

K R A S K I N, L E S S E & C O S S O N, L L P  
ATTORNEYS AT LAW  
TELECOMMUNICATIONS MANAGEMENT CONSULTANTS

DOCKET FILE COPY ORIGINAL

2120 L Street, N.W., Suite 520  
Washington, D.C. 20037

Telephone (202) 296-8890  
Telecopier (202) 296-8893

June 17, 2002

Federal Communications Commission  
Common Carrier Network Services  
P.O. Box 358145  
Pittsburgh, PA 15251-5145

02-1915

RE: Joint Petition for Approval of a Streamlined Transfer of Control

Dear Sir or Madam:

Please find enclosed for filing an original and five copies of the joint petition of Citizens Telecommunications Company of North Dakota and Red River Telecom, Inc. for approval of a streamlined transfer of control pursuant to Sections 63.03 and 63.04 of the Commission's rules. A related Form 159 and check for the amount of the required filing fee for this petition is also enclosed. Please date stamp and return to our courier the copy marked "Stamp and Return."

Please direct questions regarding this filing to the undersigned. Thank you for your assistance.

Sincerely,



John B. Adams, Esq.

Enclosures

CC: William Dever, FCC

W01 02-193

STANDARD FORM NO. 101

Approved by OMB  
3060-0589  
Page No. 1 of 1

READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE

(1) LOCKBOX # 358145

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)

Citizens Communications Company

(3) TOTAL AMOUNT PAID (U.S. Dollars and cents)

\$815.00

(4) STREET ADDRESS LINE NO. 1

2060 Brighton-Henrietta TL Rd

FCC/MELLON

JUN 17 2002

(5) STREET ADDRESS LINE NO. 2

(6) CITY

Rochester

(7) STATE

NY

(8) ZIP CODE

14623

(9) DAYTIME TELEPHONE NUMBER (include area code)

716-777-5619

(10) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(11) PAYER (FRN)

Not Applicable

(12) PAYER (TIN)

06-0619596

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

Citizens Telecommunications Company of North Dakota

(14) STREET ADDRESS LINE NO. 1

2378 Wilshire Boulevard

(15) STREET ADDRESS LINE NO. 2

(16) CITY

Mound

(17) STATE

MN

(18) ZIP CODE

55364

(19) DAYTIME TELEPHONE NUMBER (include area code)

952-491-5564

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED

(21) APPLICANT (FRN)

0004-3409-31

(22) APPLICANT (TIN)

08-1557680

COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE

(25A) QUANTITY

CUT

(26A) FEE DUE FOR (PTC)

\$815.00

(27A) TOTAL FEE

\$815.00

FCC USE ONLY

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

FCC USE ONLY

(28B) FCC CODE 1

(29B) FCC CODE 2

SECTION D - CERTIFICATION

(30) CERTIFICATION STATEMENT

I, Jake D. Adams, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief. SIGNATURE Jake D. Adams DATE 06/17/02

SECTION E - CREDIT CARD PAYMENT INFORMATION

(31)

MASTERCARD VISA ACCOUNT NUMBER

EXPIRATION DATE

MASTERCARD

VISA

I hereby authorize the FCC to charge my VISA or MASTERCARD for the services/authorization herein described.

SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of )  
 )  
Citizens Telecommunications Company )  
of North Dakota )  
 )  
and )  
 )  
Red River Telecom, Inc. )  
 )  
Petition for Approval of a Streamlined )  
Transfer of Control Pursuant to )  
Sections 63.03 and 63.04 of the )  
Commission's Rules )

WCC 02-193

**JOINT PETITION FOR APPROVAL OF A STREAMLINED  
TRANSFER OF CONTROL**

Citizens Telecommunications Company of North Dakota ("Citizens-ND") and Red River Telecom, Inc. ("Red River") (collectively, the "Petitioners"), by their attorneys, hereby request approval, pursuant to Sections 63.03 and 63.04 of the Commission's Rules, of the sale, as a streamlined transfer of control, of Citizens-ND's Wyndmere and Fairmount, North Dakota exchanges to Red River.<sup>1</sup>

---

<sup>1</sup> This application is being filed to ensure Citizens-ND's compliance with Section 214 of the Act and Section 63.03 of the Commission's rules. Red River expresses no opinion as to Citizens-ND's status vis-a-vis Section 214 of the Act. However, Red River believes that grant of the application would not confer fully subject status on Red River given the nature of the facilities involved, i.e., local facilities. See 47 U.S.C. § 221(b).

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

Citizens Telecommunications Company of North Dakota  
2378 Wilshire Blvd.  
Mound, Minnesota 55364  
Attention: Kevin Saville  
952-491-5564

Red River Telecom, Inc.  
506 Broadway Street  
Abercrombie, North Dakota 58001  
Attention: Ardon Doran  
701-553-8309

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

Citizens-ND is a Delaware corporation.

Red River is a North Dakota corporation.

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

Citizens-ND:

John B. Adams  
Kraskin, Lesse & Cosson, LLP  
2120 L Street, N.W., Suite 520  
Washington, D.C. 20037  
Tel. – 202-296-8890  
Fax -- 202-296-8893

Red River:

Benjamin H. Dickens, Jr.  
Mary J. Sisak  
Blooston, Mordkofsky, Dickens,  
Duffy & Prendergast  
2120 L Street, N.W., Suite 300  
Washington, D.C. 20037  
Tel. – 202-659-0830  
Fax. -- 202- 828-5568

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)**

Citizens-ND is a wholly owned subsidiary of Citizens Communications Company, a Delaware corporation having its principal place of business at 3 High Ridge Park, Stamford, CT 06095. Citizens Communications Company is a publicly traded corporation in which no individual or entity owns an equity interest of ten percent or more.

