

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

In the Matter of Joint Application )  
 )  
**Crystal Communications, Inc.** )  
 *Assignor* )  
 )  
**Premier Communications, Inc.** )  
 *Assignee* )  
 )  
and )  
 )  
**Winnebago Cooperative Telecom** )  
 **Association, Assignee** )  
 )  
for Authority Pursuant to Section 214 of the )  
Communications Act of 1934, as Amended, )  
For a Partial Assignment of the Customer )  
Base of Crystal Communications, Inc. to )  
Premier Communications, Inc. and )  
Winnebago Cooperative Telecom )  
Association )

IB File Nos. ITC-ASG-16-\_\_\_\_\_  
ITC-ASG-16-\_\_\_\_\_

**INTERNATIONAL SECTION 214 JOINT APPLICATION**

Crystal Communications, Inc. (“Crystal” or “Assignor”), Premier Communications, Inc. (“Premier”) and Winnebago Cooperative Telecom Association (“Winnebago”) (collectively, the “Applicants”), pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.04 of the rules and regulations of the Federal Communications Commission (“Commission” or “FCC”) request approval for Crystal to assign to Premier and Winnebago that portion of Crystal’s long distance customer base whose local exchange carrier is Consolidated Communications of Iowa Company f/k/a Heartland Telecommunications Company of Iowa (“Heartland”) (the “Assignments”). The Assignments are part of a two-step transaction whereby (1) ownership and control of Heartland will be transferred from Consolidated

Communications, Inc. (“CCI”), the direct parent of Heartland and Crystal, to Mutual Telephone Company of Sioux Center, Iowa d/b/a Premier Communications (“Mutual”), the parent of Premier, followed by (2) the assignment of the operations and assets of, including the customers in two Heartland exchanges (Bancroft, Iowa and Lakota, Iowa) to Winnebago.<sup>1</sup>

Upon completion of the Assignments, Crystal will continue to serve its remaining customers pursuant to its international Section 214 authorization while Premier and Winnebago will serve the assigned customers with their existing international Section 214 authorizations. Therefore, Crystal’s international Section 214 authorization will not be assigned to Premier or Winnebago but instead will be retained by Crystal.

## **I. DESCRIPTION OF THE PARTIES**

### **A. Crystal Communications, Inc.**

Crystal is a competitive local exchange carrier that in addition to providing local exchange and intrastate, interstate and international long distance telecommunications services to its own customers, also provides intrastate, interstate and international long distance telecommunications services to certain of its incumbent local exchange carrier affiliates, including Heartland, which is an ILEC in Iowa. Importantly, the Assignments only involve those Crystal customers whose local exchange carrier is Heartland.<sup>2</sup> Crystal’s other customers will be unaffected by the Assignments.

Crystal and Heartland are each a wholly owned direct subsidiary of CCI. CCI is an Illinois corporation that is a holding company with no operations of its own. CCI is a wholly

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<sup>1</sup> Heartland, Crystal, Mutual, Premier and Winnebago also are filing a domestic Section 214 Application with respect to the Transactions and Assignments.

<sup>2</sup> Heartland is a rural ILEC that provides local telecommunications services, high speed Internet access services, and access services to residential and business customers in the Akron, Bancroft, Boyden, Doon, Hawarden, Hull, Ireton, Lakota, Rock Rapids, Rock Valley and Sibley local exchange areas in the State of Iowa, the North Rock Rapids exchange area in the State of Minnesota and the West Akron and West Hawarden local exchange areas in the State of South Dakota.

owned direct subsidiary of Consolidated Communications Holdings, Inc. (“CCHI”), a widely held publicly traded Delaware corporation (NASDAQ: CNSL). To its knowledge, no person or entity currently has a 10% or greater ownership interest in CCHI. CCI and CCHI have a principal office located at 121 South 17th Street, Mattoon, Illinois 61938-3987.

