



PUBLIC NOTICE

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DA 10-667
Released: April 20, 2010

**APPLICATION FILED FOR THE TRANSFER OF CONTROL OF RCN
CORPORATION TO YANKEE CABLE ACQUISITION, LLC AND
YANKEE METRO PARENT, INC.**

PLEADING CYCLE ESTABLISHED

WC Docket No. 10-79

**MAILED
APR 26 2010
FCC Mail Room**

Comment Date: May 4, 2009
Reply Comment Date: May 11, 2010

RCN Corporation (RCN), Yankee Cable Acquisition, LLC (Yankee Cable) and Yankee Metro Parent, Inc. (Yankee Metro) (collectively, Applicants) have filed assignment and transfer of control applications pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended,¹ related to the transfer of control of RCN and its subsidiaries to Yankee Cable and Yankee Metro.²

RCN, a Delaware corporation, is a competitive facilities-based provider of bundled phone, cable and high speed Internet services delivered over its own fiber-optic local network to consumers in densely populated markets. RCN Corporation has several subsidiaries authorized by the Commission that provide domestic and international telecommunications services to a total of approximately 429,000 residential and small business customers. RCN subsidiaries currently provide competitive intrastate telecommunications services in Connecticut, Delaware, District of Columbia, Illinois, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont and Virginia. RCN subsidiaries provide video and broadband services through cables systems and open video systems (OVS) to 364,400 subscribers in Boston, Chicago, the District of Columbia, the Lehigh Valley of

¹ 47 U.S.C. §§ 214, 310(d). See 47 C.F.R. §78.35.

² The RCN subsidiaries who hold Section 214 authorizations that will be included in this proposed transaction are: RCN Telecom Services, Inc., RCN Telecom Services of Philadelphia, Inc., RCN-BecoCom, Inc., RCN Telecom Services of Illinois, LLC, RCN New York Communications, LLC, RCN Telecom Services of Massachusetts, Inc., RCN Telecom Services of Washington, D.C., Inc., NEON Optica, Inc., and Starpower Communications LLC (collectively, the RCN Operating Subsidiaries). Prior to the close of the proposed transaction the following subsidiaries, which are not currently providing any telecommunications services, will be liquidated and their authorizations cancelled: RCN Telecom Services of Massachusetts, Inc., and RCN Telecom Services of Washington, D.C., Inc. Applicants also filed an application for transfer of control associated with authorization for wireless services. Any action on the instant applications is without prejudice to Commission action on other related, pending applications. Applicants filed a supplement to their applications on April 6, 2010.

Pennsylvania, New York City, and Philadelphia. No entity holds a ten percent or greater direct or indirect interest in RCN Corporation.

Yankee Cable, a Delaware limited liability company, is an indirect subsidiary of Yankee Cable Partners, LLC, a Delaware limited liability company. Yankee Metro, a Delaware corporation, is a direct subsidiary of Yankee Metro Partners, LLC, a Delaware limited liability company. After consummation of the proposed transaction, Yankee Cable Partners, LLC will be majority-owned by ABRY Partners VI, L.P., a Delaware limited partnership. Yankee Metro Partners, LLC will be majority-owned by ABRY Partners VI, L.P. and ABRY Senior Equity III, L.P., a Delaware limited partnership. No other entities will hold a 10 percent or greater ownership interest in Yankee Cable Partners, LLC or Yankee Metro Partners, LLC. ABRY Partners VI, L.P. and ABRY Senior Equity III, L.P. are private equity funds which primarily make privately negotiated equity investments in the media, telecommunications, and information industries. ABRY Partners VI, L.P. controls Grande Communications Networks, Inc., which provides telecommunications services in Arkansas, Oklahoma, and Texas. ABRY Partners VI, L.P. or other commonly controlled funds (collectively, ABRY) own cable, telecommunications, and interconnected VoIP providers in the United States. ABRY Partners VI, L.P. will hold all voting interests in each of Yankee Cable Partners, LLC and Yankee Metro Partners, LLC. The sole general partner of ABRY Partners VI, L.P. is ABRY VI Capital Partners, L.P., a Delaware limited partnership. The sole general partner of ABRY VI Capital Partners, L.P. is ABRY VI Capital Investors, LLC, a Delaware limited liability company. Applicants state that the sole owner of ABRY VI Capital Investors, LLC is Royce Yudkoff, a citizen of the United States, who ultimately controls ABRY Partners VI, L.P. and ABRY Senior Equity III, L.P.

