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FCC/MELLON DEC 07 2007

**DATE STAMP & RETURN**

December 7, 2007

**VIA COURIER**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Wireline Competition Bureau - CPD - 214s  
P.O. Box 358145  
Pittsburgh, PA 15251-5145

Re: Application of Graceba Total Communications, Inc. and C. Christopher Dupree, Transferors, and Knology, Inc. and Knology of Alabama, Inc., Transferees, for a Transfer of Control Involving Authorized Domestic Carriers

Dear Ms. Dortch:

Knology, Inc. ("Knology") hereby files the above-referenced application. Enclosed please find an original and six (6) copies of the application.

Also enclosed is a completed Fee Remittance Form 159 and a check in the amount of \$965.00 to cover the filing fee required for this application.

Please date-stamp the stamp-and-return copy upon receipt and return it to the courier for return to me.

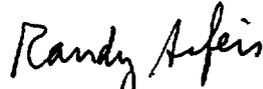
KELLEY DRYE & WARREN LLP

Marlene H. Dortch, Secretary  
December 7, 2007  
Page Two

Should you have any questions with respect to this filing, please contact Randy Sifers at (202) 342-8601.

Very truly yours,

Kelley Drye & Warren LLP

A handwritten signature in black ink that reads "Randy Sifers". The signature is written in a cursive style with a large initial "R".

Randall W. Sifers

*Counsel to*

Knology, Inc. and Knology of Alabama, Inc.

Enclosures

READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE  
FORM 159

Approved by OMB  
3060-0589  
Page No. 1 of 2

(1) LOCKBOX # <b>358145</b>			
<b>SECTION A - PAYER INFORMATION</b>			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) <b>Kelley Drye &amp; Warren LLP</b>		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) <b>\$965.00</b>	
(4) STREET ADDRESS LINE NO. 1 <b>3050 K Street. NW</b>			
(5) STREET ADDRESS LINE NO. 2 <b>Suite 400</b>			
(6) CITY <b>Washington</b>		(7) STATE <b>DC</b>	(8) ZIP CODE <b>20007</b>
(9) DAYTIME TELEPHONE NUMBER (include area code) <b>202 342-8601</b>		(10) COUNTRY CODE (if not in U.S.A.)	
<b>FCC REGISTRATION NUMBER (FRN) REQUIRED</b>			
(11) PAYER (FRN) <b>0003720158</b>			
<b>IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET</b>			
(13) APPLICANT NAME <b>Knology, Inc.</b>			
(14) STREET ADDRESS LINE NO. 1 <b>1241 O.G. Skinner Drive</b>			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY <b>West Point</b>		(17) STATE <b>GA</b>	(18) ZIP CODE <b>31833</b>
(19) DAYTIME TELEPHONE NUMBER (include area code) <b>706 645-3966</b>		(20) COUNTRY CODE (if not in U.S.A.)	
<b>FCC REGISTRATION NUMBER (FRN) REQUIRED</b>			
(21) APPLICANT (FRN) <b>0005066493</b>			
<b>COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET</b>			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE <b>CUT</b>	(25A) QUANTITY <b>1</b>	
(26A) FEE DUE FOR (PTC) <b>\$965.00</b>	(27A) TOTAL FEE <b>\$965.00</b>		
(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		
(28B) FCC CODE 1		(29B) FCC CODE 2	
<b>SECTION D - CERTIFICATION</b>			
<b>CERTIFICATION STATEMENT</b> I, <u>RANDALL W. SIFERS</u> , 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 <u>Randall W. Sifers</u>		DATE <u>12/7/2007</u>	
<b>SECTION E - CREDIT CARD PAYMENT INFORMATION</b>			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.			
SIGNATURE _____		DATE _____	

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

In the Matter of )  
 )  
Graceba Total Communications, Inc. )  
and C. Christopher Dupree )  
    *Transferors,* )  
 ) File No. \_\_\_\_\_  
and )  
 )  
Knology, Inc, and Knology of Alabama, Inc. )  
    *Transferees.* )  
 )  
Application for Consent to Transfer of )  
Control of Companies Holding Blanket )  
Domestic Authorization Pursuant to )  
Section 214 of the Communications Act )  
of 1934, as Amended )

**APPLICATION FOR CONSENT TO TRANSFER OF CONTROL  
OF COMPANIES HOLDING DOMESTIC SECTION 214 AUTHORIZATION  
(STREAMLINED PROCESSING REQUESTED)**

