

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

In the Matter of)
)
Grande Communications Networks, LLC)
Assignor)
) **WC Docket No.** _____
and)
) **IB File No.** _____
NextEra FiberNet, LLC)
Assignee)
)
Application for Consent to Assign Assets from)
Grande Communications Networks, LLC, a)
Company holding International and)
Domestic Authorizations Pursuant to)
Section 214 of the Communications Act of 1934,)
As Amended, to NextEra FiberNet, LLC)

APPLICATION

Grande Communications Networks, LLC (“Grande”) and NextEra FiberNet, LLC (“NEFN” and together with Grande, “Applicants”) hereby respectfully request authority pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. §214 (the “Act”), and Sections 63.04 and 63.24 of the Commission’s Rules, 47 CFR §§ 63.04, 63.24, to assign certain assets and customer contracts, as specified below, from Grande to NEFN (the “Assets”). Grande is a non-dominant telecommunications carrier authorized by the Commission to provide both domestic interstate and international telecommunications services. After consummation of the assignment, Grande will continue to hold its telecommunications authorizations and provide service to its customers not involved in the instant transaction. Thus, in connection with the assignment, NEFN requests that the Commission grant it an international Section 214

authorization to provide global and limited global facilities-based and resold international telecommunications services so that it can provide service in a seamless manner to the customers being acquired from Grande.

The proposed transaction is not expected to result in any loss or impairment of service to any of the customers being assigned from Grande to NEFN. Immediately following consummation of the transaction, the customers will continue to receive their existing services at the same rates, terms and conditions as at present. If any changes in the rates, terms and conditions of service are made in the future, those changes will be made consistent with Commission requirements. The only material change as part of this transaction will be in the customers' service provider. Customers will be notified of the change in accordance with Section 64.1120 of the Commission's Rules. Customers will still be responsible for any applicable early contract termination charges or other fees under their current terms of service, if they choose a service provider other than NEFN.

Pursuant to Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04(b), the Applicants are filing this combined application for the proposed transfer of assets. The Applicants provide below the information required by Section 63.24(e)(2) of the Commission's Rules, 47 C.F.R. § 63.24(e)(2). *Exhibit A* provides the additional information requested by Section 63.04(a)(6) through (a)(12) of the Commission's Rules, 47 C.F.R. § 63.04(a)(6)-(12).

The Applicants respectfully request streamlined treatment of this Application pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 C.F.R. §§ 63.03 and 63.12. This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission's Rules, 47 C.F.R. § 63.03(b)(2), because (1) the

proposed transaction will result in the Applicants (including their affiliates, as that term is defined in Section 3(1) of the Act) having a market share in the interstate, interexchange market of less than 10 percent; (2) Applicants (including their affiliates) will 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; and (3) neither the Applicants nor any of its affiliates are regulated as dominant with respect to any service. This Application also qualifies for streamlined treatment under Section 63.12 because (i) Applicants are not affiliated with a dominant foreign carrier, (ii) Applicants will not become affiliated with any foreign carrier as a result of the proposed transaction, and (iii) none of the other provisions contained in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

The Applicants respectfully request approval of this Application as soon as possible.

I. APPLICANTS

A. Grande

Grande (FRN 0006178198), a Delaware limited liability company, is headquartered at 401 Carlson Circle, San Marcos, Texas 78666, (512) 878-4000. Grande is authorized to provide competitive end-user intrastate telecommunications services in Arkansas, Florida, Georgia, North Carolina, Oklahoma and Texas. Grande currently provides service in Arkansas, California and Louisiana (on an interstate wholesale basis only), Oklahoma and Texas, primarily for ISPs and other carriers on a wholesale basis. Currently, in several Texas markets, Grande provides residential and business customers with local and long distance telephony services.

Grande is authorized by the Commission in File No. ITC-214-20001108-00651, granted November 30, 2000, to provide global or limited global facilities-based and resale international telecommunications services and domestic telecommunications services.¹ Following the proposed transaction, Grande will continue to hold its FCC authorizations.

