

GARY HERBERT. Governor GREG BELL

Lieutenant Governor

State of Utah Department of Commerce Division of Public Utilities

FRANCINE GIANI Executive Director THAD LEVAR

Deputy Director

CHRIS PARKER

Director, Division of Public Utilities

MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities Chris Parker, Director

Bill Duncan, Telecommunications / Water Manager

Ron Slusher, Utility Technical Consultant

Date: February 28, 2011

Re: In the Matter of the Application of Teltrust Corporation, for a Certificate of Public Convenience

and Necessity to Provide Resold and Facilities-Based Local Exchange Telecommunications

Service within the State of Utah Docket No. 11-2537-01.

RECOMMENDATION: (Approval)

The Division has reviewed the technical, managerial, and financial abilities of the Applicant and has found that the Applicant has provided the necessary information to fulfill the requirements as stated in the existing Commission rules. The Division believes that the public interest will be promoted by recommending that the Commission allow the Applicant a CPCN as requested under the same terms and conditions allowed in other CPCNs. The Division also recommends that the \$100,000 bond be waived on the basis that the Applicant will not require customer deposits or prepayments of any kind.

The Division expects that based on history that a filing of this type and with the information submitted by the company there will be no objections or opposition to this recommendation. Therefore, the Division request that this docket be adjudicated informally in accordance with R746-110-1.

EXPLANATION:

Teltrust Corporation ("Applicant") filed an application for a certificate of public convenience and necessity ("CPCN") on February 15, 2011. The Division reviewed the application and found the following:

The Applicant seeks statewide authority except within exchange areas with less than 5,000 access lines that are owned or controlled by an ILEC with fewer than 30,000 total access lines in accordance with Utah Code Ann. 5 54-8b-2.1 (3) and (4). Specifically, The Applicant seeks authority as a reseller



and facilities-based provider of interexchange and local exchange services in the service areas of Qwest Communications Inc. and any other existing or future LECs providing service in Utah.

According to financial statements attested to be accurate, objective and with integrity by Gary Buehner, CEO, of Teltrust Corporation, the Applicant has a positive net worth and has ample working capital.

The Applicant intends to offer a broad range of local telecommunications services through the use of its own facilities, resold facilities and through a combination of these provisioning methods. The Applicant will not be installing any facilities other than equipment to be installed in existing buildings or structures for the purpose of providing local exchange telecommunications services in Utah. Applicant intends to commence negotiations with Qwest Communications for an interconnection/commercial agreement immediately upon receiving approval from the Public Service Commission of Utah to operate as a local exchange telecommunications service provider in the State of Utah.

The Applicant claims that it has never had any complaints nor has any investigation been undertaken against it or any of its affiliates involving unauthorized switching (slamming) or any other illegal activities.

Summaries of professional experience and education of its managerial personnel demonstrate that the Applicant has considerable experience in the telecommunications industry. The Applicant is currently authorized to provide local exchange telecommunications services in Montana, Oregon, and Seattle.

The Applicant requests that the \$100,000 bond requirement be waived because it will not require customer deposits or prepayments of any kind.

The Applicant asserts that approval of its application will serve the public interest creating and enhancing competition and expanding customer service options. Additionally, the approval of this application will expand the availability of innovative, high quality, reliable and competitively-priced telecommunications services in the State of Utah.

cc: Gary Buehner, CEO, Teltrust Corporation Felise Thrope Moll, Attorney, State of Utah