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March 9, 2005

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WRITER'S CONTACT INFORMATION

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Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554
Attention: International Bureau

MAR - 9 2005
Federal Communications Commission
Office of Secretary

RE: Berkshire Cable Corporation File No. ITC-T/C-20030723-00388

Dear Ms. Dortch:

Transmitted herewith, on behalf of Brian F. Kelly, the John E. Kelly Family Stock Trust, FairPoint Communications, Inc. and MJD Ventures, Inc., is a request for modification of the authorization granted by the International Bureau on August 22, 2003 for transfer of control of the International Section 214 authorization held by Berkshire Cable Corporation (File No. ITC-T/C-20030723-00388). The proposed transaction has not yet closed because the associated application for transfer of control of related domestic Section 214 authorizations has remained pending before the Wireline Competition Bureau in WC Docket No. 03-184 at the request of the New York Public Service Commission. However, during the interim, control of FairPoint Communications, Inc. has changed as the result of an initial public stock offering conducted in February 2005.

The subject request for modification has been filed to reflect the recent changes in the ownership and control of FairPoint Communications, Inc. Given that the File No. ITC-T/C-20030723-00388 authorization was granted conditionally without prejudice to the Commission's actions on other related pending applications, it should still be effective despite the passage of time because the transaction cannot be closed until grant of the still-pending domestic Section 214 application. The parties believe that the authorization can be modified without payment of an additional filing fee.

If, for any reason, an additional filing fee is deemed necessary, please contact undersigned counsel.

Respectfully submitted,

Gerard I Duffy

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

| In the Matter of  |                                   |
|---|-----------------------------------|
| Berkshire Cable Corporation   | ) File No. ITC-T/C-20030723-00388 |
| Transfer of control of International Section 214 Authorization, ITC-214-19970416-00213, | )<br>)<br>)                       |
| held by Berkshire Cable Corporation   | )                                 |
| From: Current Stockholders of   | )                                 |
| Berkshire Telephone Company   | )                                 |
| To: FairPoint Communications, Inc. and  | )                                 |
| MJD Ventures, Inc.  | )                                 |

TO: International Bureau

## APPLICATION FOR MODIFICATION OF INTERNATIONAL SECTION 214 AUTHORIZATION

Brian F. Kelly and the John E. Kelly Family Stock Trust (Lisa K. Thompson and Katherine M. Pesano, Trustees) (collectively, the "Transferors") and FairPoint Communications, Inc. ("FairPoint") and its wholly-owned subsidiary MJD Ventures, Inc. ("MJD") (collectively, the "Transferees") hereby request modification of the streamlined Commission authorization which was granted conditionally by the International Bureau under File No. ITC-T/C-20030723-00388 on August 22, 2003 for the transfer of control of the International Section 214 authorization held by Berkshire Cable Corporation ("BCC"). See <u>Public Notice</u> (International Authorizations Granted), Report No. TEL-00705, DA No. 03-2751, released August 28, 2003.

The August 22, 2003 authorization was granted "without prejudice to the Commission's actions on other related pending application(s)." These other applications included an application filed under Section 63.04(b) of the Commission's Rules for

transfer of control of the Domestic Section 214 authorization of Berkshire Telephone Corporation ("BTC"), the parent company of BCC. See <u>Public Notice</u> (Domestic Section 214 Application Filed for Transfer of Control of Berkshire Telephone Company to FairPoint Communications, Inc.), DA 03-2638, released August 11, 2003. This latter application remains pending before the Wireline Competition Bureau in WC Docket No. 03-184, at the request of the New York Public Service Commission ("NYPSC"). The NYPSC filed comments in WC Docket No. 03-184 on September 5, 2003, asking the Commission not to act upon the Domestic Section 214 transfer of control application until it completes its action upon the state approvals required for the transaction.

Without grants of the pending Domestic Section 214 and NYPSC authorizations, the transfer of control authorized conditionally by the International Bureau under File No. ITC-T/C-20030723-00388 on August 22, 2003 has not been able to be completed.