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Sections 63.01, 63.03, and 63.04 of the Commission's rules, 47 C.F.R. §§ 63.01, 63.03, and 63.04, Graceba Total Communications, Inc. ("Graceba") and C. Christopher Dupree (the "Shareholder", and together with Graceba, the "Transferors"), and Knology, Inc. ("Knology") and Knology of Alabama, Inc. ("Knology of Alabama") (the "Transferees", and together with Transferors, the "Applicants"), hereby request Commission consent to transfer control of Graceba and the blanket domestic Section 214 authorizations held by Graceba and its wholly-owned subsidiary, Wiregrass Telecom, Inc. d/b/a Graceba Telephone Company ("Wiregrass"), from Shareholder to Transferees.

Graceba, an Alabama corporation, provides local exchange telephone services and exchange access as a rural incumbent local exchange carrier (“ILEC”) with approximately 4189 access lines in Houston County, Alabama in the Montgomery, Alabama LATA in rural southeastern Alabama. Graceba also offers digital cable TV and high-speed Internet access services to residential and business customers in Houston County, Alabama.<sup>1</sup> Graceba’s subsidiary, Wiregrass, provides local exchange telephone services, exchange access, and interexchange services to approximately 8,267 access lines as a competitive local exchange carrier (“CLEC”) in rural southeastern Alabama. Wiregrass also offers broadband Internet access services to approximately 35% of the Houston County, Alabama population.

The transfer of control will result from the consummation of a Share Purchase Agreement, wherein Knology of Alabama will purchase all the outstanding securities of Graceba from Shareholder, and Graceba will become a wholly-owned subsidiary of Knology of Alabama. Knology of Alabama is a wholly-owned subsidiary of Knology, Inc. Consummation of the proposed transaction will result in the transfer of control to Knology of Alabama of Graceba and its wholly-owned subsidiary, Wiregrass, as holders of blanket domestic Section 214 authorizations under Section 63.01 of the Commission’s rules, 47 C.F.R. § 63.01. Because the proposed transaction is a stock sale, it will not result in a reduction or impairment of service to Graceba’s customers.

***Request for Streamlined Treatment.*** As described below, Applicants respectfully request streamlined treatment of this application pursuant to Section 63.03 of the Commission’s rules, 47 C.F.R. § 63.03.

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<sup>1</sup> Graceba offers cable TV service through its wholly-owned subsidiary, Graceba Broadband, Inc. Graceba’s wholly-owned Internet service provider is Communications One, Inc.

Pursuant to Section 63.04 of the Commission's rules, 47 C.F.R. § 63.04, Applicants provide the following information:

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

Transferors

Graceba Total Communications, Inc.  
2660 Montgomery Highway  
Dothan, Alabama 36303  
(334) 699-3333  
FRN: 0001753557

C. Christopher Dupree  
201 Hazelwood Avenue  
Dothan, Alabama 36303  
(334) 699-3333  
FRN: 0015011208

Transferees

Knology, Inc.  
1241 O.G. Skinner Drive  
West Point, GA 31833  
(706) 645-3966  
FRN: 0005066493

Knology of Alabama, Inc.  
1241 O.G. Skinner Drive  
West Point, GA 31833  
(706) 645-3966  
FRN: 0003766144

**(2) Government, State or Territory under which each party is organized.**

Transferors

Graceba Total Communications, Inc. is a corporation organized under the laws of the State of Alabama.

C. Christopher Dupree is a resident of the State of Alabama.

Transferees

Knology, Inc. is a corporation organized under the laws of the State of Delaware.

Knology of Alabama, Inc. is a corporation organized under the laws of the State of Delaware.