Red River is a wholly owned subsidiary of Red River Rural Telephone Association, a cooperative association operating under the laws of Minnesota. Red River Rural Telephone Association is a member owned association. No member owns an interest of ten percent or more in Red River Rural Telephone Association.

5. **Certification pursuant to 47 C.F.R. sections 1.2001 through 1.2003 that no party to this application is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853**

Citizens-ND and Red River certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, that neither they, nor any of their affiliates, within the meaning of Section 3(1) of the Communications Act of 1934, as amended, are subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853.

6. **Description of the transaction**

**A. Background**

Citizens-ND is in the process of selling five of the eight exchanges it owns in North Dakota. Two of those exchanges, Gwinner and Lisbon, are being sold to Dickey Rural Access, Inc.; one exchange, Pembina, North Dakota, is being sold to Polar Telecommunications, Inc.; and two exchanges, Wyndmere and Fairmount, North Dakota, are being sold to Red River. As

discussed in Section 12, below, these five exchanges are being sold because they can be operated more efficiently by other incumbent LECs already operating in close proximity. Upon consummation of the three transactions, Citizens-ND will continue to operate three exchanges in North Dakota -- Williston, Alexander and Watford City. Neither Citizens-ND nor any of its affiliates will provide competitive local exchange operations in any of the exchange areas being sold in this series of transactions.

**B. The transaction that is the subject of this application**

In this particular transaction, Citizens-ND is selling two exchanges, Wyndmere and Fairmount, to Red River. This transaction includes all assets, except those specifically excluded by the Purchase and Sale Agreement between the parties, associated with those exchanges. The transaction, "involves only the transfer of the local exchange assets of an incumbent LEC by means other than an acquisition of corporate control." See Section 63.03 (b) (1) (iii) of the Commission's Rules. Upon consummation of this transaction, Red River will become an incumbent LEC in the Wyndmere and Fairmount, North Dakota exchange areas.

Red River is a North Dakota incumbent LEC that presently serves two exchanges with approximately 1,745 access lines within the Red River Rural Telephone Association North Dakota study area. Red River Rural Telephone Association presently serves four exchanges in North Dakota and three exchanges in Minnesota in its North Dakota study area.

**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**

The Wyndmere and Fairmount exchanges are located in Southeastern North Dakota, a very rural, sparsely populated farming area. The Wyndmere exchange serves approximately 649 access lines and the Fairmount exchange serves approximately 379 access lines. The two

exchanges serve portions of Richland County, North Dakota, a county with a population of 17,998. The major towns and their populations served by the two exchanges are Fairmount, with a population of 427 and Wyndmere City, with a population of 533.

Citizens-ND, an incumbent LEC, provides a full range of residential and business local exchange, switched and special access, custom calling, and information services in the two exchanges that are being sold to Red River. Red River will provide comparable services when it takes ownership of the Wyndmere and Fairmount exchange areas, both of which will be operated as part of the Red River Telephone Association family of rural incumbent LECs.

**8. A statement as to how the application fits into one or more of the presumptive streamlined categories in Section 63.03 or why it is otherwise appropriate for streamlined treatment**

This transaction qualifies for presumptive streamline treatment because it “involves only the transfer of the local exchange assets of an incumbent LEC by means other than an acquisition of control.” *See* Section 63.03 (b) (1) (iii) of the Commission’s Rules.

**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**

Neither party is facing imminent business failure. Accordingly, no special consideration of this application on this ground is requested.

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

On April 5, 2002, Citizens-ND and Red River filed a joint petition seeking “study area waivers” pursuant to Section 61.41 (c) and (d) and Sections 69.3 (e) (11) and 69.605 (c) of the Commission’s Rules.

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 transaction on competition in domestic markets**

Citizens-ND acquired the North Dakota exchanges that are the subject of this transaction from Qwest on October 30, 2000. The North Dakota acquisitions were part of a larger series of transactions in which the Citizens Communications Companies were acquiring rural local exchange operations from Qwest throughout the Western states. The North Dakota transaction involved small "islands" of exchanges in the State as part of a much larger series of transactions that would allow the Citizens Communications Companies to create cohesive and viable regional operations in the West. However, the larger series of transactions was ultimately aborted, thereby making it extremely difficult to achieve regionalized economies of scale with the five small North Dakota exchange areas that Citizens-North Dakota has contracted to sell.

Insofar as the Fairmount and Wyndmere exchanges are concerned, Red River and its affiliates are established, incumbent LECs already operating in adjacent exchange areas. The Red River Rural Telephone Association family of companies is geographically and operationally situated to operate these small exchanges in a highly efficient manner as a natural extension of their existing operations. The two exchanges will become an integral part of the operations of an experienced "North Dakota" carrier. Accordingly, the public convenience and necessity will be served by a grant of this petition.

Conclusion

For the reasons stated herein, the parties request that the Commission accord this joint petition presumptive streamlined treatment status and, upon due consideration of the facts before it, issue an order approving the transaction.

Respectfully submitted,

CITIZENS TELECOMMUNICATIONS  
COMPANY OF NORTH DAKOTA

By J. B. Adams  
John B. Adams

Kraskin, Lesse & Cosson, LLP  
2120 L Street, N.W., Suite 520  
Washington, D.C. 20037  
Tel. – 202-296-8890  
Fax – 202-296-8893

Its Attorney

POLAR TELECOMMUNICATIONS, INC.

By J. B. Adams by permission for  
Benjamin H. Dickens, Jr.  
Mary J. Sisak

Blooston, Mordkofsky, Dickens,  
Duffy & Prendergast  
2120 L Street, N.W., Suite 300  
Washington, D.C. 20037  
Tel. – 202-659-0830  
Fax – 202-828-5568

Its Attorney

This 17th day of June, 2002.