



State of Utah
Department of Commerce
Division of Public Utilities

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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 26, 2012

Re: In the Matter of the Petition of Cincinnati Bell Any Distance Inc. for Authority to Compete as a Telecommunications Corporation and to Offer Public Local Exchange Telecommunications Services within the State of Utah Docket No. 11-2548-01.

RECOMMENDATION:

The Division has reviewed the technical, managerial, and financial abilities of the Applicant and has found that they have 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 certificate of public convenience and necessity ("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:

Cincinnati Bell Any Distance, Inc. ("Applicant") filed an application for a CPCN on January 04, 2012. The Division reviewed the application and found the following:

The Applicant is a Delaware corporation with its corporate headquarters located at 221 East Fourth Street, Room 103-1280, Cincinnati, Ohio 45201, Phone (877) 290-2777. 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.

According to financial statements attested to be accurate, objective and with integrity by Kathy Campbell, Regulatory Specialist, of Cincinnati Bell Any Distance, 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 intends to offer resold local exchange services in the State of Utah, in combination with the resold interexchange services that they currently provide in Utah since 2004. Local exchange services will be provided utilizing the facilities of incumbent local exchange carriers (“ILECs”) and competitive local exchange carriers (“CLECs”) authorized to operate in the State of Utah

The Applicant intends to commence negotiations with CenturyLink 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.

Summaries of professional experience and education of its managerial personnel demonstrate that the Applicant has considerable experience in the telecommunications industry. The Applicant is authorized to provide long distance service in all the 48 continental United States and is currently authorized to provide local exchange telecommunications services in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, Washington, West Virginia and Wisconsin.

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 will comply with Section 258 of the Telecommunications Act, 47 U.S.C. Section 258, and FCC rules implementing the carrier change requirements of Section 258, 47 C.F.R. 64.1100 et. seq. They also state that they will comply with the rules prescribed by the Public Service Commission of Utah related to change of service provider, Rule R746-349-5 of the Utah Administrative Code.

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: Kathy Campbell, Regulatory Specialist, Cincinnati Bell Any Distance, Inc.
Patricia Schmid, Attorney, State of Utah
Eric Orton, Utility Analyst, Office of Consumer Services, State of Utah