

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of the Petition  
Of Telrite Corporation, d/b/a  
Life Wireless for Limited  
Designation as an Eligible  
Telecommunications Carrier,

Docket 12-2553-01

~~~~~  
HEARING AND PROCEDURAL ORDER  
ADMINISTRATIVE LAW JUDGE REIF  
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PLACE: Heber M. Wells  
160 East 300 South  
Salt Lake City, UT

DATE: May 29, 2013

TIME: 9:00 a.m.

REPORTED BY: Kellie Peterson, RPR

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APPEARANCES

FOR THE DIVISION:

Justin Jetter, Esq.

DIVISION OF PUBLIC UTILITIES

160 E. 300 S.

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Salt Lake City, UT 84111

FOR THE APPLICANT:

David J. Shaw, Esq.

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ALSO APPEARING:

Casey Coleman

Cheryl Murray

Brian Lisle (Telephonically)

Andy Gibson (Telephonically)

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1

Hearing and Procedural Order

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May 29, 2013

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## PROCEEDINGS

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ADMINISTRATIVE LAW JUDGE REIF: This is the

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date and time for the hearing on Docket 12-2553-01, entitled,

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"In the Matter of the Petition of Telrite Corporation, dba Life

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Wireless, for Limited Designation as an eligible

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Telecommunication Carrier."

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Pursuant to the notice which was issued on

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February 7, 2013, there is a hearing scheduled in this matter

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this morning, at this date and time, May 29, 2013, 9:00 a.m. Let

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start by taking appearances, starting with you, Mr. Shaw.

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MR. SHAW: Thank you, Your Honor. David Shaw,

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from Kirton McConkie, for Telrite.

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ADMINISTRATIVE LAW JUDGE REIF: And, Mr.

16

Shaw, you have a couple individuals attending by phone; would

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you go ahead and identify them, as well?

18

MR. SHAW: Yes, we also have Andy Gipson for

19

Telrite and Brian Lisle who is with Telrite.

20

ADMINISTRATIVE LAW JUDGE REIF: And if I

21

might ask if those gentlemen would please spell their names for

22

the court reporter at this time. That would be very helpful.

23

MR. Lisle: Go ahead, Andy.

24

MR. GIPSON: Sure, this is Andy Gipson, A-N-D-Y,

25

G-I-P-S-O-N, with Jones Walker Law Firm on behalf of Telrite.

1 MR. LISLE: And you have Brian Lisle, B-R-I-A-N,  
2 L-I-S-L-E, with the Telrite Corporation.

3 ADMINISTRATIVE LAW JUDGE REIF: Thank you.  
4 Mr. Jetter?

5 MR. JETTER: And Justin Jetter representing the  
6 Division of Public Utilities, and with me is Casey Coleman.

7 ADMINISTRATIVE LAW JUDGE REIF: And Ms.  
8 Murray?

9 MS. MURRAY: Cheryl Murray for the Office of  
10 Consumer Services.

11 ADMINISTRATIVE LAW JUDGE REIF: And, Ms.  
12 Murray, you are appearing pro se this morning; is that correct?

13 MS. MURRAY: That is correct.

14 ADMINISTRATIVE LAW JUDGE REIF: Okay, thank  
15 you.

16 Mr. Shaw, I'm going to let you lead the discussion  
17 this morning, given this is your application. And just before we  
18 continue with that, I want to make clear that there was a stay  
19 entered in this docket some time ago pending settlement  
20 discussions, and on the 24th of May, the Utah Public Service  
21 Commission did receive a stipulation and settlement agreement  
22 signed by some of the parties in this case. And I'm assuming  
23 that in this hearing, you wish to have your settlement  
24 addressed?

25 MR. SHAW: That's correct, Your Honor. The

1 stipulation and settlement agreement was reached pursuant to a  
2 settlement conference which was part of this proceeding. The  
3 parties all attended that settlement conference. As you will  
4 note, the stipulation and settlement agreement has been signed  
5 by all parties except for the Utah Rules and Telecom  
6 Association. I do have representation from URTA that they have  
7 chosen not to sign the stipulation but have no opposition, and I  
8 will present evidence of that momentarily.