While its Domestic Section 214 application has remained pending, FairPoint engaged in an initial public offering of common stock that was registered with the Securities and Exchange Commission (Registration No. 333-113937), and that was initiated on February 4, 2005, and closed on February 8, 2005. As a result of this public offering, control of FairPoint has been transferred from the Thomas H. Lee Equity Fund IV. L.P. ("THL"), the entity that exercised <u>de facto</u> control over FairPoint at the time of the filing and grant of File No. ITC-T/C-20030723-00388, to the new public shareholders of FairPoint.

On April 5, 2004, FairPoint filed applications with the FCC for streamlined authorization for the transfer of control of the International Section 214 authorizations held by the sixteen FairPoint subsidiaries that resell switched international

telecommunications services from THL to the proposed new and future public shareholders of FairPoint. By <u>Public Notice</u> (International Authorizations Granted), DA 04-1413, Report No. TEL-00795, released May 20, 2004, the FCC announced that all sixteen of the FairPoint applications had been granted on May 19, 2004.

As a result of the public offering, the ten percent or greater owners of FairPoint's voting stock have changed from those reported in Section (5) of the referenced File No. ITC-T/C-20030723-00388 application to the following:

#### Ownership of FairPoint Communications, Inc. after the public offering:

|  | %             |             |                    |
|--|---------------|-------------|--------------------|
| Name & Address                             | <b>Equity</b> | Citizenship | Principal Business |
| Thomas H. Lee Equity                       | 11.8%         | DE          | Investments        |
| Fund IV, L.P.                              |               | L.P.        |                    |
| 100 Federal Street, 35 <sup>th</sup> Floor |               |             |                    |
| Boston, MA 02110                           |               |             |                    |

The general partner of Thomas H. Lee Equity Fund IV, L.P. is THL Equity Advisors, IV, LLC. No single individual or entity holds a 10 percent or greater interest in THL.

| Kelso Investment Associates V, L.P. | 10.0% | DE    | Investments |
|-------------------------------------|-------|-------|-------------|
| and Kelso Equity Partners V, L.P.   |       | L.P.s |             |
| 320 Park Avenue, 24th Floor         |       |       |             |
| New York, NY 10022                  |       |       |             |

The general partner of Kelso Investment Associates V, L.P. is Kelso Partners V, L.P. In turn, Kelso Partners V, L.P. and Kelso Equity Partners V, L.P. are owned by Messrs Frank T. Nickell, Joseph S. Schuchert, Thomas R. Wall, IV, George E. Matelich, Michael B. Goldberg, David I. Wahrhaftig, Frank K. Bynum, Jr., Philip E. Berney, Frank J. Loverro and Michael B. Lazar, each of whom is a U.S. citizen that can be contacted via the foregoing Park Avenue office.

Public shareholders now hold 72.6 percent of FairPoint's common stock. No new individual public shareholder directly or indirectly owns 10 percent or more of FairPoint's common stock.

The subject transaction still entails the transfer of control of BTC and its subsidiaries (including BCC) from BTC's current stockholders to MJD and its parent company FairPoint. As the result of the proposed merger of a subsidiary of MJD with and into BTC and the redemption of the common stock of the pre-merger BTC stockholders, MJD directly (and its parent FairPoint indirectly) will acquire all of the common stock of BTC. Control of BTC will give MJD and FairPoint control of BCC, the wholly-owned subsidiary of BTC that holds the International Section 214 authorization.

The only modification to the application that was granted under File No. ITC-T/C-20030723-00388 is the change in the ownership and control of FairPoint due to the public offering of its common stock. That application is restated as follows:

#### Transfer of Control of International Section 214 Authorization

Berkshire Cable Corporation d/b/a Berkshire Long Distance resells switched international long distance toll services to residential and business customers pursuant to an international Section 214 authorization granted by the Commission under File No. ITC-214-19970416-00213.

In accordance with the requirements of Section 63.24(e) of the Commission's Rules, the applicants submit the following information:

#### (1) Name, address and telephone number of each applicant:

#### **Transferors:**

Brian F. Kelly, the John E. Kelly Family Stock Trust (Lisa K. Thompson and Katherine M. Pesano, Trustees) and the remaining stockholders of BTC can be contacted at their following business address:

Berkshire Telephone Company 19 Broad Street Kinderhook, New York 12106 Telephone: (518) 758-9951

Facsimile: (518) 758-9978

#### Transferees:

FairPoint Communications, Inc. 521 East Morehead Street, Suite 250 Charlotte, North Carolina 28202 Telephone: (704) 344-8150 Facsimile: (704) 344-1594

MJD Ventures, Inc. 521 East Morehead Street, Suite 250 Charlotte, North Carolina 28202 Telephone: (704) 344-8150 Facsimile: (704) 344-1594

(2) Government, state or territory under the laws of which each corporate or partnership applicant is organized:

BTC and BCC are corporations organized under the laws of the State of New York.

