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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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Application of )  
South Central Communications -- Telcom )  
Services, LLC For a Certificate of Public )  
Convenience and Necessity ) Docket No. 08-2495-01  
to Provide Facilities-Based Local )  
Exchange Service within the State of Utah )  
)

APPLICATION

South Central Communications -- Telcom Services, LLC ("SCC Telcom" or "Applicant"), pursuant to Chapter 8b of Title 54 of the Utah Code; the Commission's Rules of Practice and Procedure, Utah Admin. Code §§ 746-100 et seq.; and the federal Telecommunications Act of 1996, 47 U.S.C. § 151 et seq., hereby applies to the Utah Public Service Commission for a certificate of public convenience and necessity authorizing Applicant to operate as a provider of facilities-based local exchange telecommunications service in the State of Utah; provided, however, Applicant does not request authorization at this time to provide services within any local exchange with fewer than 5,000 access lines owned or controlled by an incumbent telephone corporation with fewer than 30,000 access lines within the state. See § 54-8b-2.1 Utah Code Ann. (1996). In support of its application, SCC Telcom provides the following information pursuant to Utah Admin. Code R746-349:

1. Applicant's legal name is South Central Communications -- Telcom Services,

LLC Applicant may be reached at its principal place of business:

1067 East Tabernacle, Suite 7A  
St. George, Utah 84770

2. R746-349-3(A)(16). Proof of Authority to Conduct Business. SCC Telcom is a Utah limited liability company organized on January 29, 2008, under the laws of Utah. A copy of SCC Telcom's Certificate of Existence in Utah is attached hereto as **Exhibit A**. Applicant is a wholly-owned subsidiary of South Central Utah Telephone Association, Inc., a Utah corporation ("South Central") which provides local exchange services in Beaver, Wayne, Sevier, Piute, Garfield, Kane, Iron, and Washington Counties, State of Utah subject to the jurisdiction of the Utah Public Service Commission.

3. Correspondence or communications pertaining to this Application, and questions concerning the ongoing operations of Applicant following certification should be directed to:

Stanley K. Stoll  
Kira M. Slawson  
Blackburn & Stoll, LC  
257 East 200 South, Suite 800  
Salt Lake City, Utah 84111

with a copy to:

Brant Barton  
General Manager  
P.O. Box 555  
Escalante, UT 84726  
Telephone: (435) 826-4211  
Facsimile: (435) 826-4900

4. Applicant's registered agent in the State of Utah is:

Stanley K. Stoll  
257 East 200 South, Suite 800  
Salt Lake City, UT 84111

5. SCC Telcom's toll-free number for customer inquiries is (800) 569-9846.

6. R746-349-3(A)(3). Facilities to be used. SCC Telcom anticipates using its own facilities along with unbundled network elements from the Incumbent Local Exchange Carrier (ILEC) and/or leasing facilities and network from other Competitive Local Exchange Carriers (CLEC) to provide local exchange services.

7. R746-349-3(A)(4). Services to be offered.

7. (a) R746-349-3(A)(4)(a). Classes of customers. Initially, SCC Telcom intends to provide service to business and residential customers.

7. (b) R746-349-3(A)(4)(b). Location of service. SCC Telcom may provide service in all locations which are within the Qwest service areas within the State of Utah and for which certification is sought hereunder.

7. (c) R746-349-3(A)(4)(b). Types of Services to be Offered. SCC Telcom seeks statewide authority to provide all forms of local exchange public telecommunications services on a facilities-based and a resale basis.

8. R746-349-3(A)(5). Access to standard services. SCC Telcom will provide access to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services such as 911 and E911 either through its own operations or by purchasing those services from ILEC's, certificated CLEC's and other companies specializing in providing these services on a competitive basis.

9. R746-349-3(A)(7)-(8). Professional experience and education of managerial personnel and personnel responsible for Utah operations. SCC Telcom currently has its headquarters in St. George, Utah. Responsibility for its operations will be handled by Applicant's current technical and management team from those headquarters. Descriptions of the

extensive telecommunications technical and managerial experience of Applicant's key personnel are attached hereto as **Exhibit B**.

10. R746-349-3(A)(9). Chart of Accounts. SCC Telcom's chart of accounts including account numbers, names, and brief descriptions is attached hereto as **Confidential Exhibit C** which SCC Telcom submits as subject to the Protective Order in Docket No. 08-2495-01.

