services except in geographic areas served by a dominant local exchange carrier ("LEC") that it not a party to the transaction; all the rural LEC affiliates of RiverStreet Networks will have, in combination, fewer than two (2) percent of the subscriber lines installed in the aggregate nationwide; and the transaction would result in no new overlapping or adjacent service areas. In the alternative, streamlined treatment is justified through the Commission's case-by-case determination of such matters.

In support of this request, Applicants show the following:

(1) Name, address and telephone number of each applicant:

Transferor:

TDS Telecommunications Corp., d/b/a TDS
PO Box 5158
Madison, WI 54717
Phone: (608) 664-4000

Transferee:

RiverStreet Networks, LLC
1400 River Street
Wilkesboro NC 28697
Phone: (336) 973-6112

(2) Government, state or territory under the laws of which each corporate or partnership applicant is organized

TDS Telecom is a corporation organized under the laws of the State of Delaware.

Each of the TDS Subsidiaries is a corporation organized under the laws of the state of

North Carolina. RiverStreet Networks is a North Carolina limited liability company.

(3) Name, title, post office address, and telephone number of the officer or contact point to whom correspondence concerning the application is to be addressed

For TDS Telecom:

Yaron Dori
Covington & Burling LLP
One City Center
850 Tenth Street, N.W.
Washington, D.C. 20001
Tel. 202-662-6000
E-mail. ydori@cov.com

With a copy to:

Scott H. Williamson
Senior Vice President - Acquisitions and Corporate Development
Telephone and Data Systems, Inc.
30 North LaSalle Street
Suite 4000
Chicago IL 60602

For RiverStreet Networks:

Eric S. Cramer
Manager
RiverStreet Networks, LLC
1400 River Street
Wilkesboro NC 28697

With a copy to:

Sylvia Lesse
Communications Advisory Counsel, LLC
5151 Wisconsin Avenue, NW
Suite 311
Washington, DC 20016
Tel. 202-333-5273

(4) Name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten percent of the equity of the applicant entities (to the nearest one percent (1%)):

Transferor:

TDS Telecom is a wholly-owned subsidiary of Telephone and Data Systems, Inc. ("TDS"), a company incorporated under the laws of the State of Delaware. TDS is a publicly-traded company, listed on the New York Stock Exchange. A diversified telecommunications service company, TDS provides wireless and wireline telecommunications services in the United States. Its address is 30 N. LaSalle Street, Chicago, IL 60602.

TDS is controlled by a Voting Trust whose trustees are LeRoy T. Carlson, Jr., Walter D.C. Carlson, Prudence E. Carlson, and Dr. Letitia G.C. Carlson. They are siblings and U.S. citizens. The address of the trust is TDS's business address: 30 N. LaSalle Street, Chicago, IL 60602. LeRoy T. Carlson, Jr. is the President of TDS and Walter C.D. Carlson is its nonexecutive Chairman. As of February 28, 2014, the Voting Trust controls 53.7% of the voting power of TDS's total shares that vote in matters other than the election of directors, and 94.8% of the Series A Common Shares, which elect eight (8) of TDS's twelve (12) directors. Accordingly, the Voting Trust elects a majority of the directors and directs a majority of the combined voting power of TDS in matters other than the election of directors.

The only other person or entity that owns an attributable ten percent (10%) or more direct or indirect interest in TDS Telecom is BlackRock Inc. and its affiliates, which owns 11% of the stock of TDS and thus holds an indirect interest in TDS Telecom in that same amount. BlackRock Inc. is an independent publicly-traded investment

management firm that is incorporated under the laws of the State of Delaware; its principal place of business is located at 55 East 52nd Street, New York, New York 10055.

Transferee:

The sole member of RiverStreet Networks is Wilkes Telephone Membership Corporation ("WTMC"), a North Carolina cooperative corporation. WTMC is owned by its member/subscribers; no single member/subscriber owns or controls more than 5% of the WTMC's equity. The address for both RiverStreet and WTMC is 1400 River Street, Wilkesboro, North Carolina 28697. The principal business of both WTMC and RiverStreet is telecommunications.

(5) Certification pursuant to 47 C.F.R. §§ 1.2001-1.2003 that no party to the application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 583

Applicants hereby certify, pursuant to 47 C.F.R. §§ 1.2001-1.2003, that to the best of their knowledge, information, and belief, no party to the application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 583.

