



PUBLIC NOTICE

Federal Communications Commission
45 L St., N.E.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>

DA 21-409
April 8, 2021

**SECTION 214 APPLICATIONS FILED FOR THE TRANSFER OF CONTROL OF
DIGITAL WEST SUBSIDIARIES OF RADIATE HOLDINGS, L.P.
TO STONEPEAK ASSOCIATES IV LLC**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 21-122

Comments Due: April 22, 2021
Reply Comments Due: April 29, 2021

By this Public Notice, the Wireline Competition Bureau and International Bureau (together, Bureaus) seek comment from interested parties on an application filed by Radiate Holdings, L.P. (Radiate Holdings or Transferor), Stonepeak Associates IV LLC (Stonepeak or Transferee), and Digital West Networks, Inc. (Digital West), Norcast Communications Corporation (Norcast), and Blue Rooster Telecom, Inc. (Blue Rooster) (Digital West, Norcast, and Blue Rooster, together, the Digital West Companies) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04, 63.18, and 63.24 of the Commission's rules, requesting approval to transfer control of the Digital West Companies, acquired by Radiate Holdings on January 22, 2021, to Stonepeak.¹ Radiate Holdings and Stonepeak are currently parties to a pending proposed transaction that the Bureaus accepted for filing in December 2020,² and request that the Commission approve the transfer

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04, 63.18, 63.24. Radiate Holdings, L.P., Transferor, Stonepeak Associates IV LLC, Transferee, Digital West Networks, Inc., Norcast Communications Corporation, and Blue Rooster Telecom, Inc., Licensees, Consolidated Application for Consent to Transfer Control of Section 214 Authority Holders, WC Docket No. 21-122 (filed Apr. 1, 2021) (Digital West-Stonepeak Application). As referenced in Attachment A to this Public Notice, Applicants have filed domestic and international section 214 applications. In October 2020 and November 2020, the Bureaus granted applications for the transfer of control of the Digital West Companies to Radiate Holdings. *International Authorizations Granted; Section 214 Applications* (47 C.F.R. §§ 63.18, 63.24); *Section 310(b) Petitions* (47 C.F.R. § 1.5000), ITC-T/C-20201005-00177, ITC-T/C-20201005-00178, Public Notice, 35 FCC Rcd 12007, 12008-9 (IB 2020) (IBFS File Nos. ITC-T/C-20201005-00177; ITC-T/C-20201005-00178); *Notice of Domestic Section 214 Authorization Granted*, WC Docket. No. 20-325, Public Notice, 35 FCC Rcd 12806 (WCB 2020); Letter from Winafred Brantl, Counsel to Radiate Holdings, to Marlene Dortch, Secretary, FCC, WC Docket No. 20-325, IBFS File Nos. ITC-T/C-20201005-00177, ITC-T/C-20201005-00178 (filed Feb. 1, 2021) (notifying the Commission of the consummation of the transaction).

² Application of Radiate Holdings, L.P., Transferor, Stonepeak Associates IV LLC, Transferee, RCN Telecom Services (Lehigh) LLC et al., Authority Holders, for Consent to Transfer Indirect Control of Companies Holding Domestic and International Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket. 20-407, IBFS File Nos. ITC-T/C-20201202-00196 through 00206 (filed Dec. 2, 2020) (December

of the Digital West Companies to Stonepeak in order to “allow a comprehensive close” of the two proposed transactions.³

Radiate Holdings, a Delaware limited partnership, serves as the common parent company for entities, including RCN Telecom Services, Grande Communications Networks, LLC, and Astound Broadband LLC, that provide cable, competitive telecommunications, and broadband services to over one million customers in multiple states and the District of Columbia.⁴ On January 22, 2021, Radiate Holdings acquired the Digital West Companies, which provide competitive data, voice, and other services primarily to business customers in San Luis Obispo and northern Santa Barbara Counties, California and to a small number of business and residential customers in Santa Paula, California.⁵ The general partner of Radiate Holdings is Radiate Holdings GP, LLC (Radiate GP), and the sole member of Radiate GP is TPG Advisors VII, Inc. (TPG Advisors), a Delaware investment holding company that is owned and controlled by the principals of TPG Global, LLC, David Bonderman and James G. Coulter, both U.S. citizens.⁶