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

For Transferors:

C. Christopher Dupree  
President  
Graceba Total Communications, Inc.  
2660 Montgomery Highway  
Dothan, AL 36303  
t: (334) 699-3333  
f: (334) 699-3291

With a copy to:

G. David Johnston  
Attorney  
Johnston, Hinesley, Flowers, Clenney & Turner, P.C.  
291 North Oates Street  
Dothan, AL 36303  
t: (334) 793-1115  
f: (334) 793-6603

For Transferees:

Bruce Schoonover  
Director – Regulatory Affairs  
Knology, Inc.  
1241 O.G. Skinner Drive  
West Point, GA 31833  
t: (706) 645-3966  
f: (706) 645-0148  
bruce.schoonover@knology.com

With copy to:

Edward A. Yorkgitis, Jr.  
Randall W. Sifers  
Attorney  
Kelley Drye & Warren LLP  
3050 K Street, NW  
Suite 400  
Washington, DC 20007  
t: (202) 342-8601  
f: (202) 342-8451  
rsifers@kelleydrye.com

**(4) Name, address, citizenship and principal business of 10% or greater interest holders.**

Transferors

Graceba Total Communications, Inc., an Alabama corporation, is a privately-held company. C. Christopher Dupree owns 100% of the securities of Graceba.

C. Christopher Dupree  
President, CEO and Chairman  
Graceba Total Communications, Inc.  
2660 Montgomery Highway  
Dothan, AL 36303  
t: (334) 699-3333  
U.S. Citizen

Transferees

Knology of Alabama, Inc., a Delaware corporation, is a 100% wholly-owned subsidiary of Knology, Inc.

Knology, Inc.  
1241 O.G. Skinner Drive  
West Point, GA 31833  
t: (706) 645-3966  
Delaware corporation

Knology is a public traded company on the NASDAQ exchange. No entity holds 10 percent or more of the shares of Knology, Inc.

**(5) Anti-Drug Abuse Act Certification.**

Pursuant to the provisions of Sections 1.2001 through 1.2003 of the Commission's rules, 47 C.F.R. §§ 1.2001-1.2003, the parties to this Application certify that none is subject to a denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

**(6) Description of the transaction.**

On November 2, 2007, the parties entered into a Share Purchase Agreement ("Agreement"), pursuant to which Knology of Alabama will purchase all outstanding securities of Graceba from Shareholder, and Graceba will become a wholly-owned subsidiary of Knology of Alabama. As a result of the consummation of the transaction, the Graceba companies that hold domestic Section 214 authority will become wholly-owned subsidiaries of Knology. Consummation of the transaction described in the Agreement is contingent, in part, on receipt of certain regulatory approvals.

Consummation of the transaction described in the Agreement will be completely transparent to and have no impact on consumers. The Graceba companies will continue to provide service under their existing names. These companies will continue to provide high-quality communications services to their customers without interruption and without change in rates, terms or conditions.

Diagrams of the corporate structure of Knology and Graceba, both before and after consummation of the transaction, are provided as Exhibit A.

**(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services and the service provided in each area.**

Graceba provides local exchange telephone services and exchange access as a rural ILEC (to approximately 4189 access lines) in Houston County, Alabama in the Montgomery, Alabama LATA in rural southeastern Alabama. Graceba also offers digital cable TV and high-speed Internet services to residential and business customers in Houston County, Alabama. Graceba's wholly-owned subsidiary, Wiregrass Telecom d/b/a Graceba Telephone Company, provides local exchange telephone services, exchange access, and interexchange services as a CLEC (to approximately 8,267 access lines) in rural southeastern Alabama. Wiregrass also offers broadband Internet access services in southeastern Alabama.

Graceba and its subsidiaries and affiliates have no ownership interests in any other entities that offer domestic telecommunications services.

Knology, through its operating subsidiaries, is a leading provider of interactive communications and entertainment services in the southeastern and the north

central United States. Knology serves both residential and business customers with one of the most technologically advanced broadband networks in the country. Knology's offerings include over 200 channels of digital cable TV, local and long distance digital telephone service with the latest enhanced voice messaging features, and high-speed Internet access, which enable consumers to quickly download video, audio and graphic files using a cable modem. Knology also provides advanced communications services, such as video-on-demand, subscriber video-on-demand, digital video records, High-Definition Television, interactive television, IP Centrex services, and Passive Optical Network services. Knology provides these services over its wholly-owned, fully upgraded 750 MHz interactive broadband network. Knology, through one or more of its wholly-owned subsidiaries, provides its full suite of video, voice and data services in Huntsville and Montgomery, Alabama; Panama City and Pinellas County, Florida; Augusta, Columbus, and West Point, Georgia; Storm Lake, Iowa; rural communities in southwestern Minnesota; Charleston, South Carolina; Sioux Falls, Rapid City, and other rural communities in South Dakota; and Knoxville, Tennessee.<sup>2</sup> Through one or more of its wholly-owned subsidiaries, Knology holds domestic Section 214 authority under blanket Section 214 authority.<sup>3</sup> Knology has two rural ILEC operations that operate in Chambers County, Alabama—Interstate Telephone Company, Inc. and Valley Telephone Company, LLC. Knology has a third ILEC operator in South Dakota. Knology's and Graceba's ILEC operations are not adjacent and do not overlap.