9           The stipulation and the application of Telrite to be  
10 approved as an ETC is consistent with the universal service  
11 order. Telrite is a common carrier and meets the statutory  
12 requirements to be designated as an ETC. As noted in the  
13 stipulation and also in the prefiled direct testimony of Brian  
14 Lisle, the application of Telrite is just and reasonable, it's in the  
15 public's interest and it does provide additional choice for  
16 low-income residents and citizens of the State of Utah.

17           The stipulation, Your Honor, I would proffer speaks  
18 for itself in terms of the service offerings, particularly paragraph  
19 9 of the stipulation as speaks to the direct offerings that will be  
20 made available by Telrite.

21           Again, the stipulation does further the statutory  
22 goal of providing basic service at affordable rates to all citizens.  
23 It also creates additional choice for low-income consumers  
24 within the State of Utah, and approval of the stipulation is just  
25 and reasonable and in the public's interest.

1 We do have Brian Lisle in the event there is  
2 additional testimony needed, but I would submit to Your Honor  
3 that his prefiled direct testimony would be sufficient to support  
4 the stipulation, and we would, therefore, recommend approval  
5 by the Commission.

6 ADMINISTRATIVE LAW JUDGE REIF: Thank you,  
7 Mr. Shaw.

8 MR. SHAW: And if I could address the final point  
9 of URTA, I did receive communication from counsel to URTA  
10 addressing the fact that they have no opposition. If I might  
11 submit that to Your Honor as Exhibit 1 in this proceeding?

12 ADMINISTRATIVE LAW JUDGE REIF: Okay, do  
13 you have enough copies for the parties and the court reporter?

14 MR. SHAW: I believe so. Thank you.

15 ADMINISTRATIVE LAW JUDGE REIF: Give me just  
16 one moment while I read that. Thank you, Mr. Shaw. It would  
17 be my suggestion that we enter this as an exhibit into the  
18 record. Is that acceptable to you?

19 MR. SHAW: Perfectly acceptable, Your Honor.

20 ADMINISTRATIVE LAW JUDGE REIF: Okay. Is  
21 there any objection from the parties in doing so?

22 MS. MURRAY: No.

23 ADMINISTRATIVE LAW JUDGE REIF: Okay. I'll  
24 mark this Telrite Exhibit No. 1 and this will be entered into  
25 evidence and made part of the record in this case.

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MR. SHAW: Very good.

(Exhibit-1 admitted into the record.)

ADMINISTRATIVE LAW JUDGE REIF: And it does in fact state that URTA will not be signing the stipulation but it does have no objection, so thank you for making that clear, URTA. Does anyone have any questions for Mr. Shaw? Mr. Jetter? Ms. Murray?

MS. MURRAY: No.

MR. JETTER: No.

ADMINISTRATIVE LAW JUDGE REIF: Mr. Shaw, I have just a few questions for you, and thank you for making the clarification on URTA. Regarding your application, will you be speaking to the Utah Universal Service Funding?

MR. SHAW: Not at this time, Your Honor. That is not the plan of the company, and if that plan were to change, there would be a separate application filed pursuant to that.

ADMINISTRATIVE LAW JUDGE REIF: Okay.

MR. SHAW: But this application has nothing to do with state universal funding.

ADMINISTRATIVE LAW JUDGE REIF: Okay.

MR. SHAW: And I believe both the application and stipulation make that clear.

ADMINISTRATIVE LAW JUDGE REIF: Okay, I wanted to be sure of that. And you will be seeking funding from the federal--

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MR. SHAW: Yes, Your Honor.

ADMINISTRATIVE LAW JUDGE REIF: --fund?

Okay, okay, very good. Mr. Shaw, thank you very much for your presentation. I have no further questions.

Mr. Jetter?

MR. JETTER: Thank you, Your Honor. The Division would like to call our witness, Casey Coleman.

ADMINISTRATIVE LAW JUDGE REIF: Good morning, Mr. Coleman. Are you prepared to testify this morning?

MR. COLEMAN: Yes.

ADMINISTRATIVE LAW JUDGE REIF: Would you please raise your right hand?

CASEY COLEMAN, called as a witness and having been duly sworn, was examined and testified as follows:

ADMINISTRATIVE LAW JUDGE REIF: You may proceed.

EXAMINATION

BY-MR.JETTER:

Q. Mr. Coleman, would you please state your name and occupation for the record?

A. My name is Casey J. Coleman and I am a utility technical consultant for the Division of Public Utilities.

Q. Thank you. And, Mr. Coleman, have you reviewed the applicant's application testimony, the other filings in this

1 docket, and the stipulation and settlement agreement that was, I  
2 believed, filed Friday of last week?

