



PUBLIC NOTICE

Federal Communications Commission
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DA 16-1070

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**APPLICATIONS FILED FOR THE TRANSFER OF CONTROL OF
RCN TELECOM SERVICES, LLC AND GRANDE COMMUNICATIONS NETWORKS LLC
TO RADIATE HOLDINGS, L.P.**

PLEADING CYCLE ESTABLISHED

WC Docket No. 16-276

Comments/Petitions Due: October 21, 2016

Reply Comments/Oppositions to Petitions Due: November 7, 2016

Radiate Holdings, L.P. (Radiate Holdings), Yankee Cable Partners, LLC (Yankee Partners), and Grande Investment L.P. (Grande Investment) (together, Applicants) filed a series of applications, pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended (Act), and sections 63.04, 63.18, and 63.24 of the Commission's rules,¹ seeking approval to transfer control of various licenses and authorizations² held by Yankee Partners and Grande Investment to Radiate Holdings. Pursuant to the proposed transaction, Yankee Partners would sell all of its interests in RCN Telecom Services, LLC (RCN-TS) to Radiate Holdings, and Grande Investment would sell all of its interests in Grande Communications Networks LLC (Grande Networks) to Radiate Holdings, whereby RCN-TS and Grande Networks, along with their operating subsidiaries, would become wholly owned, indirect subsidiaries of Radiate Holdings.³

Yankee Partners, a Delaware limited liability company, wholly owns Yankee Parent, a Delaware limited liability company, and through Yankee Parent, indirectly owns 100 percent of the interest in RCN-TS. RCN-TS and its subsidiaries provide digital television, high-speed Internet, and voice telecommunications services to approximately 474,000 subscribers in Illinois, Massachusetts, Maryland,

¹ 47 U.S.C. §§ 214, 310(d); 47 CFR §§ 63.04, 63.18, 63.24. Consolidated Applications to Transfer Control of Domestic and International Section 214 Authorizations, WC Docket No. 16-276 (filed Sept. 1, 2016) (Lead Application).

² In addition to domestic and international section 214 authorizations, Applicants filed applications to transfer control of Cable Television Relay Services licenses, an earth station license, and various private radio licenses listed below.

³ Lead Application at 3-4.

New York, Pennsylvania, Virginia, and Washington, D.C.⁴ Yankee Partners is an indirect subsidiary of ABRY Partners VI, L.P., a Delaware limited partnership.⁵

Grande Investment, a Delaware limited partnership, is the direct 100 percent owner of Grande Parent, a Delaware limited liability company, and through Grande Parent, the indirect 100 percent owner of Grande Networks.⁶ Grande Networks provides digital television, high-speed Internet, and voice telecommunications services to approximately 166,500 subscribers in Texas.⁷ Grande Investment is an indirect subsidiary of ABRY Partners VI, L.P.⁸

Radiate Holdings, a Delaware limited partnership, is a holding company that will be majority owned and controlled by certain investment funds ultimately controlled by the principals of TGP Capital, L.P. (TGP Capital).⁹ The following U.S. citizens are the principals of TGP Capital: David Bonderman and James G. Coulter.¹⁰ Applicants state that Radiate Holdings will be managed by a Delaware limited liability company, Radiate Holdings GP, LLC (Radiate GP), formed for the purpose of serving as the general partner of Radiate Holdings.¹¹ Radiate GP will have responsibility for the management, operation, and control of Radiate Holdings.¹² Applicants state that the Board of Directors of Radiate GP will initially consist of not less than seven members and will be controlled by TGP Capital and its affiliates.¹³ The direct limited partners in Radiate Holdings will be TPG VII Radiate Holdings I, L.P., a Delaware limited partnership in which David Bonderman and James G. Coulter have indirect 100 percent control; Google Capital, which consists of a series of Delaware limited partnerships ultimately owned by Alphabet Inc.; Rio FD Holdings, LLC, an affiliate of Dragoneer Investment Group, LLC, a Delaware limited liability company; and certain members of the management team from Patriot Media Consulting, LLC (Patriot Media).¹⁴ Patriot Media, a New Jersey limited liability company that currently manages the business of RCN-TS and Grande Networks and their respective subsidiaries on behalf of Yankee Parent and Grande Parent LLC, respectively, will, post-transaction, continue to manage both RCN-TS and Grande Networks on behalf of Radiate Holdings.¹⁵

On August 12, 2016, Radiate Holdco, LLC (Holdco), a Delaware limited liability company and an indirect subsidiary of Radiate Holdings, entered into a Membership Interest Purchase Agreement with Yankee Partners and its wholly owned subsidiary, Yankee Parent.¹⁶ At closing, Holdco will acquire from

⁴ *Id.* at 2.