**(8) Statement as to how the application fits into one or more of the presumptive streamlined categories or why it is otherwise appropriate for streamlined treatment.**

The application is eligible for presumptive streamlining under Section 63.03(b)(2) because consummation of the proposed transaction would result in Knology having a market share in the interstate, interexchange market of less than 10 percent, and Knology would provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Knology's subsidiaries and Graceba are incumbent independent local exchange carriers that have, in combination, fewer than two percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service

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<sup>2</sup> Knology is authorized to provide local and interexchange telecommunications services in Alabama, Florida, Georgia, Iowa, Minnesota, South Carolina, South Dakota, and Tennessee, through one of more of its wholly-owned operating subsidiaries.

<sup>3</sup> The following Knology subsidiaries hold "blanket" domestic Section 214 authority: Globe Telecommunications, Inc.; Interstate Telephone Company, Inc.; Valley Telephone Company, LLC; Knology of Alabama, Inc.; Knology of Florida, Inc.; Knology of Georgia, Inc.; Knology of South Carolina, Inc.; Knology of Tennessee, Inc.; PrairieWave Telecommunications, Inc.; PrairieWave Community Telephone, Inc.; and PrairieWave Black Hills, LLC.

areas. Knology's rural ILEC operations in Alabama are in Chambers County, a county located in East Central Alabama. Graceba's rural ILEC operates in Houston County, which is in the southeastern corner of the State of Alabama. Knology provides competitive telecommunications services in the southeastern and north central United States, in the states of Alabama, Florida, Georgia, Iowa, Minnesota, South Dakota, South Carolina and Tennessee. Knology has three rural ILEC operations that operate in the states of Alabama, Georgia and South Dakota. Graceba's subsidiary, Wiregrass, provides competitive communications services in the southeastern corner of the State of Alabama.

**(9) Other Commission applications related to the same transaction.**

Applicants also will file applications for FCC consent to transfer the control of the following radio licenses: WQ1370, WNRL416, and KWH342; and the following earth station registration: E070117.

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

No party to the transaction is facing imminent business failure at this time. Therefore, the Applicants do not seek special consideration due to imminent business failure.

**(11) Waiver requests.**

No separately filed waivers or waiver requests are being sought in conjunction with the proposed transaction

**(12) Public interest considerations.**

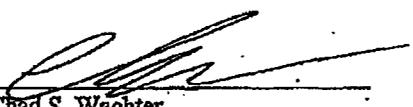
The transfer of control of Graceba will serve the public interest, convenience, and necessity. The combination of these leading regional telecommunications providers, with predominantly competitive operations in the voice, broadband, and video markets, will enhance competition in the telecommunications industry. The proposed transaction will increase the scope of each of the existing companies and should enable the combined companies to compete more effectively in the highly competitive market for telecommunications services. The combined companies will benefit from increased economies of scale that will permit them to operate more efficiently and thus realize substantial financial synergies that should enable the combined companies to increase their operating income and free cash flow. Significantly, the combination of Knology and Graceba will also benefit rural customers in Alabama.

While providing these synergies, the proposed transaction raises no competitive issues. Knology and Graceba have no overlapping or adjacent service areas and do not compete with each other in any geographic market. Moreover, the combined entity would have less than 10 percent market share in the interstate, interexchange market, and fewer than 2 percent of subscriber lines nationwide. The combined entity will continue to compete with other local providers in the local and long distance markets, as well as in the video and broadband markets. Thus, the combination of Knology and Graceba under one umbrella company will not have a negative impact on competition.

Based on the foregoing, the Applicants respectfully requests that the Commission grant the Application and consent to the transfer of control to Knology and Knology of Alabama of the Graceba companies holding blanket domestic Section 214 authorizations.