Stonepeak, a Delaware limited liability company, is affiliated with U.S.-based private equity funds managed by Stonepeak Infrastructure Partners (Stonepeak Partners), which owns ExteNet Systems, Inc. (ESI) that provides competitive telecommunications services in multiple states.⁷ Stonepeak is indirectly held and controlled by Michael Dorrell, a U.S. and Australian citizen.⁸

Stonepeak Application); *Section 214 Applications Filed for the Transfer of Control of Subsidiaries of Radiate Holdings, L.P. to Stonepeak Associates IV LLC*, WC Docket No. 20-407, Public Notice, 35 FCC Rcd 14604 (WCB/IB 2020) (*December 2020 Public Notice*). Stonepeak and Radiate Holdings also filed additional applications for approval of this proposed transaction in connection with a CARS license as well as earth station and wireless licenses held by Radiate Holdings’ subsidiaries. Any action on the Digital West-Stonepeak Application is without prejudice to Commission action on other related, pending applications.

³ Digital West-Stonepeak Application at 3.

⁴ *Id.* at 5; *December 2020 Public Notice* at 1-2 (citing December Stonepeak Application at 5).

⁵ Digital West-Stonepeak Application at n.8 and 6. Digital West Holdings, Inc. is the direct parent of Digital West Networks and an indirect parent of Norcast and Blue Rooster. *Id.* at 6. The *December Public Notice* stated that the acquisition of the Digital West Companies by Radiate Holdings was expected to close in the near future and that Radiate Holdings and Stonepeak requested approval to transfer the Digital West Companies to Stonepeak. *December 2020 Public Notice* at n.4. In accordance with the Commission’s rules, the current Digital West-Stonepeak Application provides the required information associated with the proposed transfer. See 47 CFR §§ 63.03-04, 63.18, 63.24.

⁶ Digital West-Stonepeak Application at 5.

⁷ *Id.* at 8. Applicants state that there is a *de minimis* competitive overlap in California where the Digital West Companies have fiber facilities and ESI owns dark fiber leased to an unaffiliated third party. *Id.* at n.8. See Letter from William M. Wiltshire, Counsel for Stonepeak, and Edward A. Yorkgitis, Jr., Counsel for Radiate Holdings, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 20-407, IBFS File Nos. ITC-T/C-20201202-00196 through 00206, at 2 (filed Dec. 23, 2020).

⁸ Digital West-Stonepeak Application at 7. Applicants provided pre- and post-close ownership structures and interest holders at Attachments 1 and 2 of the Digital West-Stonepeak Application.

According to Applicants, pursuant to the terms of the Agreement and Plan of Merger, dated October 31, 2020, by and among Radiate Holdings, certain affiliates of Radiate Holdings, and certain affiliates of Stonepeak, the proposed transaction for the acquisition by Stonepeak of Radiate Holdings and all of its operating subsidiaries, including the Digital West Companies, will be effected through a set of substantially simultaneous mergers, as a result of which “control of the Radiate Holdings’ operating subsidiaries, including the Digital West Companies, will continue to be exercised indirectly through Radiate GP, the general partner of Radiate Holdings. However, upon consummation of the Proposed Transaction (x) the sole member of Radiate GP will change from TPG Advisors to Transferee, and (y) Transferee and not TPG Advisors will have the right to appoint a majority of the directors of the GP Board and, accordingly, will control Radiate GP and, in turn, Radiate Holdings and its operating subsidiaries, including the Digital West Companies.”⁹ Applicants further state that “the current direct and indirect equity holders of Radiate Holdings will transfer their indirect interests in the Radiate Holdings’ operating subsidiaries, including the Digital West Companies – namely, their limited partnership interests in Radiate Holdings – to two Stonepeak-affiliated entities: Stonepeak Tiger Holdings I LLC, a Delaware limited liability company (‘Tiger Holdings I’), and Stonepeak Tiger Holdings II Sub, a Delaware limited liability company (‘Tiger Holdings II’), which, together with Transferee, will be under the common indirect control of Mr. Dorrell.”¹⁰