⁵ *Id.*

⁶ *Id.* at 3.

⁷ *Id.*

⁸ *Id.*

⁹ *Id.* at 1.

¹⁰ *See id.* at 1-3 for a complete description of the ownership of RCN-TS and Grande Networks post-transaction.

¹¹ *Id.* at 2.

¹² *Id.*

¹³ Applicants state that Jim Holanda, the current CEO of Patriot Media, and Steve Simmons, the current Chairman of Patriot Media, will each serve as initial members of the Radiate GP Board of Directors, and one member of the Board of Directors of Radiate GP will be appointed by Google Capital. Applicants state that Google Capital consists of a series of Delaware limited partnerships ultimately owned by Alphabet Inc. *Id.*

¹⁴ *Id.* at 1.

¹⁵ *Id.* at 6. All entities are U.S.-based. Applicants state that Radiate Holdings does not directly or through its subsidiaries currently provide telecommunications service in the U.S. *Id.* at 12.

¹⁶ *Id.* at 3.

Yankee Partners all of the outstanding membership interests of Yankee Parent.¹⁷ As a result, Yankee Parent will become a wholly owned, direct subsidiary of Holdco.¹⁸ All of Yankee Parent's existing subsidiaries that hold Commission licenses or authorizations will remain intact and will continue to hold their operating assets.¹⁹ On the same date, Holdco also entered into a Membership Interest Purchase Agreement with Grande Investment and its wholly owned subsidiary Grande Parent.²⁰ At closing, Holdco will acquire from Grande Investment all of the outstanding membership interests of Grande Parent.²¹ As a result, Grande Parent will become a wholly owned, direct subsidiary of Holdco.²² Grande Networks, the wholly owned subsidiary of Grande Parent that holds Commission licenses or authorizations, will remain intact and will continue to hold its operating assets and will become an indirect, wholly owned subsidiary of Radiate Holdings.²³ Grande Networks will thereby become an indirect, wholly owned subsidiary of Radiate Holdings.²⁴ In sum, Applicants state that at the close of the transactions, Radiate Holdings will become the indirect 100 percent owner of Yankee Parent, which currently is the 100 percent indirect owner of RCN-TS. Radiate Holdings will also become the indirect 100 percent owner of Grande Parent, which is currently the 100 percent direct owner of Grande Networks.

Applicants assert that grant of the transfer of control applications will serve the public interest without posing any harm to consumers.²⁵ They state that the proposed transaction will not result in consolidation of overlapping cable or telecommunications providers and will result in a stronger competitor to larger providers of video, high-speed Internet, voice, and business data services.²⁶ Applicants state that the proposed transaction will result in more favorable financing and programming arrangements and achieve greater operational efficiencies.²⁷ Applicants contend that this will "facilitate system improvements such as completing a footprint-wide upgrade to DOCSIS 3.1 that will further increase Internet speeds and will enable the operating subsidiaries to compete more effectively against larger, national rivals in both the residential and business sectors."²⁸ Applicants argue that these "investments and improvements will drive other competitors to make their own investments and improvements."²⁹ Applicants state that the proposed transaction will "not reduce the number of head-to-head competitors in any market or create an entity with either the incentive or ability to limit consumers' access to OVD services."³⁰

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.* at 4.

²⁰ *Id.*

²¹ *Id.*

²² *Id.* at 3.

²³ *Id.* at 4.

²⁴ *Id.*

²⁵ *Id.* at 5-6.

²⁶ *Id.* at 7.

²⁷ *Id.* at 6.

²⁸ *Id.*

²⁹ *Id.* at 7.

³⁰ *Id.* at 8.

SECTION 214 AUTHORIZATIONS

A. International

The applications for consent to the transfer of control of the international section 214 authorizations from Yankee Partners and Grande Investment to Radiate Holdings have been assigned the file numbers listed below.