Respectfully submitted,

**Knology, Inc.  
Knology of Alabama, Inc.**

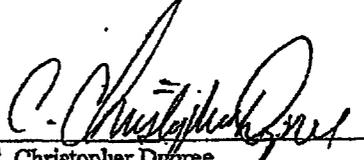


Chad S. Wachter  
Vice President, General Counsel  
1241 O.G. Skinner Drive  
West Point, GA 31833  
(706) 645-8553

Edward A. Yorkgitis, Jr.  
Randall W. Sifers  
Kelley Drye & Warren LLP  
3050 K Street, NW, Suite 400  
Washington, DC 20007  
(202) 342-8601  
*Attorneys for Knology, Inc.  
and Knology of Alabama, Inc.*

Dated: December 7, 2007

**Graceba Total Communications, Inc.**



C. Christopher Drye  
President, CEO and Chairman  
2660 Montgomery Highway  
Dothan, AL 36303  
(334) 699-3333

G. David Johnston  
Johnston, Hinesley, Flowers, Clenney  
& Turner, P.C.  
291 North Oates Street  
Dothan, AL 36303  
(334)  
*Attorneys for Graceba Total  
Communications, Inc.*

**Transferors Certification**

I, C. Christopher Dupree, hereby certify and state that I am President, CEO and Chairman of Graceba Total Communications, Inc. ("Graceba"); that I am authorized to make this certification on behalf of the named Transferors in the application for authority to transfer control to which this certification is attached; that the Application was prepared under my direction and supervision; and that the facts stated in the application are true and correct to the best of my knowledge, information, and belief.

A handwritten signature in cursive script, appearing to read "Chris Dupree", is written over a horizontal line.

Date: December 7, 2007

### **Transferees Certification**

I, Chad S. Wachter, hereby certify and state that I am Vice President, General Counsel of Knology, Inc. ("Knology"); that I am authorized to make this certification on behalf of the named Transferees in the application for authority to transfer control to which this certification is attached; that the Application was prepared under my direction and supervision; and that the facts stated in the application are true and correct to the best of my knowledge, information, and belief.



Date: December 7, 2007.