FairPoint and MJD are corporations organized under the laws of the State of Delaware.

(3) Name, title, post office address, and telephone number of the officer or contact point to whom correspondence concerning the application is to be addressed:

#### For the BTC Stockholders:

Brian F. Kelly, President
Berkshire Telephone Company
19 Broad Street
Kinderhook, New York 12106
Telephone: (518) 758-9951

Facsimile: (518) 758-9978

#### With a copy to Counsel:

Sylvia Lesse, Esquire Kraskin, Moorman & Cosson, LLC 2120 L Street, N.W. (Suite 520) Washington, D.C. 20037 Telephone: (202) 296-8890 Facsimile: (202) 296-8893

#### For FairPoint and MJD:

Shirley J. Linn, Esquire
Senior Vice President and General Counsel
FairPoint Communications, Inc.
521 East Morehead Street, Suite 250
Charlotte, North Carolina 28202
Telephone: (704) 344-8150
Facsimile: (704) 344-1594

#### With a copy to Counsel:

Gerard J. Duffy, Esquire Blooston, Mordkofsky, Dickens, Duffy & Prendergast 2120 L Street, N.W. (Suite 300) Washington, D.C. 20037 Telephone: (202) 659-0830 Facsimile: (202) 828-5568

### (4) Statement as to whether the applicant had previously received authority under Section 214 of the Act.

BCC holds global switched resale authority under Section 214 pursuant to File No. ITC-214-19970416-00213.

Neither BTC nor any of the BTC stockholders has previously received any authority under Section 214 of the Act.

Neither FairPoint nor MJD has previously received any authority under Section 214 of the Act. However, various subsidiaries of FairPoint have previously received global switched resale authority under Section 214, including Armour Independent Telephone Company (File No. ITC-214-20030429-00209); Bridgewater-Canistota Independent Telephone Company (ITC-214-20030429-00210); Chautauqua & Erie Communications, Inc. (File Nos. ITC-T/C-20000321-00174 and ITC-T/C-20040422-00179); Comerco, Inc. (File Nos. ITC-214-20030521-00254 and ITC-T/C-20040422-00180); C-R Long Distance, Inc. (File Nos. ITC-214-20000320-00156 and ITC-T/C-20040422-00181); El Paso Long Distance Telephone Company (File Nos. ITC-T/C-20000224-00122 and ITC-T/C-20040422-00176); Elltel Long Distance Corp. (File

Nos. ITC-T/C-20000224-00123 and ITC-T/C-20040422-00182); FairPoint Communications Solutions Corp. (File Nos. ITC-T/C-20000321-00173 and ITC-T/C-20040405-00169); Fretel Communications, LLC (File Nos. ITC-T/C-20000420-00238 and ITC-T/C-20040422-00183); GTC, Inc. (File No. ITC-T/C-20040422-00184); Mariana Tel. Inc. (File Nos. ITC-214-20011025-00599 and ITC-T/C-20040422-00185); Orwell Communications, Inc. (File No. ITC-T/C-20040422-00172); Quality One Technologies, Inc. (File No. ITC-T/C-20040422-00173); ST Long Distance, Inc. (File Nos. ITC-T/C-20000224-00121 and ITC-T/C-20040422-00170); St. Joe Communications, Inc. (File Nos. ITC-T/C-20000224-00119 and ITC-T/C-20040422-00174); Taconic TelCom Corp. (File Nos. ITC-98-042-TC and ITC-T/C-20040422-00175); UI Long Distance, d/b/a Northland Long Distance (File No. ITC-T/C-20040422-00176); and Union Telephone Company of Hartford, Inc. (File No. ITC-214-20030429-00208).