RCN Corporation, Yankee Cable, and Yankee Metro (along with Yankee Metro Merger Sub, Inc.) entered into an Agreement and Plan of Merger (Merger Agreement) on March 5, 2010, for Yankee Cable and Yankee Metro to acquire control of RCN and the RCN Operating Subsidiaries. Pursuant to the Merger Agreement, the proposed transaction will be accomplished through a series of steps, including the following preliminary *pro forma* intracorporate actions that are being completed to allocate certain assets to appropriate RCN Corporation subsidiaries.³ Following completion of the *pro forma* reorganization, Yankee Cable will indirectly purchase from RCN all of its ownership interest in RCN TS, thereby gaining control of RCN Telecom Services (Lehigh) LLC, RCN Telecom Services of Philadelphia LLC, RCN-BecoCom LLC, RCN Telecom Services of Illinois, LLC, RCN Telecom Services of New York, LP, and Starpower Communications, LLC. Yankee Metro will purchase the stock of RCN Corporation through

³ RNC Telecom Services, Inc. will assign one of its international Section 214 authorizations for global facilities-based and resale services, along with its New York operating assets, to newly formed RCN Telecom Services of New York, LP. RCN Telecom Services, Inc. will assign another one of its international Section 214 authorizations for global facilities-based and resale services to newly formed RCN Telecom Services of Philadelphia LLC. RCN Telecom Services, Inc., will be merged into RCN Telecom Services (Lehigh) LLC, a newly formed Delaware limited liability company. RCN-BecoCom, Inc., will be merged into RCN-BecoCom LLC, a newly formed Delaware limited liability company. RCN Telecom Services of Philadelphia, Inc., will be merged into RCN Telecom Services of Philadelphia LLC, a newly formed Delaware limited liability company. The following subsidiaries of RCN will become direct subsidiaries of a newly formed subsidiary of RCN, RCN Telecom Services, LLC (RCN TS): RCN Telecom Services (Lehigh) LLC; RCN Telecom Services of Philadelphia LLC; RCN-BecoCom LLC; RCN Telecom Services of Illinois, LLC; Starpower Communications, LLC. Further, RCN TS will become a general partner of RCN Telecom Services of New York, LP. The limited partner of RCN Telecom Services of New York, LLP is RCN NY LLC 1, a Delaware limited liability company, which is in turn a direct subsidiary of RCN TS.

the merger of Yankee Metro Merger Sub, Inc., a subsidiary of Yankee Metro created specifically for the purpose of this transaction, with and into RCN Corporation, with RCN Corporation surviving.

Applicants contend that the proposed transaction will serve the public interest. Applicants state that the transaction will enhance the ability of the RCN Operating Subsidiaries to compete and to offer enhanced telecommunications services within the areas they operate. Specifically, Applicants assert that the transaction will provide financial and managerial support that should strengthen the ability of the RCN Operating Subsidiaries to compete. Finally, Applicants state that the proposed transaction will not result in a change to the rates, terms and conditions of service as currently provided.

SECTION 214 AUTHORIZATIONS

The following applications for consent to the transfer of control of section 214 authorizations to Yankee Cable and Yankee Metro have been assigned the file numbers listed below.

A. International

<u>File No.</u>	<u>Authorization Holder</u>	<u>Authorization Number</u>
ITC-ASG-20100319-00113	RCN Telecom Services (Lehigh) LLC	ITC-214-19961004-00490 ITC-214-19970717-00411 ITC-214-19970723-00430 ITC-214-19981002-00679
ITC-T/C-20100319-00114	RCN BecoCom LLC	ITC-214-19971027-00661
ITC-T/C-20100319-00115	RCN Telecom Services of Illinois, LLC	ITC-214-19980731-00532
ITC-T/C-20100319-00116	RCN New York Communications, LLC	ITC-214-20001128-00698
ITC-T/C-20100319-00119	Starpower Communications, LLC	ITC-214-19980116-00024
ITC-ASG-20100416-00162	RCN Telecom Services of Philadelphia, LLC	ITC-214-19970707-00379
ITC-ASG-20100416-00163	RCN Telecom Services of New York, LP	ITC-214-19970707-00384

B. Domestic

Applicants filed an application for consent to transfer control of RCN to Yankee Cable and Yankee Metro. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission’s rules,⁴ however, because the transaction involves authorizations from multiple Bureaus, we accept the application for non-streamlined processing.⁵

CABLE TELEVISION RELAY SERVICE APPLICATIONS

⁴ 47 C.F.R. § 63.03(b)(2)(i).

