



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*

GARY HERBERT  
*Governor*  
GREG BELL  
*Lieutenant Governor*

**MEMORANDUM**

**To:** Public Service Commission

**From:** Division of Public Utilities  
Chris Parker, Director  
Bill Duncan, Telecommunications / Water Manager  
Ron Slusher, Utility Technical Consultant

**Date:** January 09, 2012

**Re:** In the Matter of the Application of Wholesale Carrier Services, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange Services within the State of Utah. Docket No. 11-2545-01.

---

**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. In addition to requesting authority to serve in CenturyLinks's territories, the Application has asked for statewide authority to serve in Frontier's service areas. At the time of this application the only available Frontier service territory that falls under Utah Code Ann. § 54-8b-2.1 (3) and (4) is the Moab exchange, based on Frontier's 2010 annual report filed with the Division of Public Utilities.

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.

**EXPLANATION:**

Wholesale Carrier Services, Inc. ("Applicant") filed an application for a certificate of public convenience and necessity ("CPCN") on December 12, 2011. The Division reviewed the application and found the following:

Wholesale Carrier Services, Inc. is a Florida corporation with its corporate headquarters located at 5471 North University Drive, Coral Springs, FL. 33067. They are a registered corporation with the State of Utah and are in good standing.

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. § 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 CenturyLink and any other existing or future LECs providing service in Utah. In addition to requesting authority to serve in CenturyLinks's territories, the Application has asked for statewide authority to serve in Frontier's service areas. At the time of this application the only available Frontier service territory that falls under Utah Code Ann. § 54-8b-2.1 (3) and (4) is the Moab exchange, based on Frontier's 2010 annual report filed with the Division of Public Utilities.

According to financial statements attested to be accurate, objective and with integrity by Jay Morris, Director – Product Management of Wholesale Carrier Services, Inc., the Applicant has a positive net worth and has ample working capital.

The Applicant does not currently own property in the State of Utah and does not plan to construct any facilities in the state. The Applicant will provide local exchange services through resale or unbundled interconnection with the Incumbent Local Exchange Carrier.

The Applicant intends to commence negotiations with CenturyLink and Frontier Communications for interconnection / commercial agreements 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.

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 Alabama, California, Colorado, Connecticut, the District of Columbia, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, Washington, and West Virginia.

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. The Applicant also states that it has implemented policies and procedures concerning solicitation of new customers. These policies require that customers sign a contract authorizing the Applicant to provide telecommunications services.

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: Carey Roesel, Consultant to Wholesale Carrier Services, Inc  
Patricia Schmid, Attorney, State of Utah