(6) Description of the transaction

Applicants have entered into three agreements, each dated as of December 30, 2014, pursuant to which RiverStreet Networks will acquire one hundred percent (100%) of the capital stock of each of the TDS Subsidiaries from TDS Telecom,¹ resulting in each of Barnardsville, Saluda Mountain and Service becoming a wholly-owned

¹ The three agreements are substantially identical, each contemplating the consummation of all three transactions as of the closing date.

subsidiary of RiverStreet Networks. North Carolina does not require prior state authorization to consummate the proposed transaction.²

Each of the TDS Subsidiaries provides local exchange and exchange access service to rural communities in North Carolina. Barnardsville serves 852 loops in and around Barnardsville, North Carolina; Saluda Mountain serves 1,256 loops in and around Saluda Mountain, North Carolina, and Service serves 685 loops in and around Fair Bluff, North Carolina.

(7) 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

Transferor:

TDS Telecom currently operates 111 incumbent local exchange companies ("ILECs") in 27 states. In addition, TDS Telecom operates competitive local exchange companies ("CLECs") in Illinois and North Dakota, where it has no ILEC operations. As of September 30, 2014, TDS Telecom provided 340,300 wireline residential voice connections and 199,300 wireline commercial voice connections, as well as 41,800 cable-based voice connections.

Transferee:

Applicant RiverStreet Networks was recently formed and currently provides no services. The parent of RiverStreet Networks, WTMC, provides incumbent local exchange, exchange access to approximately 8,945 loops in the exchanges of Boomer, Champion, Clingman, and Lomax in western North Carolina, mostly within Wilkes County. A wholly-owned subsidiary of WTMC, Wilkes Communications, Inc. ("WCI"),

² The proposed financing for the transaction will, however, be reviewed by the North Carolina Utilities Commission.

a North Carolina corporation, provides competitive local exchange, exchange access to approximately 1,489 loops in areas bordering WTMC's ILEC operations.³ Within the ILEC and CLEC footprint, WCI also offers long distance and video services. As an interexchange carrier, WCI currently serves approximately 9,096 customers.

WTMC also holds minority interests in two wireless companies holding licenses in western North Carolina,⁴ as well as 23.05% in Visions West, L.L.C, a company owning video distribution facilities. WTMC also holds 18.99% of Access/On Multimedia Inc. L.L.C., a regional fiber transport network serving north-central and north-western North Carolina.

(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in Section 63.03 of the Commission's Rules or why it is otherwise appropriate for streamlined treatment

As demonstrated below, this application is presumptively entitled to streamline procedures pursuant to Section 63.03(b)(2)(iii) of the Commission's Rules. In addition, streamlined treatment is appropriate generally⁵ in this situation because the proposed transaction will have no adverse effect on local competition, and the proposed transaction will not negatively affect the national competitive marketplace. The transaction involves only a sale of equity interests to a qualified operator, and customers will continue to receive service at the same rates, and under the same terms and conditions, as are currently in effect. These factors, together with the absence of any novel questions of law, fact or policy, render this Application suitable for streamlined treatment.

³ See map attached as Exhibit A showing Transferee and Transferee affiliate service areas.

⁴ WTMC holds 20.77% of Carolina West Wireless, Inc., and 19.65% of WSS, L.L.C.

⁵ In addition to the categories of transactions entitled presumptively to streamlined processing, applications may be deemed appropriate for streamlined treatment on a case-by-case basis. See, generally, *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517, 5535.

Section 63.03(b)(2)(iii) affords streamlined procedures where "a proposed transaction would result in a transferee having a market share in the interstate, interexchange market of less than 10 percent, and the transferee would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction" and "[t]he applicants are incumbent local exchange carriers . . . that have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas."⁶

Both TDS Telecom and Transferee, together with its affiliates, currently serve fewer than 2% of the nation's aggregate subscriber lines, with no overlapping or adjacent service areas, as demonstrated by the map attached as Exhibit B. Furthermore, upon consummation of the proposed transaction, Transferee and its affiliates will continue to have a market share in the interstate, interexchange market well less than ten percent (10%). Finally, to the extent Transferee and its affiliates provide competitive telephone exchange services or competitive exchange access services, upon consummation of the transaction they will do so exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Accordingly, streamlined treatment is warranted.

(9) Identification of all other Commission applications related to the same transaction

None.

(10) Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure

⁶ 47 C.F.R. § 63.03(b)(2)(iii).

Neither party to the transaction is facing imminent business failure. Therefore, Applicants are not requesting special consideration for this reason.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction

No separately filed waiver requests are being sought in conjunction with the transaction.