11. R746-349-3(A)(1), R746-349-3(A)(10). Financial abilities. SCC Telcom is a start-up company. SCC Telcom has, however, the financial backing and wherewithal to provide those telecommunications services for which authority is being requested in this Application. In particular, SCC Telcom has access to the financing and capital necessary to conduct its telecommunications operations as specified in this application. Further, South Central will provide the necessary financial and other resources to SCC Telcom in order to assure that SCC Telcom will be able to maintain its business operations and provide the telecommunications services for which it seeks certification.

11. (a) R746-349-3(A)(10)(a)-(d), R746-349-3(A)(11)(a)-(b). Financial Statements. Attached hereto as **Confidential Exhibit D** is the most recent balance sheet of SCC Telcom, and as **Exhibit E** a letter from Brant Barton, CEO of SCC Telcom, attesting to the accuracy, integrity, and objectivity of the financial statements and attesting that the financial statements were prepared in accordance with generally accepted accounting principles. SCC Telcom submits **Confidential Exhibit D** as subject to the Protective Order in Docket No. 08-2495-01. In accordance with R746-349-3(A)(11), these financial statements show that SCC Telcom has a positive net worth and, by itself and through its parent, as described below, has sufficient cash flow to meet cash needs.

11.(c) R746-349-3(A)(10)(d). Financial Statements of Parent Corporation.

Because SCC Telcom is a subsidiary of South Central, the unaudited financial statements of South Central, dated December 31, 2006 are attached hereto as **Confidential Exhibit F** which SCC Telcom respectfully submits as Confidential Information subject to the Protective Order in Docket No. 08-2495-01.

12. R746-349-3(A)(2), R746-349-3(A)(11)(c). Bond requirement. SCC Telcom respectfully requests waiver of the bond requirement as the financial information included in **Confidential Exhibit D and F** successfully demonstrates its financial stability or adequate resources with respect thereto available to it. Furthermore, SCC Telcom does not plan at this time to collect customer deposits. If SCC Telcom decides to collect customer deposits, SCC Telcom will comply with all Utah laws, rules and regulations.

13. R746-349-3(A)(12). Five-year projection of expected operations.

13. (a) R746-349-3(A)(12)(a). Proforma Projections. SCC Telcom respectfully requests that this requirement be waived because it does not have a projection of its proforma income or cash flow statement for the next five years.

13. (b) R746-349-3(A)(12)(b). Types of technology to be deployed. SCC Telcom will deploy state-of-the art telecommunications equipment and technology. Furthermore, applicant will own and/or lease fiber optic, copper, and switching facilities as necessary.

13. (c) R746-349(A)(12)(c). Maps of facilities locations. SCC Telcom has not yet completed its facilities construction plans for Utah; therefore, the exact location of future facilities and descriptions of the specific facilities to be deployed are not determined.

14. R746-349-3(A)(6), R746-349-3(A)(13). Implementation schedule. SCC Telcom intends to initiate interconnection negotiations with the ILEC within one year from the date of

this application.

15. R746-349-3(A)(1), R746-349-3(A)(14). Technical and managerial abilities. SCC Telcom's officers have the necessary managerial and technical resources and qualifications necessary to execute its business plan, to provide its proposed telecommunications services, and to operate and maintain SCC Telcom's facilities over which such services will be deployed. SCC Telcom' technical and management team has extensive experience in the telecommunications industry. Descriptions of SCC Telcom's key personnel are attached hereto as Exhibit B.

16. R746-349-3(A)(14)(a)-(b). Proof of Certification in other Jurisdictions. SCC Telcom has not been denied requested certification in any jurisdiction, nor has it had a permit, license, or certificate revoked by any authority. SCC Telcom is not currently certificated in any other jurisdiction.

17. R746-349-3(A)(8). Employees. SCC Telcom's operations will be directed by its management team located in Escalante, Utah, and at its headquarters in St. George, Utah. In lieu of an organizational chart, SCC Telcom offers a description of its key technical and managerial personnel set forth in Exhibit B to satisfy R746-349-3(A)(8.)

18. R746-349-3(A)(1), R746-349-3(A)(15). Public interest. Approval of SCC Telcom's application will serve the public interest by creating greater competition in the local exchange marketplace, and the high-speed data market in particular. The public convenience and necessity, therefore, will be served by the issuance of a Certificate of Public Convenience and Necessity to Applicant authorizing it to provide the services described in this application.