**B. Premier Communications, Inc.**

Premier is a competitive local exchange carrier in Iowa. Premier provides local exchange and interexchange services, high speed internet, and/or cable services to customers in the Iowa exchanges of Akron, Boyden, Doon, Hull, Ireton, Rock Valley, Rock Rapids, LeMars, Orange City, George, Merrill, Arnolds Park, Lake Park, Milford and Spirit Lake.

Premier is a wholly owned direct subsidiary of Mutual, a rural ILEC that currently provides local exchange telecommunications service, exchange access, Internet and advanced telecommunications services to approximately 3,600 access lines in the Sioux Center, Iowa exchange. In addition to Premier, Mutual wholly owns the following ILEC affiliate providers of local exchange service in the state of Iowa:

Northern Iowa Telephone Company serves the Iowa exchanges of Hinton, Matlock, Maurice, Sanborn, Little Rock and Granville.

Webb-Dickens Telephone Corporation serves the Iowa exchanges of Dickens and Webb.

**C. Winnebago Cooperative Telecom Association**

Winnebago is a rural ILEC that currently provides local exchange telecommunications service, long distance exchange access, Internet, television, wireless services, computer and data back-up services over 5,200 access lines to 17 exchanges in northern Iowa and 4 exchanges in southern Minnesota, comprised of the following exchanges:

Iowa Exchanges: Rake, Buffalo Center Rural, Buffalo Center Urban, Woden, Crystal Lake, Thompson, Scarville, Leland, Forest City Rural, Miller, Fertile, Joice, Lake Mills, South Emmons, Hanlontown, Kensett, Grafton

Minnesota Exchanges: Conger, Emmons, North Rake, Twin Lakes

## **II. DESCRIPTION OF THE ASSIGNMENTS**

As stated above, the Assignments are connected to a two-step transaction whereby (1) ownership and control of Heartland will be transferred from CCI, the direct parent of Heartland and Crystal, to Mutual, the parent of Premier, followed by (2) the assignment of the operations and assets of, including the customers in, two Heartland exchanges (Bancroft and Lakota) to Winnebago (together, the “Transactions”). Since Heartland’s customers currently receive long distance services from Crystal, those customers’ long distance services will be assigned to a provider in the same corporate family as their post-closing local exchange provider concurrently with the Transactions. Therefore, Crystal’s customers in the Bancroft and Lakota exchanges will be assigned to Winnebago and Crystal’s customers in the other Heartland exchanges will be assigned to Premier.

For the Commission’s reference, attached as Exhibit A is a chart reflecting the Assignments and Transactions and the pre- and post-Transactions ownership of the Applicants.

## **III. PUBLIC INTEREST STATEMENT**

Approval of the Assignments will serve the public interest, convenience and necessity. The Assignments are an important part of the Transactions. Without the Assignments, Heartland’s customers would no longer be served by a long distance provider affiliated with their local exchange provider upon completion of the Transactions. The affected customers of Crystal will not experience any immediate change to rates, terms or conditions of service, and the Assignments should not result in the interruption, reduction, loss or impairment of service to customers. Future changes in the rates, terms and conditions of service to the affected customers will be undertaken pursuant to customer contracts and the applicable federal and state notice and

tariff requirements. The affected customers will be notified of their change in provider consistent with the FCC's rules for customer base transfers. *See* 47 C.F.R. § 64.1120(e). Except for the change in the name of their long distance provider, the Assignments will be virtually transparent and seamless to the affected customers in terms of the services they currently receive.

**IV. INFORMATION REQUIRED BY SECTION 63.24(e)**

Pursuant to Section 63.24(e)(2) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

**(a) Name, address and telephone number of each Applicant:**

Assignor:

Crystal Communications, Inc. **FRN: 0003713997**  
121 South 17th Street  
Mattoon, IL 61938  
217-235-3311

Assignees:

Premier Communications, Inc. **FRN: 0004338315**  
339 First Avenue NE, PO Box 200  
Sioux Center, IA 51250  
712-722-3451

Winnebago Cooperative Telecom Association **FRN: 0002590057**  
704 East Main Street  
Lake Mills, IA 50450  
641-592-6105

**(b) Jurisdiction of Organizations:**

Assignor: Crystal is a corporation formed under the laws of Minnesota.

