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

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DA 24-640

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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF KINEX TELECOM, INC. TO PLANET NETWORKS, INC.

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 24-120

Comments Due: July 17, 2024 Reply Comment Due: July 24, 2024

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Kinex Telecom, Inc. (Kinex) and Planet Networks, Inc. (Planet) (together, Applicants), pursuant to section 214(a) of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting consent for the transfer of control of Kinex to Planet.

Kinex, a Virginia corporation, provides voice and broadband service, including interconnected Voice over Internet Protocol (VoIP) service, using fixed wireless and fiber technology to connect homes, businesses, and anchor institutions in Virginia.³ Kinex provides these services to approximately 1,600 residential and business customers and focuses on serving rural and remote areas in central Virginia.⁴ Kinex, an Eligible Telecommunications Carrier, receives high-cost universal service support through the Rural Digital Opportunity Fund (RDOF) support mechanism.⁵ Kinex is owned by two U.S. citizens, James Garrett (60%) and Scott Chidester (20%), and Planet Capital, LLC (Planet Capital), a Delaware limited liability company wholly owned by Planet (20%).⁶

¹ See 47 U.S.C. § 214(a); 47 CFR §§ 63.03-04.

² Application for Consent to Transfer Control of Kinex Telecom, Inc. to Planet Networks, Inc., Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 24-120 (filed Apr. 19, 2024) (Application). Applicants filed a supplement to the Application on June 28, 2024. Supplement to Application for Consent to Transfer Control of Kinex Telecom, Inc. to Planet Networks, Inc., Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 24-120 (filed June 28, 2024) (Supplement). Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

³ Application at 4, 15.

⁴ *Id*. at 4.

⁵ *Id.* at 11-12. Kinex also participates in the Lifeline program and will continue to do so post-consummation of the transaction. *Id.* at 12.

⁶ *Id.* at 13-14.

Planet is a Delaware corporation and holding company that does not provide telecommunications services.⁷ Planet, through Planet Capital, also a holding company, provides voice and broadband service using both fiber and coaxial cable technology to connect homes, businesses, and anchor institutions in rural markets of New York, New Jersey, and Pennsylvania⁸ through three whollyowned competitive local exchange carrier (LEC) subsidiaries: Planet Fiber NY LLC; Planet Fiber NJ LLC; and Planet Fiber PA LLC.⁹ Each competitive LEC subsidiary provides intraLATA transport, interconnected VoIP, and broadband Internet services. ¹⁰ Planet's only 10% or greater owner is Robert Boyle (52%), a United States Citizen. ¹¹

Pursuant to the terms of the proposed transaction, Planet Capital and Kinex entered into a Stock Purchase Agreement by which Planet Capital acquired a 20 percent equity interest in Kinex, and Kinex and its shareholders agreed to sell all of their equity to Planet Capital. Applicants state that upon approval by the Commission of this Application and by state authorities, Planet Capital will acquire the remaining 80% of Kinex, including Kinex's voice and broadband operations (both within and outside of its RDOF area), its RDOF support obligations, and its right to receive corresponding RDOF support.¹³ Applicants assert that at closing, Planet Capital will be responsible for Kinex's ongoing operations, customer service, network expansion, and deployment of RDOF facilities and services. 14 Applicants also assert that Planet Capital will also own all of Kinex's existing facilities, including 350 miles of fiber serving RDOF locations, engineering plans, local permits, and other work product that Kinex has created and installed.¹⁵ Applicants explain that after consummation of the transaction, Kinex will continue and accelerate deployment of the RDOF-supported network and integrate such activities and operations into its own ongoing operations. ¹⁶ Applicants further explain that no carrier change charges will result from the transaction, and no customer service or billing contact information will change as a result of the transaction.¹⁷ Applicants contend that the transaction will be transparent to the customers of the Applicants, as customers will continue to be served pursuant to their existing operations. ¹⁸ Finally, Applicants assert that Kinex's new ownership plans to upgrade the Kinex network and offer faster speeds to subscribers at lower prices.¹⁹

Applicants assert that the proposed transaction is consistent with the public interest,

⁷ *Id.* at 4, 13.

⁸ *Id.* at 4-5, 15.

⁹ Supplement at 1.

¹⁰ *Id*.

¹¹ Application at 14.

¹² *Id*. at 2.

¹³ *Id*. at 2, 14.

¹⁴ *Id*. at 6.

¹⁵ *Id*.

¹⁶ *Id*.

¹⁷ *Id*.

¹⁸ *Id*.

¹⁹ *Id*.at 7.

convenience, and necessity.²⁰ Because the proposed transaction would involve the exchange and assumption of Universal Service Fund high-cost mechanism obligations, in order to sufficiently analyze whether the proposed transaction would serve the public interest, we accept the Application for non-streamlined processing.²¹

Domestic Section 214 Application Filed for the Transfer of Control of Kinex Telecom, Inc., to Planet Networks, Inc., WC Docket No. 24-120 (filed Apr. 19, 2024).

GENERAL INFORMATION

The application 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 reply comments on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: https://www.fcc.gov/ecfs/.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.
 - Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. All filings must be addressed to the Secretary, Federal Communications Commission.
 - Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
 - Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 - Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, 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 & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (TTY).

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

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 2) Megan Capasso Danner, Competition Policy Division, Wireline Competition Bureau, megan.danner@fcc.gov; and

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²⁰ *Id.* at 16.

²¹ 47 CFR § 63.03(c)(1)(v).

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 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.²² 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 Megan Capasso Danner at (202) 418-1151.

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²² See 47 CFR § 1.45(c).