19. R746-349-3(A)(17)(a)-(c) R746-349-3(A)(18). Unauthorized switching, solicitation of new customers, and prevention of unauthorized switching. SCC Telcom will comply with Utah law and the FCC's regulations regarding how interexchange carriers may

change a consumer's Primary Interchange Carrier ("PIC"). SCC Telcom will also comply with the FCC's regulations regarding how carriers may change a consumer's primary local exchange provider. Neither SCC Telcom, nor its affiliates, have been the subject of any complaints or investigations of unauthorized switching, or other illegal activities in any jurisdiction. SCC Telcom has adopted written policies regarding the solicitation of new customers in compliance with Utah law and FCC regulations.

20. Waivers and Regulatory Compliance. SCC Telcom requests that the Commission grant it a waiver of those regulatory requirements which are not applicable to competitive local service providers such as SCC Telcom. More specifically, Applicant seeks exemptions from certain requirements contained in Title 5, Chapter 8b of the Utah Code, and in rules and regulations that have been promulgated thereunder, for the provision of all telecommunications services that it is authorized to provide, including:

- a. Exemption from general rate making and any traditional "cost-of-service"-based pricing requirements relating to the sale of Applicant's services;
- b. Exemption from rules and requirements otherwise applicable to noncompetitive telephone corporations relating to the filing of service and class of service limitations, budgeting and budget filing requirements, tariff filings, contract filings, seeking approval for issuance of securities or for transactions with affiliates, reporting transfers of property, and other similar filing, notice and reporting requirements;
- c. Exemption from any other statute, rule or regulation from which the Commission exempts other new competitive providers of local exchange telecommunications services in Utah.

Applicant also requests exemptions from and/or waivers of the following statutes or regulations: §§54-3-8 and 54-3-19, Utah Code Ann. (1996) (prohibitions of discrimination); §54-7-12, Utah Code Ann. (1996) (rate increases or decreases); §54-4-21, Utah Code Ann. (1996) (establishment of property values); §54-4-24, Utah Code Ann. (1996) (depreciation rates); §54-4-26 Utah Code Ann. (1996) (approval of expenditures); R746-340-2(D) (Uniform System of Accounts - 47 C.F.R.32); R746-340-2(E)(1) (tariff filings required); R746-340-2(E)(2) (exchange maps); R746-341 (Lifeline)<sup>1</sup>; R746-344 (rate case filing requirements); R746-401 (reporting of construction, acquisition and disposition of assets); R746-405 (tariff formats); R746-600 (accounting for post-retirement benefits).

Such exemptions and/or waivers are proper within the context of this Request for Agency Action and are consistent with the reduced regulation and exemptions already granted to telecommunications corporations recently authorized to provide local exchange services in Utah. These exemptions and/or waivers are also consistent with the competitive local exchange marketplace contemplated by the Telecommunications Act of 1996 and the Utah Telecommunications Reform Act of 1995. Applicant requests that these exemptions apply to all of the services it is authorized to provide. Applicant reserves the right to request exemptions from additional Commission rules as such exemptions become necessary.

WHEREFORE, South Central Communications -- Telcom Services, LLC respectfully requests that the Utah Public Service Commission issue a Certificate of Public Convenience and Necessity authorizing SCC Telcom to provide resold and facilities-based, switched and dedicated local exchange telecommunications services in the State of Utah.

Dated this \_\_ day of May, 2008.

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<sup>1</sup> This exemption, except for R746-341-6 (Funding of Lifeline), would apply until Applicant begins to provide residential local exchange service.



Respectfully submitted,

South Central Communications -- Telcom Services, LLC

Stanley K. Stoll  
Kira M. Slawson  
Blackburn & Stoll, LC  
Attorneys for Applicant



## LIST OF EXHIBITS

- EXHIBIT A Certificate of Existence in Utah
- EXHIBIT B Managerial and Technical Qualifications
- EXHIBIT C Chart of Accounts [CONFIDENTIAL]
- EXHIBIT D Financial Statements of South Central Communications-Telcom Services, LLC [CONFIDENTIAL]
- EXHIBIT E Letter of Brant Barton, CEO and General Manager in Support of Financial Statements
- EXHIBIT F Financial Statements of South Central Utah Telephone Association, Inc. [CONFIDENTIAL]