Assignees: Premier is a corporation formed under the laws of Iowa.

Winnebago is a cooperative association organized under the laws of Iowa.

(c) (Answer to Question 10) Correspondence concerning this Application should be

sent to:

For Crystal:

Russell M. Blau  
Brett P. Ferenchak  
Morgan, Lewis & Bockius LLP  
2020 K Street, N.W., Suite 1100  
Washington, DC 20006-1806  
202-373-6000 (tel)  
202-373-6001 (fax)  
[russell.blau@morganlewis.com](mailto:russell.blau@morganlewis.com)  
[brett.ferenchak@morganlewis.com](mailto:brett.ferenchak@morganlewis.com)

For Assignees:

John Kuykendall  
Vice President  
John Staurulakis, Inc.  
7852 Walker Drive  
Suite 200  
Greenbelt, Maryland 20770  
301-459-7590  
[jkuykendall@jsitel.com](mailto:jkuykendall@jsitel.com)

With a copy for Crystal to:

Michael Shultz  
Vice President, Regulatory and  
Public Policy  
Consolidated Communications  
350 South Loop 336 West  
Conroe, TX 77304  
936-788-7414 (tel)  
[mike.shultz@consolidated.com](mailto:mike.shultz@consolidated.com)

With a copy for Premier to:

Doug Boone, CEO  
Ryan Boone, Regulatory Manager  
Premier Communications  
339 First Avenue NE, PO Box 200  
Sioux Center, IA 51250  
712-722-3451  
[dboone@mypremieronline.com](mailto:dboone@mypremieronline.com)  
rboone@mypremieronline.com

With a copy for Winnebago to:

Mark Thoma, General Manager  
Winnebago Cooperative Telecom  
Association  
704 East Main Street  
Lake Mills, IA 50450  
641-592-6105  
[markthoma@wctatel.com](mailto:markthoma@wctatel.com)

**(d) Section 214 Authorizations**

Assignor: Crystal holds international Section 214 authority to provide global resale services granted in IB File No. ITC-214-19971029-00668 (old File No. ITC-97-676). Crystal also is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

Premier: Premier holds international Section 214 authority to provide international global switched resale services granted in IB File No. ITC-214-19970905-00537. Premier is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

Winnebago: Winnebago holds international Section 214 authority to provide global switched resale services granted in IB File No. ITC-214-20080521-00228. Winnebago is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

(h) *(Answer to Questions 11 & 12)* The following entities will hold, directly or indirectly, a ten percent (10%) or greater interest<sup>3</sup> in Assignees upon completion of the Assignments, as calculated pursuant to the Commission's ownership attribution rules for wireline and international telecommunications carriers:

Post-Assignments Ownership of Premier:

The following entity currently and, upon completion of the Assignments, will continue to wholly own **Premier Communications, Inc.:**

Name:	Mutual Telephone Company of Sioux Center, Iowa d/b/a Premier Communications ("Mutual")
Address:	339 First Avenue NE, PO Box 200 Sioux Center, IA 51250
Citizenship:	U.S. (Iowa)
Principal Business:	Telecommunications
% Interest:	100% (directly)

No single individual or entity directly or indirectly, owns or controls ten percent (10%) or more of Mutual.

Premier does not, and upon completion of the Assignments, will not have any interlocking directorates with a foreign carrier.

Post-Assignment Ownership of Winnebago:

Winnebago is a cooperative association of which no member owns or controls a ten percent (10%) or greater interest. Winnebago does not, and upon completion of the Assignments, will not have any interlocking directorates with a foreign carrier.

