BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

Application of	
YipTel, L.L.C.	APPLICATION
for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange, Access, and Interexchange Telecommunications Services in the State of Utah	Docket No

APPLICATION OF YIPTEL, L.L.C.

YipTel, L.L.C. ("YipTel" or "Applicant" or "Company"), pursuant to Chapter 8b of Title 54 of the Utah Code, Utah Admin. Code §§ 746-100 *et seq.*, and the rules and regulations of the Utah Public Service Commission ("Commission"), hereby applies for a Certificate of Public Convenience and Necessity to authorize it to provide facilities-based and resold local exchange, access, and interexchange telecommunications service throughout the State of Utah in all Price Cap ILEC exchange areas. YipTel requests that the Commission grant YipTel authority to provide these telecommunications services in CenturyLink exchanges within Utah.

The Applicant submits the following information pursuant to Utah Admin. Code R746-349 in support of its request.

1. Applicant's legal name is YipTel, L.L.C. Applicant will use the business name "YipTel" in Utah. Applicant may be reached at its principal place of business:

YipTel, L.L.C. 9176 South 300 West Ste 1 Sandy, UT 84070 801-975-7466 (tel) 801-978-2233 (fax) www.yiptel.com 2. <u>R746-349-3(A)(16). Proof of Authority to Conduct Business.</u> YipTel is a Utah Limited Liability Company with its corporate headquarters located at 9176 South 300 West Ste 1, Sandy, UT 84070. A copy of YipTel's Articles of Incorporation is attached hereto as <u>Exhibit A</u>.

3. Correspondence or communications pertaining to this Application should be directed to:

Leah Richter Vantage Point Solutions 2211 North Minnesota Street Mitchell, SD 57301 605-995-1793 (tel) 605-995-1778 (fax) Leah.Richter@Vantagepnt.com

and

Robert B Brown YipTel, L.L.C. 9176 South 300 West Ste 1 Sandy, UT 84070 801-975-7466 (tel) 801-978-2233 (fax) <u>Robert@cciintellisys.com</u>

4. Questions concerning the ongoing operations of YipTel following

certification should be directed to:

Robert B Brown YipTel, L.L.C. 9176 South 300 West Ste 1 Sandy, UT 84070 801-975-7466 (tel) 801-978-2233 (fax) Robert@cciintellisys.com

5. YipTel's registered agent in the State of Utah is:

Robert B Brown YipTel, L.L.C. 9176 South 300 West Ste 1 Sandy, UT 84070 801-975-7466 (tel) 801-978-2233 (fax) Robert@cciintellisys.com

6. For purposes of consumer inquiries, the contact information will be:

Robert B Brown YipTel, L.L.C. 9176 South 300 West Ste 1 Sandy, UT 84070 801-975-7466 (tel) 801-978-2233 (fax) Robert@cciintellisys.com

7. <u>R746-349-3(A)(3)</u>. Facilities to be Used. YipTel intends to use the local loops and other existing network facilities where prudent of the local exchange incumbent provider, CenturyLink, throughout Utah and will not be constructing or plowing fiber. YipTel will need to collocate and have interconnection agreements with CenturyLink. YipTel may lease facilities of other telecommunications providers as needed, including incumbent local exchange carriers.

8. <u>R746-349-3(A)(4)</u>. Services to be Offered.

8(a) <u>R746-349-3(A)(4)(a).</u> Classes of Customers. YipTel's intends to provide service to both residential and business customers.

8(b) <u>R746-349-3(A)(4)(b).</u> Location of Service. YipTel's will provide a full range of telecommunications services to business and residential customers in the incumbent, CenturyLink exchanges statewide in Utah, consistent with the exchange maps CenturyLink has on file with the Commission. 8(c) <u>R746-349-3(A)(4)(c)</u>. <u>Services Offered</u>. YipTel will offer broadband, hosted VoIP and is also looking to expand their voice services. It will also offer special circuits, switched access and interexchange services.

YipTel will continuously monitor and maintain a high level of control over its network on a 24-hours-a-day, 7-days-a-week basis.