Currently, the following persons or entities hold a 10 percent or greater equity interest in Grande:

(1) Grande Parent LLC: Grande Parent LLC is a Delaware limited liability company located at 111 Huntington Avenue, Boston, Massachusetts 02199, (617) 859-2959. It owns 100% of the outstanding membership interests of Grande and functions as a holding company.

(2) Grande Investment L.P.: Grande Investment L.P. is a Delaware limited partnership located at 111 Huntington Avenue, Boston, Massachusetts 02199, (617) 859-2959. It owns 100% of the outstanding membership interests of Grande Parent LLC and functions as a holding company.

(3) Grande Manager LLC: Grande Manager LLC is a Delaware limited liability company located at 111 Huntington Avenue, Boston, Massachusetts 02199, (617) 859-2959. It holds approximately 75% of the vote in Grande Investment LP. No entities other than ABRY Partners VI, LP and Rio GP LLC hold more than a ten percent ownership interest in Grande Investment LP.

(4) ABRY Partners VI, LP: ABRY Partners VI, LP (“ABRY”) is a Delaware limited partnership located at 111 Huntington Avenue, Boston, Massachusetts 02199, (617) 859-2959. It owns 100% of the membership interests of Grande Manager LLC, and a majority of the equity in Grande Investment L.P. ABRY is a private equity fund which primarily makes privately negotiated equity investments in the media, communication and information industries. No person or entity directly or indirectly owns 10% or more of ABRY.

¹ Grande Networks’s former affiliate, Grande Communications, Inc., which was merged into Grande Networks in 2005, previously held two Section 214 licenses: one assigned on a pro forma basis from ClearSource, Inc. (ITC-214-19990525-00289, assigned in ITC-ASG-20051206) and one assigned from Denton Telecom Partners I, L.P. (ITC-214-19970828-00516, assigned in ITC-ASG-20020801-00493). These licenses were surrendered by letter to the Commission on September 29, 2008.

The sole general partner of ABRY is ABRY VI Capital Partners, L.P. (“ABRY Capital Partners”), a Delaware limited partnership located at 111 Huntington Avenue, Boston, Massachusetts 02199, (617) 859-2959. The principal business of ABRY Capital Partners is managing ABRY. The sole general partner of ABRY Capital Partners is ABRY VI Capital Investors, LLC (“ABRY Capital Investors”), a Delaware limited liability company located at 111 Huntington Avenue, 30th Floor, Boston, Massachusetts 02199, (617) 859-2959. The principal business of ABRY Capital Investors is managing ABRY Capital Partners. Royce G. Yudkoff, a U.S. citizen, is the sole member of ABRY Capital Investors. Mr. Yudkoff’s principal business is investing and his address is c/o ABRY Partners LLC, 111 Huntington Avenue, Boston, Massachusetts 02199.

(5) Rio GP, LLC: Rio GP, LLC is a Nevada limited liability company located at 600 Congress Ave., Suite 200 Austin, TX 78701. It owns approximately 25% of the outstanding general partnership interests in Grande Investment L.P. and functions as a holding company.

(6) Rio Holdings, Inc.: Rio Holdings, Inc. is a Nevada corporation located at 600 Congress Ave., Suite 200 Austin, TX 78701. It owns 100% of the outstanding membership interests in Rio GP, LLC and functions as a holding company.

With an approximate 75% of the vote in Grande Investment LP through Grande Manager LLC and ownership of a majority of the equity, ABRY currently has both *de jure* and *de facto* control of Grande. No other person or entity other than those listed above currently holds 10% or more of the outstanding voting or equity interests in Grande under the Commission’s attribution rules. There are no interlocking directorates with a foreign carrier. Grande currently has no affiliates that offer domestic telecommunications services.

B. NEFN

NEFN (FRN 0020136925) is a newly formed Delaware limited liability company located at 9250 W. Flagler Street, Miami, Florida 33174. NEFN holds authority to provide competitive telecommunications services in Texas and has a pending application

for similar authority in Oklahoma.² By this Application and in connection with the proposed assignment, NEFN requests that the Commission grant it an international Section 214 license to provide global and limited global resold and facilities-based services in order to be able to serve the customers it intends to acquire from Grande.

