

**STATEMENT OF
CHAIRMAN AJIT PAI**

Re: *Applications of Level 3 Communications, Inc. and CenturyLink, Inc. For Consent to Transfer Control of Licenses and Authorizations*, WC Docket No. 16-403.

As we approve this transaction, I am pleased to have worked with my colleagues to improve how we articulate the standard of review applied by the Commission. We don't change the standard of review. But we do make clear what had become increasingly hazy in recent years. This clarity will help the public to see that transactional review is an occasion to carefully consider how the transaction itself impacts the public interest, not an opportunity to extract a range of concessions, tangentially-related at best, from parties with applications in front of the Commission.

In particular, we explain what the Commission does (after determining the transaction does not violate the Act, other statutes, or Commission rules) to assure the transaction is in the public interest. In our review, the Commission must identify any public interest harms. If there are harms, the Commission then will consider narrowly-tailored, transaction-specific conditions to remedy the harm. As the item explains, this is in line with past pronouncements by the Commission that we will use conditions “only to remedy harms that arise from the transaction (i.e., transaction-specific harms)” and that are “related to the Commission’s responsibilities under the Communications Act and related statutes,” and we “will not impose conditions to remedy pre-existing harms or harms that are unrelated to the transaction.”¹ Then the Commission also will look at public interest benefits arising from the transaction.

With this standard once again articulated clearly, I am gratified that the Commission, in reviewing this transaction, does what it says it will. In those building locations where the data analysis shows the transaction would harm competition in the absence of a condition, we apply a price freeze to protect customers. This is appropriate because we are imposing a condition that is narrowly tailored to remedy a transaction-specific harm.

¹ See *SBC-AT&T Order*, 20 FCC Rcd at 18303, para. 19; *Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corporation for Consent to Transfer Control of Licenses and Authorizations et al.*, WT Docket Nos. 04-70, 04-254, 04-255, Memorandum Opinion and Order, 19 FCC Rcd 21522, 21545-46, para. 43 (2004).