9. <u>R746-349-3(A)(5)</u>. Access to Standard Services. To the extent that YipTel provides circuit switched voice service, YipTel will provide access to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services through interconnection with its underlying carrier.

10. <u>R746-349-3(A)(7)</u>. Professional Experience and Education of Managerial <u>Personnel Responsible for Utah Operations</u>. YipTel prides itself in staying informed of new technologies and equipment in the market. YipTel has worked hard to redesign the business revenue model and added reoccurring hosted revenue products to create long term stability and additional revenue streams. This gives it stability in the market, allows YipTel to provide the excellent support and provide a state of art product offering which can fit any businesses needs. As small businesses look for the same communications technologies that larger corporations have, to stay competitive in their markets, YipTel has found ways to give it high end voice over IP solutions at a small business price with YipTel's services. For example, one YipTel client had a corporate office in downtown Salt Lake City, but had several dozen consultants spread throughout the country. YipTel's services allowed them to communicate with each other as if they were all sitting in the same office setting but the flexibility to be anywhere they choose. As YipTel continues to vertically integrate into the market, we find new avenues to support our clients and help innovate the way businesses want or need to communicate all with cost savings to keep them competitive.

With YipTel's knowledgeable sales staff and innovative management team, YipTel will continue to be a leader in communications solutions and a valuable asset to the telecommunications industry in Utah.

Descriptions of the extensive telecommunications and managerial experience of Applicant's key personnel are attached hereto as <u>Exhibit B</u>.

11. <u>R746-349-3(A)(1), R746-349-3(A)(9)–(12).</u> Financial Abilities. YipTel is financially qualified to provide telecommunications services in Utah. YipTel currently possesses the financial ability to conduct its proposed telecommunications operations on a competitive basis utilizing its own funds as specified in this application, and will rely upon its existing personnel and technological and financial resources to provide intrastate services.

11(a) <u>R746-349-3(A)(9). Chart of Accounts.</u> Attached hereto under seal as <u>Exhibit C</u> is YipTel's chart of accounts including account numbers, names, and brief descriptions. Please note that the information provided in <u>Exhibit C</u> is proprietary and has been attached in a sealed envelope marked "**Confidential – Subject to Public Service Commission of Utah Rule R746-100-16**." As it contains sensitive information regarding YipTel's business operations, YipTel respectfully requests that this information be treated confidentially and not be released to any member of the public absent YipTel's prior written permission.

11(b) <u>R746-349-3(A)(10)(a)-(d)</u>. Financial Statements. YipTel is extremely well-qualified financially to operate and expand its business and provide the services specified within this application. Attached hereto under seal as <u>Exhibit D</u> is an Independent Accountants' Compilation Report for the most recent year ending December, 31, 2011 for YipTel along with its year to date October 2012 Financials and Business Status. Please note that the information provided in <u>Exhibit D</u> is proprietary and has been attached in a sealed envelope marked "**Confidential – Subject to Public Service Commission of Utah Rule R746-100-16**." As it contains sensitive information regarding YipTel's business operations, YipTel respectfully requests that this information be treated confidentially and not be released to any member of the public absent YipTel's prior written permission. As shown in the attached information, YipTel has a positive net worth and is financially qualified to operate within the State of Utah.

11(c) <u>R746-349-3(A)(11)(b)</u>. Sufficient Projected and Verifiable Cash <u>Flow.</u> Paragraph 12, below, provides evidence of a sufficient projected and verifiable cash flow to meet cash needs as shown in YipTel's five-year projection of expected operations.

11(d) <u>R746-349-3(A)(2)</u>, <u>R746-349-3(A)(11)(c)</u>. <u>Bond Requirement</u>.

YipTel respectfully requests a waiver of the requirement in R746-349-3(A)(2) for proof of a bond in the amount of \$100,000. YipTel will not require retail customers to make a service deposit. Further, YipTel has been providing interconnection, equipment and other non-regulated telecommunications services within Utah since 1970 and, as outlined within <u>Exhibit B</u>, YipTel's management team has extensive telecommunications and managerial experience. Further, as demonstrated by the financial statements provided as <u>Exhibit D</u>, YipTel has the financial resources to cover other liabilities to telecommunications customers and, therefore, YipTel requests a waiver of the bond requirement since it is not necessary under these facts.