NEFN is a direct, wholly owned subsidiary of FPL Group Capital Inc, a holding company, which, in turn, is a direct, wholly owned subsidiary of NextEra Energy, Inc. (“NextEra Energy”), a public company headquartered in Juno Beach, Florida and nationally known as a high-quality, efficient and customer-driven organization focused on energy-related products and services. With annual revenues of more than \$15 billion and a growing presence in 28 states and Canada, NextEra Energy is widely recognized as one of the country’s premier clean energy companies. NextEra Energy’s principal subsidiaries are NextEra Energy Resources, LLC, the largest generator in North America of renewable energy from wind and sun, and Florida Power & Light Company (“FPL”), which serves approximately 4.5 million customer accounts in Florida and is one of the largest rate-regulated electric utilities in the country. Additional information regarding NextEra Energy is available at www.NextEraEnergy.com.

NEFN’s sister company, FPL FiberNet, LLC (FRN 0008338683) (“FPL FiberNet”), is also ultimately owned by NextEra Energy. FPL FiberNet is a Delaware limited liability company also located at 9250 W Flagler Street, Miami, Florida 33174. FPL FiberNet’s fiber optic network was originally developed in the late 1980s by FPL to provide internal telecommunications services to support company operations. In 1996,

² NEFN was granted a *Service Provider Certificate of Operating Authority* by the Texas Public Utilities Commission on November 2, 2010 (Docket No. 38723). The Company’s application for telecommunications authority in Oklahoma is being considered in Cause No. PUD 201000147.

FPL began selling excess fiber optic capacity along its network to major telecommunications companies operating in Florida and acquired an existing 1,600 mile inter-city fiber network. FPL FiberNet was launched in early 2000 to sell fiber optic network capacity and dark fiber on a wholesale basis to local and long distance telephone companies, ISPs and other telecommunications companies in Florida. Since its inception, FPL FiberNet has invested millions of dollars to build its fiber optic network throughout Florida's major metropolitan areas as well as state-of-the-art optical networking and Ethernet equipment. In 2009, the company extended its network footprint from Florida into Atlanta, Georgia.

Currently, FPL FiberNet provides broadband services to telecommunications providers, wireless carriers, ISPs, enterprise and government agencies throughout most major metropolitan areas in Florida and Atlanta, Georgia, with its extensive long-haul and metro fiber-optic networks. Its network handles SONET/SDH transport as well as Ethernet and IP over a state-of-the-art MPLS infrastructure that consists of approximately 4,000 route miles of high quality, high count fiber. FPL was granted international Section 214 authority on November 12, 2010 in File No. ITC-214-20101014-00406.³

There are no persons or entities that hold a 10% or greater ownership interest in NextEra Energy, a widely-held public company. Other than FPL FiberNet, described above, NEFN does not have any affiliates that offer domestic telecommunications services.

³ The Public Notice announcement of the grant has not yet been released.

II. DESCRIPTION OF THE TRANSACTION

Pursuant to the terms of an Asset Purchase Agreement dated November 5, 2010 between Grande as the Seller and NEFN as the Buyer (the "Agreement"), the Seller intends to assign to the Buyer the Assets related to the operation of Seller's regional long-haul broadband transport business in Texas and certain adjoining states (Arkansas, Louisiana and Oklahoma), DWDM networks in Texas and certain adjoining states, and fiber facilities and networks located in the metropolitan areas of Houston, Laredo and San Antonio, Texas, and certain incidental resold interstate long haul circuits (the "Business"). The Assets include the Seller's rights with respect to certain IRUs and the physical plant, equipment and other tangible assets comprising the regional broadband network and the DWDM networks, and other assets used exclusively in operation of the Business, including customer contracts and fiber facilities which will be transferred subject to an IRU with a purchase conversion option. The majority of customers being assigned from Grande to NEFN are wholesale carrier customers; only a limited number of retail end user customers are involved in the transaction. After consummation of the transaction, NEFN will provide telecommunications services to the acquired customers directly pursuant to its own telecommunications authorizations.