EXHIBIT A-1

Knology Corporate Organization Chart  
Pre-Transaction

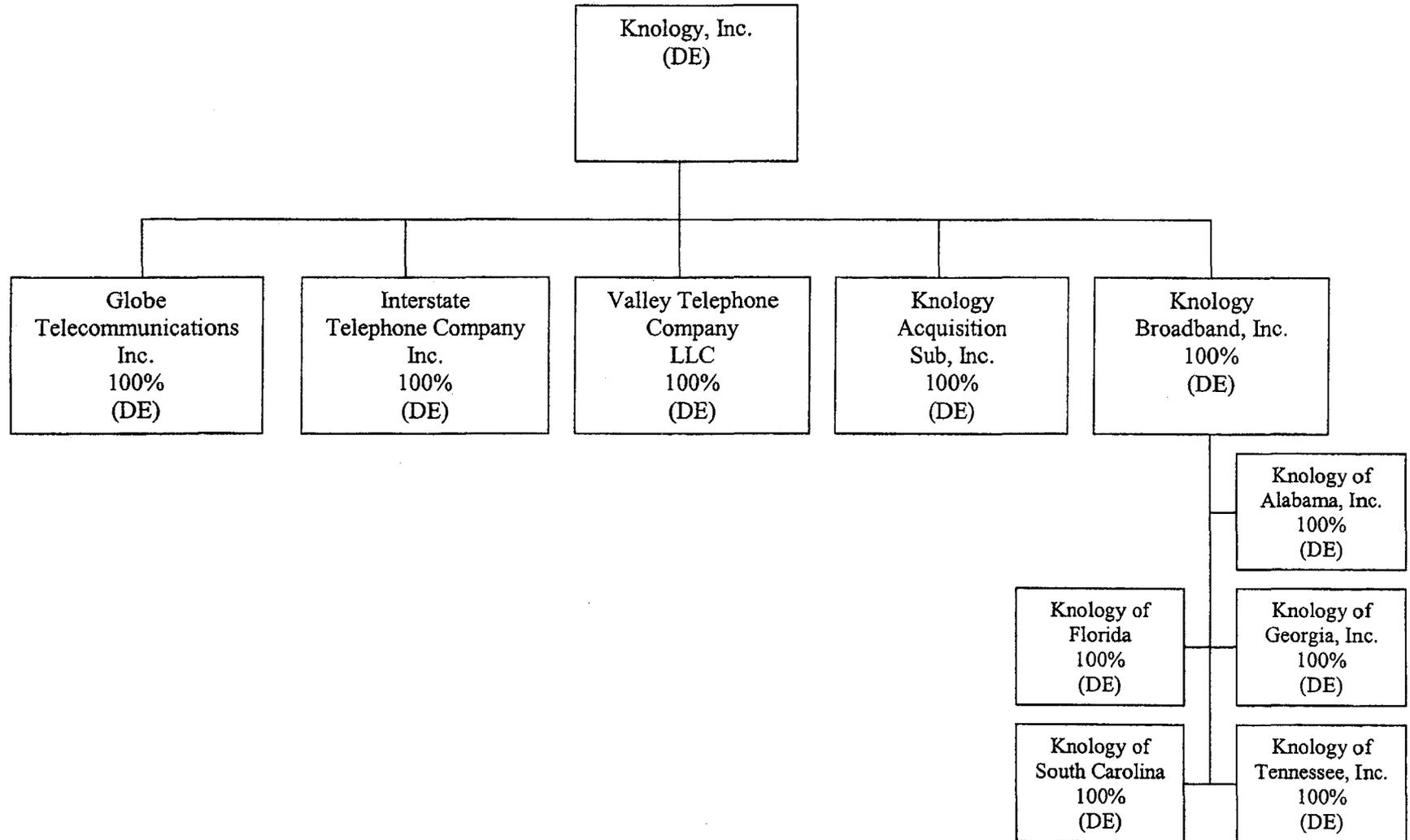


EXHIBIT A-2

Graceba Corporate Organization Chart  
Pre-Transaction

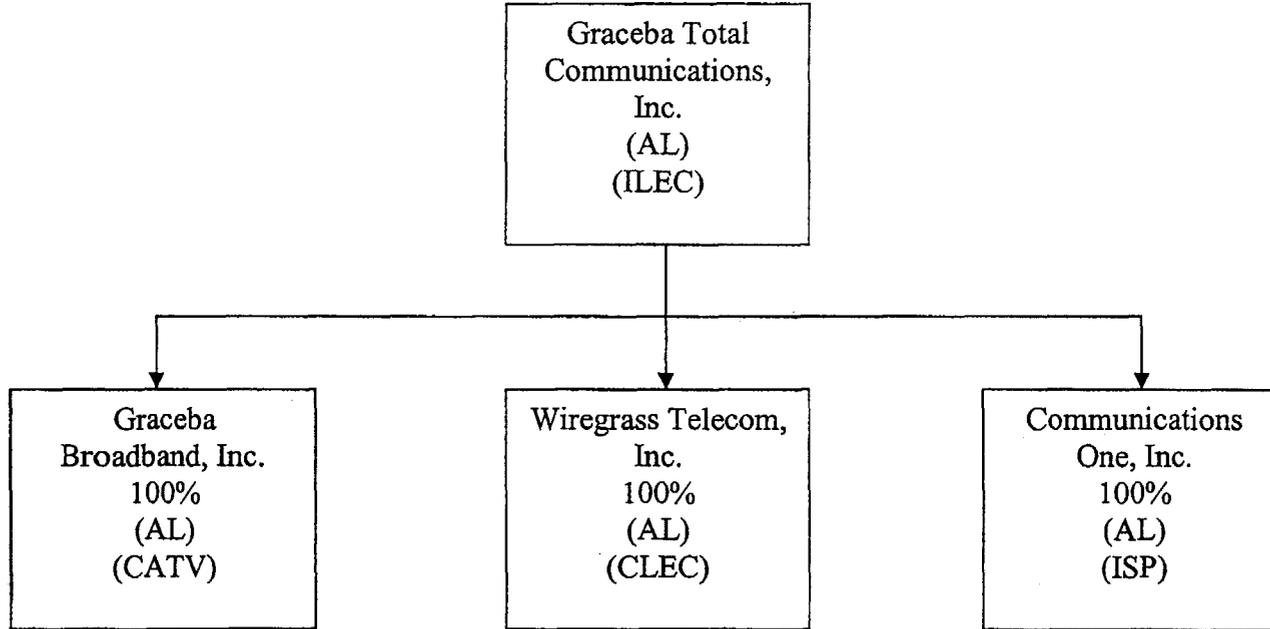


Exhibit A-3

Knology Corporate Organization Chart  
Post-Transaction