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<sup>3</sup> Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

(i) (**Answer to Question 14**) Each Assignee certifies that it is not a foreign carrier and also is not affiliated within the meaning of Section 63.09(e) of the Commission's rules, 47 C.F.R. § 63.09(e), with a foreign carrier.

(j) (**Answer to Question 15**) Each Assignee certifies that it does not seek to provide international telecommunications services to any destination country where:

- (1) An Applicant is a foreign carrier in that country; or
- (2) An Applicant controls a foreign carrier in that country; or
- (3) Any entity that owns more than 25 percent of an Applicant, or that controls an Applicant, controls a foreign carrier in that country; or
- (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of an Applicant and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

(k) Not applicable.

(m) Not applicable.

(n) 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 will not enter into such agreements in the future.

(o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a; *see also* 47 C.F.R. §§ 1.2001-1.2003.

(p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants are, or are affiliated

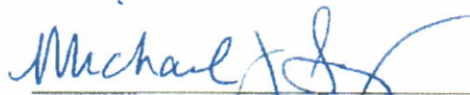


with, any foreign carriers and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

**VI. CONCLUSION**

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application for approval to assign the customers of Crystal whose local exchange provider is currently Heartland to Premier and Winnebago.

Respectfully Submitted,



By: Michael Shultz, Vice President  
Consolidated Communications, Inc.  
Crystal Communications, Inc.  
350 S. Loop 336 W.  
Conroe, TX 77304  
[michael.shultz@consolidated.com](mailto:michael.shultz@consolidated.com)



By: Doug Boone, CEO  
PREMIER COMMUNICATIONS, INC.  
339 First Avenue NE, PO Box 200  
Sioux Center, IA 51250  
[dboone@mypremieronline.com](mailto:dboone@mypremieronline.com)



By: Mark Thoma, General Manager  
WINNEBAGO COOPERATIVE TELECOM ASSOCIATION  
704 East Main Street  
Lake Mills, IA 50450  
[markthoma@wctatel.com](mailto:markthoma@wctatel.com)

Dated: May 3, 2016

**DECLARATION OF MICHAEL SHULTZ**  
**CRYSTAL COMMUNICATIONS, INC.**

I, Michael Shultz, Vice President, Regulatory & Public Policy of Consolidated Communications, Inc., do hereby declare under penalty of perjury that the statements made in this Application with respect to Crystal Communications, Inc. are true and accurate to the best of my knowledge, information and belief.

Dated this 3<sup>rd</sup> day of May, 2016.

Consolidated Communications, Inc.

  
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By: Michael Shultz, Vice President Regulatory & Public Policy

**DECLARATION OF DOUG BOONE**  
**PREMIER COMMUNICATIONS**

I, Doug Boone, CEO of Premier Communications, Inc. do hereby declare under penalty of perjury that the statements made in this Application are true and accurate to the best of my knowledge, information and belief.

Dated this 3<sup>rd</sup> day of May, 2016.

Premier Communications, Inc.

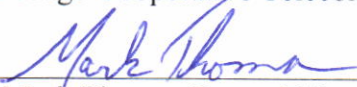
  
\_\_\_\_\_  
By: Doug Boone, CEO

**DECLARATION OF MARK THOMA**  
**WINNEBAGO COOPERATIVE TELECOM ASSOCIATION**

I, Mark Thoma, General Manager of Winnebago Cooperative Telecom Association, do hereby declare under penalty of perjury that the statements made in this Application are true and accurate to the best of my knowledge, information and belief.

Dated this 3 day of May, 2016.