The proposed transfer of customers from Grande to NEFN will have no adverse impact on the customers. Customers will continue to receive their existing services at the same rates, terms and conditions as at present. If any future changes to the rates, terms and conditions of service are made, those changes will be made consistent with Commission requirements. To ensure a seamless transition and avoid customer confusion or inconvenience, NEFN will provide advance written notice to the affected retail end user customers at least thirty (30) days prior to the transfer. The advance

written notice will explain the change in service provider in accordance with applicable Commission and state requirements for a transaction of this type. To comply with the Commission's slamming requirements, NEFN will file the required notice with the Commission in CC Docket No. 00-257 pursuant to Section 64.1120 of the Commission's Rules, 47 C.F.R. § 64.1120. Customers will still be responsible for any applicable early contract termination charges if they choose a service provider other than NEFN.

The closing of the transaction will be contingent upon the receipt of the required regulatory approvals among other things.

Diagrams of the corporate structures of NEFN and Grande are provided in *Exhibit B*.

III. PUBLIC INTEREST STATEMENT

The transaction described herein will serve the public interest. With support from its affiliate, FPL FiberNet, and its ultimate parent company, NextEra Energy, NEFN will have a strong management team that will continue to provide high quality telecommunications services to the customers acquired from Grande. As a result of the transaction, NEFN will also have access to significant financial resources from NextEra Energy, which will strengthen the company and enable it to concentrate its resources and expertise on providing innovative and diversified service offerings to customers. These enhancements will inure directly to the benefit of the acquired customers, as well as indirectly to consumers generally in the telecommunications marketplace.

At the same time, the proposed transfer of customers does not present any anti-competitive issues. The Applicants emphasize that, following the transfer, the former Grande customers will continue to receive services from a qualified carrier, which

services will be consistent with the quality of services currently provided by the Seller. The Applicants anticipate that customers will experience a seamless transition of service provider. Further, the customers will be sufficiently notified of the transaction. In addition, no carrier is being eliminated as a result of the transaction. Grande will continue to provide service to customers apart from those involved in the transaction.

IV. INFORMATION REQUIRED BY SECTION 63.24(e) OF THE COMMISSION'S RULES

The Applicants submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18:

- (a) Name, address and telephone number of Applicants:

Grande Communications Networks, LLC (Assignor)
401 Carlson Circle
San Marcos, Texas 78666
(512) 878-4000

NextEra FiberNet, LLC (Assignee)
9250 W Flagler Street
Miami, Florida 33174
(305) 552-4876

- (b) Grande is a Delaware limited liability company. NEFN is a Delaware limited liability company.
- (c) Correspondence concerning this Application should be sent to:

For Grande:

John T. Nakahata
Jonathan B. Mirsky
WILTSHIRE & GRANNIS LLP
1200 18th Street, NW Suite 1200
Washington, DC 20036
(202) 730-1300
jnakahata@wiltshiregrannis.com

For NEFN:

David Eckmann
Director of Core Business Development, Legal & Regulatory Affairs
9250 W. Flagler Street
Miami, Florida 33174
(305) 345-8053
David.Eckmann@fpl.com

With copies to:

John J. Heitmann
Winafred Brantl
KELLEY DRYE & WARREN LLP
3050 K Street NW, Suite 400
Washington, D.C. 20007
Tel: (202) 342-8819
Fax: (202) 342-8451
wbrantl@kelleydrye.com

- (d) Grande is authorized by the Commission in File No. ITC-214-20001108-00651, granted November 30, 2000, to provide global or limited global facilities-based and resale international telecommunications services and domestic telecommunications services. NEFN currently does not hold an international Section 214 license, but is requesting a similar license herein in order to be able to serve the customers to be acquired from Grande.
- (h) NEFN is 100% wholly owned by FPL Group Capital Inc, a Florida corporation located at 700 Universe Boulevard, Juno Beach, Florida 33408 (561) 694-4000. FPL Group Capital Inc functions as a holding company. FPL Group Capital Inc is 100% wholly owned by NextEra Energy, Inc., a widely-held public Florida corporation also located at 700 Universe Boulevard, Juno Beach, Florida 33408 (561) 694-4000. NextEra Energy, Inc. is a clean energy company. There are no entities or persons holding a 10% or greater ownership interest in NextEra Energy, Inc.

The ownership information of Grande, the Assignor, is provided in Section I above.

Applicants have no interlocking directorates with any foreign carrier.

