PUBLIC NOTICE

Federal Communications Commission
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DA 06-2587
Released: December 22, 2006

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF NORLIGHT TELECOMMUNICATIONS, INC. FROM JOURNAL COMMUNICATIONS, INC. TO Q-COMM CORPORATION

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-227

Comments Due: January 5, 2007
Reply Comments Due: January 12, 2007

On December 4, 2006, Journal Communications, Inc. ("Journal" or "Transferor"), Norlight Telecommunications, Inc. ("Norlight"), and Q-Comm Corporation ("Q-Comm" or "Transferee") (collectively, "Applicants"), filed an application, pursuant to section 63.04 of the Commission's rules,[1] requesting authority to transfer control of Norlight to Q-Comm.[2]

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules because, upon completion of the proposed transaction, (a) Transferee will have a market share in the interstate, interexchange market of less than 10 percent, and (b) Transferee will provide competitive telephone exchange services or exchange access services (if at all) exclusively in areas served by a dominant local exchange carrier that is not a party to the transaction, and (c) none of the Applicants is dominant with respect to any service.[3]

Norlight, a Wisconsin corporation, provides facilities-based services over a regional fiber network to wholesale and commercial customers located primarily in its core service territory in Illinois, Indiana, Michigan, Minnesota, and Wisconsin. Norlight also provides interexchange and data services in multiple states to serve the secondary offices of business customers that have a principal place of business in its core service territory.[4] Norlight is a wholly-owned subsidiary of The Journal Company, a

[1] 47 C.F.R. §§ 63.03, 63.04; *see* 47 U.S.C. § 214.

[2] Applicants filed a supplement to their application on December 21, 2006. Applicants have also filed an application for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

[3] 47 C.F.R. § 63.03(b)(2)(i).

[4] These states are California, Colorado, Connecticut, Florida, Georgia, Idaho, Iowa, Kansas, Massachusetts, Missouri, Nebraska, Nevada, Rhode Island, South Dakota, Tennessee, Texas, Utah, Washington, and Wyoming.

Wisconsin corporation, which in turn is a wholly-owned subsidiary of Journal, a Wisconsin corporation that operates publishing, radio, and television broadcasting and printing services and does not provide telecommunications. Applicants state that the only other entity holding a 10 percent or greater indirect interest in Norlight is Matex, Inc., a U.S-based real estate investment corporation with an interest of 10.7 percent in Journal.

Q-Comm, a privately-held Nevada corporation, is a holding company that does not provide telecommunications services but has the following U.S.-based subsidiaries that provide local exchange and interexchange services to residential and business customers: Kentucky Data Link, Inc. and its U.S.-based subsidiaries (Cinergy Telecommunications Networks-Ohio, Inc., Knoxville Data Link, Inc., and KDL of Virginia, Inc.) provide service in Arkansas, Georgia, Illinois, Indiana, Kentucky, Michigan, Mississippi, Missouri, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, and West Virginia; Cinergy Communications Company provides service in Florida, Illinois, Indiana, Kentucky, Ohio, and Tennessee; Cinergy Metronet, Inc. provides fiber-based video, voice, and high-speed data services to rural communities in Indiana.

Applicants state that the following individuals and entities hold a 10 percent or greater direct interest in Q-Comm: Al Cinelli and John Cinelli, both U.S. citizens, hold 50.59 percent and 11.47 percent voting interests, respectively; and Cinergy Telecommunications Holding Company, Inc. ("CTHCI"), a U.S-based holding company, holds a 32.74 percent voting interest. Cinergy Investments, Inc. ("CII"), a U.S.-based holding company, holds a 32.74 percent voting interest in Q-Comm indirectly through CTHCI; Cinergy Corp., a U.S.-based holding company, holds a 32.74 percent voting interest in Q-Comm indirectly through CII; and Duke Energy Corporation, a U.S-based energy company, holds a 32.74 percent voting interest in Q-Comm indirectly through Cinergy Corp. Applicants state that Duke Energy Corporation is a widely held public corporation and that no shareholder has a 10 percent or greater interest in Q-Comm. Applicants further state that, to their knowledge, Duke Energy Corporation does not hold a 10 percent or greater direct or indirect interest in any telecommunications entity except for its subsidiary DukeNet Communications, Inc., which provides telecommunications services in Georgia, North Carolina, and South Carolina, and is in the process of becoming certified to provide service in Florida and Virginia. Applicants state that Al Cinelli and John Cinelli do not have an interest in any telecommunications company except for those owned by Q-Comm.

Pursuant to the terms of a Stock Purchase Agreement dated November 13, 2006 among Journal, Norlight, and Q-Comm, Journal will sell to Q-Comm all of the stock of Norlight owned by Journal's subsidiary, The Journal Company. As a result, control of Norlight will be transferred to Q-Comm, and Norlight will be a wholly-owned subsidiary of Q-Comm. Applicants further state that the proposed transfer of control will not involve a change in the name under which Norlight currently operates, and that Norlight will continue to offer the services it currently offers with no change in the rates or terms and conditions of service.

Applicants assert that the proposed transaction will serve the public interest because it will provide Norlight and Q-Comm with access to each other's technical and management expertise and facilities, thereby allowing the companies to offer more advanced and competitive services to a broader customer base. Applicants further state that, because the proposed transaction will be transparent to consumers, Norlight will continue to provide service to customers without interruption and without a change in carrier.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before January 5, 2007** and **reply comments on or before January 12, 2007**.[5] Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice.[6] Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal eRulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.

- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.

- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes 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 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

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[5] *See* 47 C.F.R. § 63.03(a).

[6] Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

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 & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: http://www.fcc.gov/cgb/ecfs/. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

(1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;

(2) Cecilia Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-A103, Washington, D.C. 20554; email: cecilia.seppings@fcc.gov;

(3) Jodie May, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C234, Washington, D.C. 20554; e-mail: jodie.may@fcc.gov

(4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and

(5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CYB402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Cecilia Seppings at (202) 418-1588, or Jodie May at (202) 418-0913.

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