Applicants assert that a grant of the Digital West-Stonepeak Application would serve the public interest, convenience, and necessity.¹¹ They state that that Stonepeak’s investment will allow Radiate Holdings and its subsidiaries, including the Digital West Companies, to expand their network and services while continuing to serve existing customers under the same rates, terms, and conditions.¹² According to Applicants, the proposed transaction would not adversely affect telecommunications competition in any domestic or U.S. international market.¹³

⁹ *Id.* at 9.

¹⁰ *Id.* Applicants state that Stonepeak is also exploring syndicating a portion of its equity interest in Radiate Holdings to other co-investors, the identity of which is yet to be finalized and that no such co-investment will change the proposed controlling entity of Radiate GP or affect the ownership structure of Stonepeak. *Id.* They state that the ownership percentages of the reportable interest holders may be reduced or changed as a result of the co-investment, “potentially materially so.” *Id.* They affirm that they will notify the Commission if, “as a result of such co-investment, (x) there will be changes in the ownership percentages for reportable interest holders provided in this application or (y), although none are expected, any new vehicles (other than those reflected in the organizational charts provided in Attachment 1 and listed in Attachment 2) will hold a 10-percent-or-greater equity interest in Radiate Holdings and the percentage interest held by them.” *Id.* See Letter from William M. Wiltshire, Counsel for Stonepeak, and Edward A. Yorkgitis, Jr., Counsel for Radiate Holdings, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 20-407, IBFS File Nos. ITC-T/C-20201202-00196 through 00206 (filed Mar. 11, 2021) (updating the record on the co-investment rights and stating that any future co-investment will not result in new vehicles that will hold a 10% or greater equity interest in Radiate Holdings at the time of the Stonepeak closing).

¹¹ Digital West-Stonepeak Application at 3, 12-14.

¹² *Id.*

¹³ *Id.* at n.8 and 14.

GENERAL INFORMATION

The applications identified herein has 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. Interested parties may file comments and petitions **on or before April 22, 2021** and reply comments or oppositions to petitions **on or before April 29, 2021**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by paper. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- Electronic Filers: Comments may be filed electronically 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. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit one additional copy for each additional docket or rulemaking number.
 - Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail.¹⁴ All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street, NE, Washington, DC 20554.
- People with Disabilities: We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible. Send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;
- 2) David Krech, Telecommunications & Analysis Division, International Bureau, david.krech@fcc.gov; and,
- 3) Jim Bird, Office of General Counsel, jim.bird@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. Persons making *ex parte* presentations must file a copy

¹⁴ Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. See *FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, DA 20-304 (March 19, 2020). <https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy>

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 the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, 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 application 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.¹⁵ 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; or David Krech, International Bureau, (202) 418-7443.

¹⁵ See 47 CFR § 1.45(c).

ATTACHMENT A

SECTION 214 AUTHORIZATIONS

A. International

The applications for consent to the transfer of control of certain international section 214 authorizations have been assigned the file numbers listed below.

<u>File Number</u>	<u>Authorization Holder</u>	<u>Authorization Number</u>
ITC-T/C-20210401-00065	Norcast Communications Corporation	ITC-214-20030410-00183
ITC-T/C-20210401-00066	Blue Rooster Telecom, Inc.	ITC-214-20100317-00112

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.¹⁶

- FCC -

¹⁶ 47 CFR § 63.03.