- (i) As evidenced by the signatures to this Application, Applicants certify that, following consummation of the transaction, (a) Applicants will not be foreign carriers, and (b) Applicants will not be affiliated with any foreign carrier.

- (j) As evidenced by the signatures to this Application, Applicants certify that they do not seek to provide international telecommunications services to any destination country where, once the transaction closes, (a) Applicants are foreign carriers; (ii) Applicants control a foreign carrier; (iii) any entity that owns more than 25 percent of Applicants, or that controls Applicants, controls a foreign carrier in that country; or (iv) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of Applicants and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.
- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) As evidenced by the signatures to this Application, the Applicants certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and that the Applicants will not enter into such agreements in the future.
- (o) As evidenced by the signatures to this Application, Applicants certify that, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Applicants requests streamlined processing of this Application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. This Application qualifies for streamlined treatment under Section 63.12(c) of the Commission's Rules, because (i) post-close, Applicants will not be affiliated with any foreign carrier; (ii) Applicants are not affiliated with any dominant U.S. carrier whose international switched or private line services Applicants seek authority to resell, nor will Applicants be so affiliated post-close, and (iii) none of the other scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12, applies.

V. INFORMATION REQUIRED BY SECTION 63.04(b) OF THE COMMISSION'S RULES

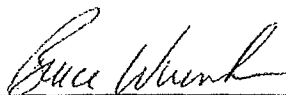
In accordance with the requirements of Section 63.04(b) of the Commission's Rules, the additional information required for the domestic Section 214 transfer of control application is provided in *Exhibit A*.

VI. CONCLUSION

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application.

Respectfully submitted,

NextEra FiberNet, LLC

By: 
Bruce Wuenker
Controller
NextEra FiberNet, LLC
9250 W. Flagler St.
Miami, Florida 33174
Tel: (305) 552-4876
Fax: (305) 229-5820

Grande Communications Networks, LLC

By: _____
Matthew Murphy
President
GRANDE COMMUNICATIONS NETWORKS, LLC.
401 Carlson Circle
San Marcos, Texas 78666
Tel: (512) 878-4000
Fax: (512) 878-4287

Dated: Nov. 16, 2010

VI. CONCLUSION

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application.

Respectfully submitted,

NextEra FiberNet, LLC

By: _____

Bruce Wuenker
Controller
NextEra FiberNet, LLC
9250 W. Flagler St.
Miami, Florida 33174
Tel: (305) 552-4876
Fax: (305) 229-5820

Grande Communications Networks, LLC

By:  _____

Matthew Murphy
President
GRANDE COMMUNICATIONS NETWORKS, LLC.
401 Carlson Circle
San Marcos, Texas 78666
Tel: (512) 878-4000
Fax: (512) 878-4287

Dated: *11/16/10*

EXHIBIT A

DOMESTIC SECTION 214 TRANSFER OF CONTROL INFORMATION

In accordance with the requirements of Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04, the Applicants provide the following information in support of their request.

63.04(b)(6): Description of the Transactions

The proposed transaction is described in Section II of the Application.

63.04(b)(7): Description of Geographic Service Area and Services in Each Area

A description of the geographic service areas and services provided in each area is provided in Section I of the Application.

63.04(b)(8): Presumption of Non-Dominance and Qualification for Streamlining

This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) of the Commission's Rules, 47 C.F.R. § 63.03(b)(2)(i). Following consummation of the proposed transaction, (1) Applicants (including their affiliates) will have a market share in the interstate, interexchange market of substantially less than 10 percent; (2) Applicants (including their affiliates) will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not party to the transaction; and (3) none of the Applicants or their affiliates are dominant with respect to any service.

63.04(b)(9): Other Pending Commission Applications Concerning the Proposed Transaction

None.

63.04(b)(10): Special Considerations

None.

63.04(b)(11): Waiver Requests (If Any)

None.