(5) Name, address, citizenship and principal business of any person or entity that directly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities:

#### Ownership of BCC:

| Ownership of BCC:              |               |             |                    |
|--------------------------------|---------------|-------------|--------------------|
|                                | %             |             |                    |
| Name & Address                 | Equity        | Citizenship | Principal Business |
| Berkshire Telephone Company    | 100.0%        | NY          | Local Exchange     |
| 19 Broad Street                | 100.070       |             | •                  |
|                                |               | Corp.       | Carrier            |
| Kinderhook, NY 12106           |               |             |                    |
|                                |               |             |                    |
| Ownership of BTC:              |               |             |                    |
|                                | %             |             |                    |
| Name & Address                 | <b>Equity</b> | Citizenship | Principal Business |
| Brian F. Kelly                 | 44.7%         | U.S.A.      | Telecommunications |
| 19 Broad Street                |               |             |                    |
| Kinderhook, NY 12106           |               |             |                    |
| Kindelhook, NT 12100           |               |             |                    |
| John E. Kelly Family Trust     | 29.6%         | NY          | Telecommunications |
|                                | 29.070        |             | _                  |
| 19 Broad Street                |               | Trust       | Investment         |
| Kinderhook, NY 12106           |               |             |                    |
| 0 11 41470                     |               |             |                    |
| Ownership of MJD:              |               |             |                    |
|                                | %             |             |                    |
| Name & Address                 | <u>Equity</u> | Citizenship | Principal Business |
| FairPoint Communications, Inc. | 100.0%        | DE          | Telecommunications |
| 521 East Morehead Street       |               | Corp.       |                    |
| Charlotte, NC 28202            |               | corp.       |                    |
| Charlotte, 14C 20202           |               |             |                    |

#### Ownership of FairPoint:

|  | %             |             |                    |
|--|---------------|-------------|--------------------|
| Name & Address                             | <b>Equity</b> | Citizenship | Principal Business |
| Thomas H. Lee Equity                       | 11.8%         | DE          | Investments        |
| Fund IV, L.P.                              |               | L.P.        |                    |
| 100 Federal Street, 35 <sup>th</sup> Floor |               |             |                    |
| Boston, MA 02110                           |               |             |                    |

The general partner of Thomas H. Lee Equity Fund IV, L.P. is THL Equity Advisors, IV, LLC. No single individual or entity holds a 10 percent or greater interest in THL.

| Kelso Investment Associates V, L.P. | 10.0% | DE    | Investments |
|-------------------------------------|-------|-------|-------------|
| and Kelso Equity Partners V, L.P.   |       | L.P.s |             |
| 320 Park Avenue, 24th Floor         |       |       |             |
| New York, NY 10022                  |       |       |             |

The general partner of Kelso Investment Associates V, L.P. is Kelso Partners V, L.P. In turn, Kelso Partners V, L.P. and Kelso Equity Partners V, L.P. are owned by Messrs Frank T. Nickell, Joseph S. Schuchert, Thomas R. Wall, IV, George E. Matelich, Michael B. Goldberg, David I. Wahrhaftig, Frank K. Bynum, Jr., Philip E. Berney, Frank J. Loverro and Michael B. Lazar, each of whom is a U.S. citizen that can be contacted via the foregoing Park Avenue office.

Public shareholders hold 72.6 percent of FairPoint's common stock. No new individual public shareholder directly or indirectly owns 10 percent or more of FairPoint's common stock.

### (6) Certification as to whether or not the applicant is, or is affiliated with, a foreign carrier.

FairPoint and MJD certify that neither they nor their proposed subsidiary BCC are or will be foreign carriers, and that neither they nor their proposed subsidiary BCC are or will be affiliated with any foreign carrier.

## (7) Certification as to whether or not the applicant seeks to provide international telecommunications services to any country for which certain conditions are true.

FairPoint and MJD certify that neither they nor their proposed subsidiary BCC will provide international telecommunications services to any destination country: (a) in which FairPoint, MJD or BCC is a foreign carrier; (b) in which FairPoint, MJD or BCC controls a foreign carrier; (c) in which an entity that owns more than 25 percent of FairPoint, MJD or BCC, or controls FairPoint, MJD or BCC, controls a foreign carrier; or (d) in which two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of FairPoint, MJD or BCC 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.

## (8) Showing regarding provision of international telecommunications service to a country where the applicant is a foreign carrier or is affiliated with a foreigh carrier.