⁵ 47 C.F.R. § 63.03(c).

The following applications for the assignment of licenses of RCN Telecom Services, Inc. to RCN Telecom Services (Lehigh) LLC are listed below.

<u>File No.</u>	<u>Authorization Holder</u>	<u>Call Sign</u>
20100330AA-08	RCN Telecom Services, Inc.	KN-2493
20100330AB-08	RCN Telecom Services, Inc.	WLY-676
20100330AC-08	RCN Telecom Services, Inc.	KD-55018
20100330AD-08	RCN Telecom Services, Inc.	WLY-679

EX PARTE STATUS OF THIS PROCEEDING

Pursuant to section 1.1200(a) of the Commission's rules,⁶ the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. We announce that this proceeding will be governed by permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission's rules.⁷

We direct parties making oral *ex parte* presentations to the Commission's statement re-emphasizing the public's responsibility in permit-but-disclose proceedings. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.⁸ More than a one- or two-sentence description of the views and arguments presented is generally required.⁹ Other rules pertaining to oral and written presentations are set forth in section 1.1206(b) as well.¹⁰ We urge parties to use the Electronic Comment Filing System (ECFS) to file *ex parte* submissions.

GENERAL INFORMATION

The application referenced herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies. Interested parties must file comments or petitions to deny no later than **May 4, 2009**. Replies or oppositions to comments and petitions must be filed no later than **May 11, 2010**. All filings concerning matters referenced in this Public Notice should refer to **DA 10-667** and **WC Docket No. 10-79**, as well as the specific file numbers of the individual applications or other matters to which the filings pertain.

⁶ 47 C.F.R. § 1.1200(a).

⁷ *Id.* § 1.1206.

⁸ See *Commission Emphasizes the Public's Responsibilities in Permit-But-Disclose Proceedings*, Public Notice, 15 FCC Rcd 19945 (2000).

⁹ See 47 C.F.R. § 1.1206(b)(2).

¹⁰ *Id.* § 1.1206(b).

Under the Commission's procedures for the submission of filings and other documents,¹¹ submissions in this matter may be filed electronically (*i.e.*, though ECFS) or by hand delivery.

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/> or the Federal eRulemaking Portal: <http://www.regulations.gov>.
- **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. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC 20554. 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 must be addressed to 445 12th Street, SW, Washington DC 20554.

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).

Additionally, filers must deliver courtesy copies by email or facsimile to the following Commission staff:

- Jim Bird, Office of General Counsel, at Jim.Bird@fcc.gov or 202 / 418-2822 (facsimile);
- William Dever, Wireline Competition Bureau, at William.Dever@fcc.gov or 202 / 418-1413 (facsimile);
- Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, at Dennis.Johnson@fcc.gov or 202 / 418-1413 (facsimile);

¹¹ See *Implementation of Interim Electronic Filing Procedures for Certain Commission Filings*, Order, 16 FCC Rcd 21483 (2001); see also *FCC Announces a New Filing Location for Paper Documents and a New Fax Number for General Correspondence*, Public Notice, 16 FCC Rcd 22165 (2001); *Reminder: Filing Locations for Paper Documents and Instructions for Mailing Electronic Media*, Public Notice, 18 FCC Rcd 16705 (2003).

- David Krech, Policy Division, International Bureau, at David.Krech@fcc.gov or 202 / 418-2824 (facsimile).
- Wayne McKee, Media Bureau, at Wayne.McKee@fcc.gov or 202 / 418-1189 (facsimile).

For further information, contact Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, at 202 / 418-0809; David Krech, Policy Division, International Bureau, at 202 / 418-7443; or Wayne McKee, Media Bureau, at 202 / 418-2355.

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