(12) 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 transaction on competition in domestic markets

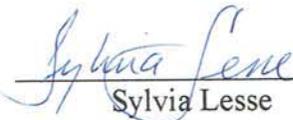
The proposed transaction will allow the continued provision of high-quality communications services to the TDS Subsidiary customers. Transferee and its affiliates are North Carolina companies, experienced in the provision of rural telecommunications services. Customers will enjoy a seamless transition in ownership, without disruption of interruptions in service. The transaction will not adversely affect subscribers, competitors or the market for the provision of telecommunications services.

Conclusion

For the foregoing reasons, the Applicants respectfully request the expeditious grant of this Application.

Respectfully submitted,

RiverStreet Networks, LLC

By: 
Sylvia Lesse
Its Counsel

Communications Advisory Counsel, LLC
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E-mail: sylvia@independent-tel.com

and

TDS Telecommunications Corp. d/b/a TDS
Telecom

By: 
Yaron Dori
Its Counsel

Covington & Burling LLP
One City Center
850 Tenth Street, N.W.
Washington, D.C. 20001
Tel. 202-662-6000
E-mail. ydori@cov.com

Date: January 12, 2015

DECLARATION OF ERIC S. CRAMER

I, ERIC S. CRAMER, Manager of RiverStreet Networks, LLC, and CEO of Wilkes Telephone Membership Corporation, do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR TRANSFER OF CONTROL" and the information contained therein regarding each of the aforementioned companies is true and accurate to the best of my knowledge, information, and belief.

1/12/2015

Date



Eric S. Cramer

CERTIFICATION OF KEVIN G. HESS

I, Kevin G. Hess, Executive Vice President of TDS Telecom, do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR TRANSFER OF CONTROL," and the information contained therein with respect to Telephone and Data Systems, Inc., and TDS Telecommunications Corp. is true and correct to the best of my knowledge, information, and belief.

January 12, 2015
Date

Kevin G. Hess

Agency Tracking ID:PGC2622428 Authorization Number:288443

Successful Authorization -- Date Paid: 1/12/15 FILE COPY ONLY!!

READ INSTRUCTIONS CAREFULLY BEFORE PROCEEDING (1) LOCKBOX #979091	FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE FORM 159 PAGE NO 1 OF 1	APPROVED BY OMB 3060-059 SPECIAL USE FCC USE ONLY
SECTION A - Payer Information		
(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card) Sylvia Lesse		(3) TOTAL AMOUNT PAID (dollars and cents) \$1130.00
(4) STREET ADDRESS LINE NO. 1 2154 Wisconsin Ave NW		
(5) STREET ADDRESS LINE NO. 2		
(6) CITY Washington	(7) STATE DC	(8) ZIP CODE 20007
(9) DAYTIME TELEPHONE NUMBER (INCLUDING AREA CODE) 202-3335273		(10) COUNTRY CODE (IF NOT IN U.S.A.) US
FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED		
(11) PAYER (FRN) 0010900918	(12) FCC USE ONLY	
IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)		
(13) APPLICANT NAME RiverStreet Networks, LLC		
(14) STREET ADDRESS LINE NO. 1 1400 River Street		
(15) STREET ADDRESS LINE NO. 2		
(16) CITY Wilkesboro	(17) STATE NC	(18) ZIP CODE 28697
(19) DAYTIME TELEPHONE NUMBER (INCLUDING AREA CODE) 336-9736112		(20) COUNTRY CODE (IF NOT IN U.S.A.) US
FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED		
(21) APPLICANT (FRN) 0024212839	(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) FCC Call Sign/Other ID na	(24A) Payment Type Code(PTC) CDT	(25A) Quantity 1
(26A) Fee Due for (PTC) \$1,130.00	(27A) Total Fee \$1130.00	FCC Use Only

(28A) FCC CODE 1 na	(29A) FCC CODE 2 na	
(23B) FCC Call Sign/Other ID	(24B) Payment Type Code(PTC)	(25B) Quantity
(26B) Fee Due for (PTC)	(27B) Total Fee	FCC Use Only
(28B) FCC CODE 1	(29B) FCC CODE 2	

CERTIFICATE OF SERVICE

I, Sylvia Lesse, of Communications Advisory Counsel, LLC, do hereby verify that on this 12th day of January, 2015, I caused to be sent via First Class US Mail, postage prepaid, the foregoing "APPLICATION FOR TRANSFER OF CONTROL" to the following:

The Hon. Pat McCrory
Office of the Governor
20301 Mail service Center
Raleigh NC 27699-0301

US Department of Defense
Assistant Secretary for Network Information and Integration (NII)
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Washington, DC 20301-6000

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*Dennis Johnson
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Sylvia Lesse