3 A. Yes, I have.

4 Q. And do you believe that approval of the terms  
5 within the stipulation and settlement agreement approving  
6 Telrite as a wireless ETC for the State of Utah would be just  
7 and reasonable and in the public's interest?

8 A. Yes.

9 Q. Thank you. I have no further questions.

10 ADMINISTRATIVE LAW JUDGE REIF: Any  
11 questions for Mr. Coleman, Mr. Shaw?

12 MR. SHAW: No, Your Honor.

13 ADMINISTRATIVE LAW JUDGE REIF: Ms. Murray?

14 MS. MURRAY: No, Your Honor.

15 ADMINISTRATIVE LAW JUDGE REIF: Okay, thank  
16 you for your testimony, Mr. Coleman.

17 Ms. Murray?

18 MS. MURRAY: My name is Cheryl Murray. I am an  
19 utility analysis for the Office of Consumer Services. The Office  
20 has reviewed Telrite Corporation's application, testimony, and --

21 ADMINISTRATIVE LAW JUDGE REIF: Ms. Murray,  
22 sorry to interrupt, do you wish to give testimony? Do you wish  
23 to give testimony or a statement?

24 MS. MURRAY: A statement.

25 ADMINISTRATIVE LAW JUDGE REIF: Okay, so

1 you don't want to be open for cross-examination or questioning?

2 MS. MURRAY: Well, it could be called testimony. I  
3 don't mind being cross-examined.

4 ADMINISTRATIVE LAW JUDGE REIF: Okay. Do  
5 you mind being put under oath?

6 MS. MURRAY: I do not.

7 ADMINISTRATIVE LAW JUDGE REIF: Okay, let'S  
8 put you under oath.

9 CHERYL MURRAY, called as a witness and having  
10 been duly sworn, was examined and testified as follows:

11 EXAMINATION

12 ADMINISTRATIVE LAW JUDGE REIF: Okay, thank  
13 you. You may proceed.

14 MS. MURRAY: Okay. The Office has reviewed the  
15 Company's application, testimony and the responses they  
16 provided to our data requests. We participated in settlement  
17 negotiations, wherein, as were--the Company agreed to certain  
18 conditions that the Office asserts are necessary for the public's  
19 interest, and these condition are contained in the stipulation  
20 that is before you today. And the Office's judgment, the  
21 stipulation is in the public's interest and we recommend that it  
22 be approved. That concluded my testimony.

23 ADMINISTRATIVE LAW JUDGE REIF: Thank you,  
24 Ms. Murray. Mr. Shaw, any questions?

25 MR. SHAW: No questions, Your Honor.

1 ADMINISTRATIVE LAW JUDGE REIF: Mr. Jetter?

2 MR. JETTER: No questions, Your Honor.

3 ADMINISTRATIVE LAW JUDGE REIF: And I don't  
4 know how to explain this but this has happened a couple of  
5 times now, where we get almost done with the hearing, it seems  
6 like my microphone finally starts working. I hope everyone is  
7 hearing okay. Ms. Murray, I have no questions.

8 MS. MURRAY: Thank you.

9 ADMINISTRATIVE LAW JUDGE REIF: And I wish  
10 to ask if there is anyone here to object to the application,  
11 please make that known. Hearing no objection, the Commission  
12 assumes that there is none, and I wish to note that pursuant to  
13 Utah Code 5471.5, subsection 3, subsection D, little I, sub A,  
14 states that the Commission may adopt a settlement proposal if  
15 the Commission finds that the settlement proposal is a just and  
16 reasonable end result and the evidence contained in the record  
17 support the finding that the settlement proposal is a just and  
18 reasonable end result.

19 At this time, the Commission will take the matter  
20 under advisement and issue an order within a reasonable  
21 amount of time, and unless there are any questions, we will be  
22 adjourned. So thank you for coming today and have a good day.

23 (The hearing was concluded at 9:15 a.m.)

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REPORTER'S CERTIFICATE

State of Utah )  
 )  
County of Salt Lake )

This is to certify that the foregoing proceedings were taken before me, KELLIE PETERSON, a Registered Professional Reporter and Notary Public in and for the State of Utah;

That the proceeding was reported by me in stenotype and thereafter caused by me to be transcribed into typewriting, and that a full, true, and correct transcription of said testimony so taken and transcribed is set forth in the foregoing pages;

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the event thereof.

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KELLIE PETERSON, RPR