63.04(b)(12): Public Interest Statement

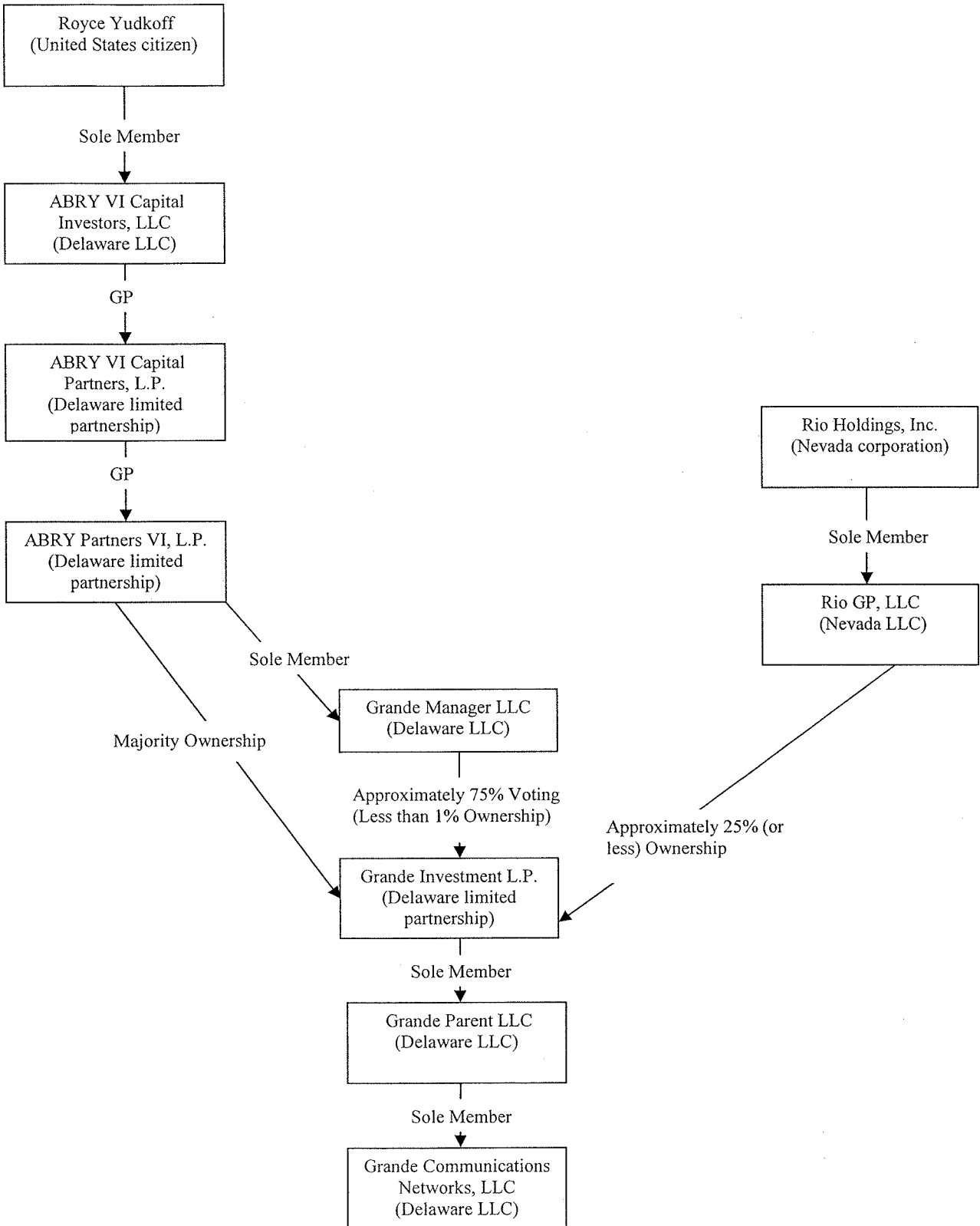
The proposed transaction is in the public interest for the reasons detailed in Section III of the Application.

EXHIBIT B

**Corporate Structures
of Grande Communications Networks, LLC
and NextEra FiberNet, LLC**

**Exhibit B: Corporate Structures of Grande Communications Networks, LLC
and NextEra FiberNet, LLC**

Corporate Structure of Grande Communications Networks, LLC



**Exhibit B: Corporate Structures of Grande Communications Networks, LLC
and NextEra FiberNet, LLC (cont.)**

**Corporate Structure
of
NextEra FiberNet, LLC**