FairPoint and MJD certify that they and their proposed subsidiary BCC will continue to resell the international switched services of one or more unaffiliated U.S. carriers. However, neither FairPoint nor MJD nor BCC is a foreign carrier or is affiliated with a foreign carrier. Therefore, neither FairPoint nor MJD nor BCC will provide international telecommunications services to a country where it is a foreign carrier or is affiliated with a foreign carrier.

#### (9) Regulatory classification under Section 63.10 of the Rules.

FairPoint and MJD certify that their proposed subsidiary BCC will resell the international switched services of one or more unaffiliated U.S. carriers. FairPoint and MJD further certify that neither FairPoint nor MJD nor BCC is a foreign carrier or is affiliated with a foreign carrier. Therefore, their proposed subsidiary BCC should presumptively be considered non-dominant for the provision of international communications services on all routes.

## (10) Certification that applicant has not agreed to accept special concessions directly or indirectly from any foreign carrier.

FairPoint and MJD certify that neither they nor their proposed subsidiary BCC has agreed to accept special concessions directly or in directly 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 they will not enter into such agreements in the future.

# (11) Certification pursuant to 47 C.F.R. Sections 1.2001 through 1.2003 that no party to the application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

The pre-transaction BTC stockholders, MJD and FairPoint hereby certify, pursuant to 47 C.F.R. Sections 1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

#### (12) Qualification for streamlined processing.

The present application qualifies for streamlined processing under Sections 63.12(a) and (b) of the Commission's Rules. Neither FairPoint nor MJD nor BCC is affiliated with any foreign carrier in any destination market. Neither FairPoint nor MJD nor BCC has an affiliation with a dominant U.S. carrier whose international switched or private line services the applicants seek authority to resell. Neither FairPoint nor MJD nor BCC seeks authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of switched services over private lines. Rather, FairPoint and MJD propose only to assume control over BCC and to continue to operate BCC as a non-dominant carrier that resells the international switched services of one or more unaffiliated U.S. carriers.

#### Conclusion

In light of the foregoing, the Commission is respectfully requested to modify its grant of consent, on a streamlined basis, for the transfer of control of the international Section 214 authorization held by Berkshire Cable Corporation from Brian F. Kelly and the John E. Kelly Family Stock Trust (Lisa K. Thompson and Katherine M. Pesano, Trustees) to FairPoint Communications, Inc. and its wholly-owned subsidiary MJD Ventures, Inc., to recognize the described changes in the ownership and control of FairPoint Communications, Inc.

Respectfully submitted,

| BRIAN F. KELLY                      | FAIRPOINT COMMUNICATIONS, INC. |
|-------------------------------------|--------------------------------|
| By Du to tell                       | Ву                             |
| Date: 3/7/05                        | Printed Name:                  |
|                                     | Title                          |
|                                     | Date                           |
| JOHN E. KELLY FAMILY STOCK<br>TRUST | MJD VENTURES, INC.             |
| By wak Mompson                      | By                             |
| Printed Name LIGAK THOMPSON         | Printed Name                   |
| Title Trustee                       | Title                          |
| Date Narch 7 2005                   | Date                           |

#### Conclusion

In light of the foregoing, the Commission is respectfully requested to modify its grant of consent, on a streamlined basis, for the transfer of control of the international Section 214 authorization held by Berkshire Cable Corporation from Brian F. Kelly and the John E. Kelly Family Stock Trust (Lisa K. Thompson and Katherine M. Pesano, Trustees) to FairPoint Communications, Inc. and its wholly-owned subsidiary MJD Ventures, Inc., to recognize the described changes in the ownership and control of FairPoint Communications, Inc.

Respectfully submitted,

BRIAN F. KELLY

| BRIAN F. KELLY                      | FAIRPOINT COMMUNICATIONS, INC.   |
|-------------------------------------|--|
| By                                  | By Color   |
| Date:                               | Printed Name: Welter E. Leach, Jr.                                     |
|                                     | Title Executive Vice President and Chief Financial Officer Date 3/1/05 |
|                                     |  |
| JOHN E. KELLY FAMILY STOCK<br>TRUST | MJD VENTURES, INC.   |
| JOHN E. KELLY FAMILY STOCK TRUST By | MJD VENTURES, INC.  By   |
| TRUST                               |  |
| TRUST By                            | By Seed  |