File Number	Authorization Holder	Authorization Number
ITC-T/C-20160901-00257	RCN Telecom Services (Lehigh) LLC	ITC-214-19961004-00490 ITC-214-19970717-00411 ITC-214-19970723-00430 ITC-214-19981002-00679
ITC-T/C-20160901-00258	Grande Communications Networks LLC	ITC-214-20001108-00651
ITC-T/C-20160901-00259	RCN Telecom Services of Massachusetts, LLC	ITC-214-19971027-00661
ITC-T/C-20160901-00260	RCN Telecom Services of New York, LP	ITC-214-19970707-00384
ITC-T/C-20160901-00261	RCN Telecom Services of Philadelphia LLC	ITC-214-19970707-00379
ITC-T/C-20160901-00262	RCN Telecom Services of Illinois, LLC	ITC-214-19980731-00532
ITC-T/C-20160901-00263	Starpower Communications, LLC	ITC-214-19980116-00024

B. Domestic

Applicants filed an application to transfer control of domestic section 214 authority in connection with the proposed transaction. In light of the multiple applications pending before the Commission with respect to this transaction and the public interest review associated with them, the domestic transfer of control application is not subject to streamlined treatment.³¹

SECTION 310(d) APPLICATIONS

The applications for consent to the transfer of control of certain ancillary wireless licenses under section 310(d) have been assigned the file numbers listed below.

Application for Transfer of Control of Wireless Authorizations

File Number	Licensee	Call Sign
0007440512	Grande Communications Network LLC	WQQF562

Part 78- Cable Television Relay Service (CARS)

File Number	Licensee	Call Sign
20160915AA09	RCN Telecom Services (Lehigh) LLC	WLY-676
20160915AB09	RCN Telecom Services (Lehigh) LLC	WLY-679

³¹ 47 CFR § 63.03.

20160915AC09

RCN Telecom Services (Lehigh) LLC

KD-55018

Part 25 – Satellite Earth Station License

File Number	Licensee	Call Sign
SES-T/C-20160901-00758	RCN Telecom Services (Lehigh) LLC	E100045

GENERAL INFORMATION

The applications referenced herein have 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 and policies.

Pursuant to section 1.419 of the Commission’s rules, 47 CFR § 1.419, interested parties may file comments and petitions **on or before October 21, 2016**, and reply comments or oppositions to petitions **on or before November 7, 2016**. Comments may be filed using the Commission’s Electronic Comment Filing System (ECFS) or by paper. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998). All filings must be addressed to the Commission’s Secretary, Office of the Secretary, Federal Communications Commission.

- **Electronic Filers:** Comments may be filed electronically using the Internet by accessing ECFS at <http://apps.fcc.gov/ecfs/>.
- **Paper Filers:** Parties who choose to file by paper must file an original and one copy of each filing. Paper 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 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. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. All envelopes and boxes 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 St., 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 and Governmental Affairs Bureau at 202-418-0530 (voice), 1-888-835-5322 (tty).

In addition, please provide one copy of each pleading to each of the following:

- 1) Neil Dellar, Office of General Counsel, transactionteam@fcc.gov;
- 2) Dennis Johnson, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 3) David Krech, International Bureau, david.krech@fcc.gov;
- 4) Sumita Mukhoty, International Bureau, sumita.mukhoty@fcc.gov;
- 5) Brendan Holland, Media Bureau, brendan.holland@fcc.gov;

- 6) Jeffrey Neumann, Media Bureau, jeffrey.neumann@fcc.gov;
- 7) Linda Ray, Wireless Telecommunications Bureau, linda.ray@fcc.gov;

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules.³² Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of data or arguments already reflected in the presenter’s written comments, memoranda, or other filings in the proceeding, then the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

To allow the Commission to consider fully all substantive issues regarding the applications in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.³³ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Dennis Johnson, Wireline Competition Bureau, (202) 418-0809; David Krech, International Bureau, (202) 418-7443; Sumita Mukhoty, International Bureau, (202) 418-7165; Brendan Holland, Media Bureau, (202) 418-2757; Jeffrey Neumann, Media Bureau, (202) 418-2046; or Linda Ray, Wireless Telecommunications Bureau, (202) 418-0257.

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³² 47 CFR § 1.1200 *et seq.*

³³ *See* 47 CFR § 1.45(c).