

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

Comment Sought on Choctaw-MC/LM Assignment and Second Thursday Request	) )	
Application to Assign Licenses from Maritime Communications /Land Mobile, LLC Debtor-in Possession, To Choctaw Holdings, LLC (FCC File No. 0005552500)	) ) ) ) )	WT Docket No. 13-85

**COMMENTS OF SHENANDOAH VALLEY ELECTRIC COOPERATIVE**

Shenandoah Valley Electric Cooperative ("SVEC"), by its attorneys, hereby submits the following comments in response to the Federal Communications Commission's ("FCC" or "Commission") Public Notice issued on March 28, 2013 in the above-captioned proceeding in which it sought comment on the Application of Choctaw Holdings, LLC ("Choctaw") to assign licenses from Maritime Communications/Land Mobile, LLC, Debtor-in-Possession ("MC/LM") ("Choctaw Application").<sup>1</sup> SVEC urges the Commission to grant the Choctaw Application.

Chartered in 1936, SVEC is an electric cooperative which serves more than 92,000 member/owners' accounts in the counties of Augusta, Clarke, Frederick, Highland, Page, Rockingham, Shenandoah and Warren in Virginia. SVEC was the first electric cooperative chartered in Virginia. The cooperative's mission is to provide both reliable and safe electric service to each of its members within this rural area of Virginia. SVEC is responsible to its members for maintaining nearly 7,600 miles of power distribution wires and associated fixed

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<sup>1</sup> Public Notice, *Application to Assign Licenses from Maritime Communications/Land Mobile LLC. Debtor-in-Possession, to Choctaw Holdings, LLC* (FCC File No. 0005552500), DA 13-569 (March 28, 2013).

plant, and distributed more than 2.27 billion kilowatt hours of electricity to its members in 2012. Unlike investor owned utilities, as a cooperative, all of SVEC's profits, or margins, are allocated back to the member-owners. SVEC has no connection with the principals of MC/LM.

As critical infrastructure industry ("CII") entity, SVEC provides electric service to more than 92,000 places in its rural service area. SVEC is a Commission licensee in good standing. The cooperative uses licensed spectrum to coordinate its internal activities to assure the safe and reliable operation of the distribution electric utility system. SVEC currently leases spectrum from MC/LM (Call Sign WQGF315) which the cooperative actively uses in its service area for operational purposes from various sites. Loss of spectrum would cripple, if not eliminate, all communication between office and field for purpose of outage restoration, operation and maintenance of distribution system, and provision of basic consumer service field operations. Existing cellular service is limited in many locations, and radio communication is essential to ongoing operation. Consequently, without the ability to use this spectrum, SVEC's CII operations would be seriously handicapped.

During the past several years, SVEC has faced tremendous uncertainty regarding how it would continue to maintain critical communications if it were to lose the ability to utilize the spectrum it leases from MC/LM as a result of either a Commission decision in EB Docket No. 11-71<sup>2</sup> or the MC/LM bankruptcy case.<sup>3</sup> Given the nature of the CII services provided by SVEC and the rural area which it serves, it is important that the uncertainty which has overhung SVEC's

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<sup>2</sup> *Maritime Communications/Land Mobile, LLC*, EB Docket No. 11-71 (2011).

<sup>3</sup> *Maritime Communications/Land Mobile, LLC*, Case No. 11-13463-DWH (N.D. Miss Bank. Ct.)

use of this spectrum be favorably and expeditiously resolved. Grant of the Choctaw Application would do that.

Although SVEC was not a party to EB Docket No. 11-71 and its frequencies were not discussed therein, SVEC was a party to the MC/LM bankruptcy proceeding. During the course of the bankruptcy proceeding, SVEC entered into a Spectrum Lease Agreement and an Asset Purchase Agreement with MC/LM with regard to the spectrum at issue, subject of course to FCC approval. These agreements were approved by the Bankruptcy Court and incorporated into the Plan of Reorganization. In order to complete the proposed transaction, SVEC has two applications pending at the Commission. SVEC and MC/LM have on file an Application for Spectrum Leasing Arrangement, FCC File No. 000559095, and an Application for Assignment of Authorization, FCC File No. 0005224880. Both applications are listed in Amended Exhibit A to the Choctaw Application as pending applications. If the Choctaw Application is granted, Choctaw and SVEC will then take the steps necessary to complete the transaction.

It is clearly in the public interest to have a CII electric cooperative such as SVEC, serving a rural area, to continue to be able to use the licensed spectrum which has become an integral part of its operations. The principals of MC/LM will have had and will continue to have no part in SVEC's operations. They will either derive no benefit from favorable action on the application or only a minor benefit which is outweighed by equitable considerations in favor of innocent creditors.<sup>4</sup> Consequently, SVEC urges the Commission to grant Choctaw's request that the FCC (1) consent to all transfers and assignments necessary to complete the transaction described in the Choctaw Application, including: assignment of the MC/LM authorizations to

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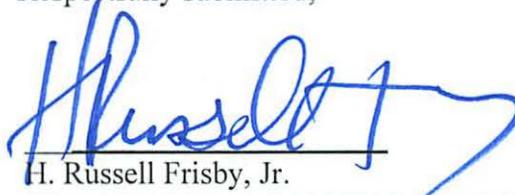
<sup>4</sup> See *Second Thursday Corp.*, *Memorandum Opinion and Order* 22 FCC 2d 515, 516 ¶ 5.

Choctaw and (2) grant the pending assignment applications to assign certain MC/LM licenses to third parties.

**Conclusion**

In summary, for the reasons stated herein, Shenandoah Valley Electric Cooperative urges the Commission to grant the Choctaw Application.

Respectfully submitted,



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