Winnebago Cooperative Telecom Association

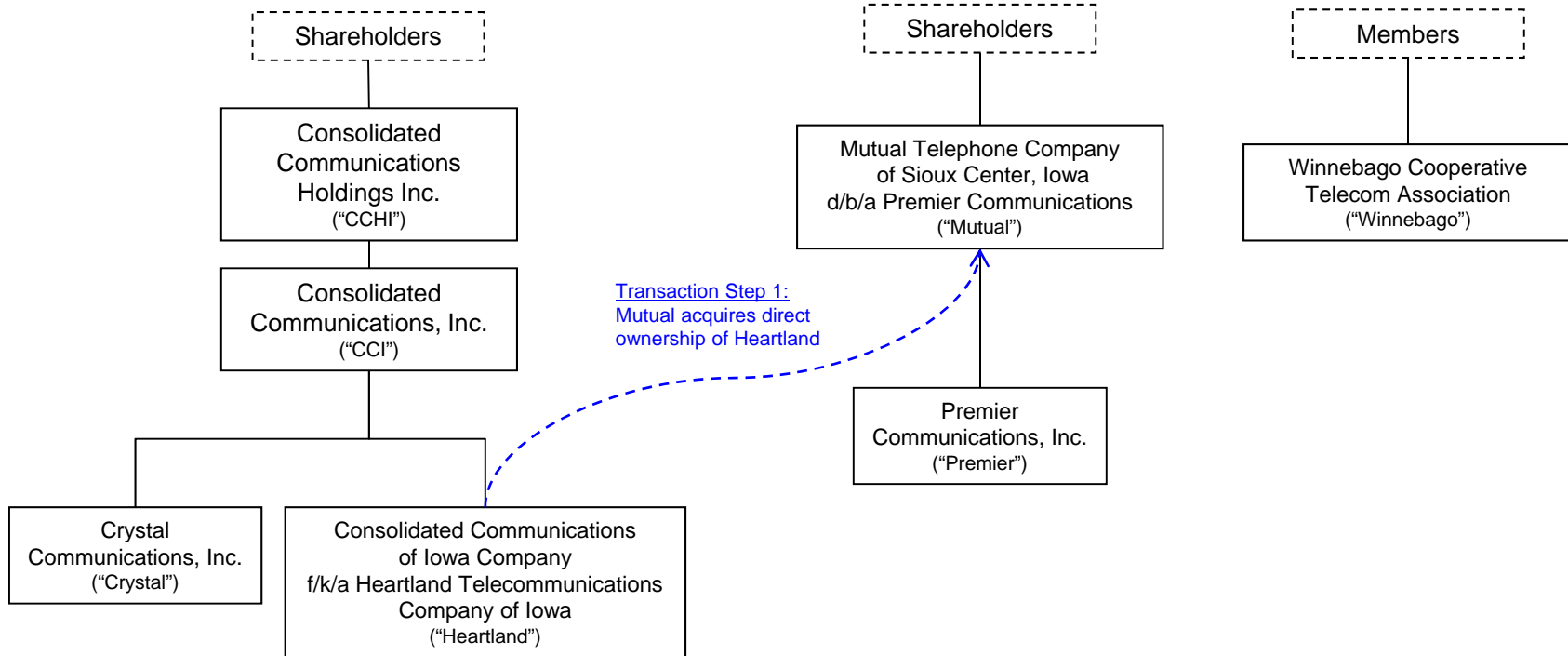
  
\_\_\_\_\_  
By: Mark Thoma, General Manager

# EXHIBIT A

PRE AND POST-TRANSACTIONS

OWNERSHIP OF HEARTLAND

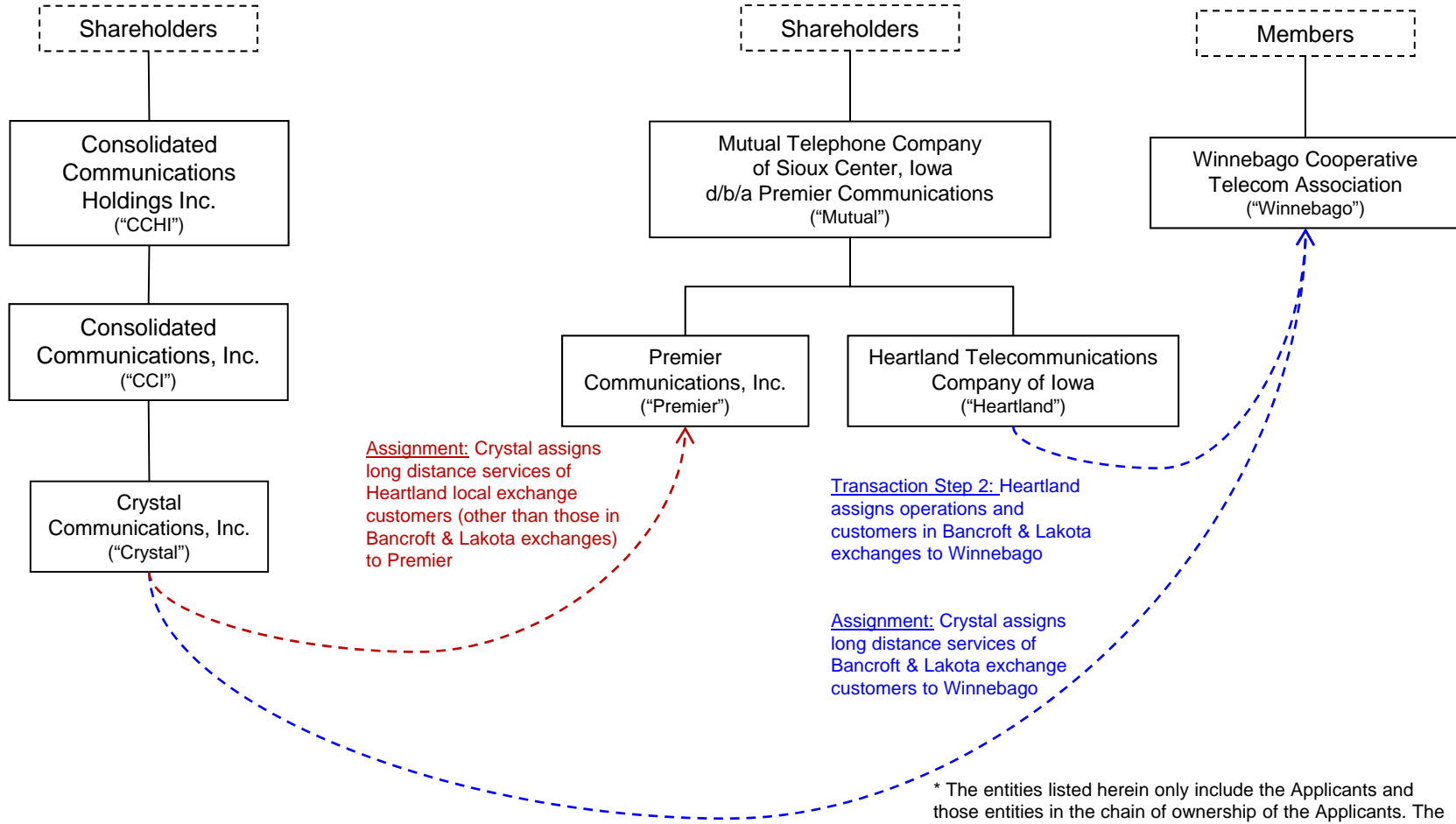
## Pre-Transactions & Assignments Corporate Ownership of the Applicants\*



All ownership percentages are 100%.

\* The entities listed herein only include the Applicants and those entities in the chain of ownership of the Applicants. The chart excludes all other subsidiaries of Applicants including those that hold authorizations or licenses from the FCC or state regulators.

## Post-Transactions Corporate Ownership of the Applicants\*



All ownership percentages are 100%.

\* The entities listed herein only include the Applicants and those entities in the chain of ownership of the Applicants. The chart excludes all other subsidiaries of Applicants including those that hold authorizations or licenses from the FCC or state regulators.