12. <u>R746-349-3(A)(12)</u>. Five-year Projection of Expected Operations.

12(a) <u>R746-349-3(12)(a)</u>. Income and Cash Flow Statements. Attached hereto under seal as <u>Exhibit E</u> is YipTel's five-year projection of expected operations. Please note that the information provided in <u>Exhibit E</u> is proprietary and has been attached in a sealed envelope marked "**Confidential – Subject to Public Service Commission of Utah Rule R746-100-16**." As it contains sensitive information regarding YipTel's business operations, YipTel respectfully requests that this information be treated confidentially and not be released to any member of the public absent YipTel's prior written permission.

12(b) <u>R746-349-3(A)(12)(b)</u>. Types of Technology to be Deployed. YipTel intends to provide telecommunications services primarily using CenturyLink's loop, transport and tandem facilities. However, YipTel will own and service switching and other IT network facilities, including an IP voice MetaSwitch and Brocade switching and routing equipment. A copy of YipTel's Network Design is attached hereto as <u>Exhibit</u> <u>F</u>.

12(c) <u>R746-349(A)(12)(c)</u>. <u>Maps of Facilities Locations</u>. Initially, YipTel will utilize the loop and transport facilities of other carriers. While YipTel will install a softswitch in Utah, YipTel has not yet determined the exact location of any other future facilities or descriptions of the specific facilities to be deployed in the future.

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13. <u>R746-349-3(A)(6)</u>, <u>R746-349-3(A)(13)</u>. <u>Implementation Schedule</u>.
YipTel proposes to begin providing telecommunications service in Utah shortly after the Commission's grant of the Certificate pursuant to this Application.

14. <u>R746-349-3(A)(1)</u>, <u>R746-349-3(A)(14)</u>. <u>Technical and Managerial</u> <u>Abilities</u>. YipTel has been providing interconnection, phone systems and nonregulated telecommunications services within Utah since 1970. YipTel has been a Hosted PBX provider for the past 2 ½ years. YipTel's technical support personnel possess qualified backgrounds in telecommunications, engineering and network management that enhances YipTel's technical qualifications. YipTel's operations will be directed by its existing corporate management, technical and operations staff. A description of the background of Applicant's key personnel, which demonstrates the extensive telecommunications experience of YipTel's management team, is attached hereto as <u>Exhibit B</u>. YipTel is technically and managerially qualified to provide competitive local exchange, access and interexchange services in Utah.

15. <u>R746-349-3(A)(8)</u>. <u>Employees</u>. YipTel's operations will be directed by its management team. A copy of YipTel's organizational chart is attached hereto as <u>Exhibit G</u>.

16. <u>R746-349-3(A)(1), R746-349-3(A)(15).</u> Public Interest. Grant of this Application will serve the public interest by expanding the availability and quality of competitive and modern telecommunications services in the state of Utah. The public will have a direct benefit through the use of the competitive telecommunication services provided by YipTel and an indirect benefit through YipTel's competitive presence in Utah. The presence of a competitive local exchange carrier will incent the incumbent

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local exchange carrier in and around the areas YipTel will provide service in to operate more efficiently, offer more innovative and modern services and also reduce process and overall improve the quality of service being delivered to customers.

Not only will YipTel be enhancing the intrastate service options available to those living in Utah, the Application is in the public interest due to the fact YipTel will be providing customers with increased efficiencies and modern state-of-art telecommunications services. These benefits will facilitate economic development within Utah.

17. R746-349-3(A)(17)–(18). <u>Unauthorized Switching, Solicitation of New</u> <u>Customers, and Prevention of Unauthorized Switching or Other Illegal Activities.</u> YipTel has not had any complaints filed against it in any jurisdiction. YipTel is committed to complying with all state and federal rules and regulations governing telecommunications services, including the unauthorized switching of customers and other illegal activities. While YipTel does not have a written slamming policy, YipTel will comply with all applicable laws. YipTel is seeking the full range of authority in this application so that it has flexibility to expand it service offerings as its business plans and the market permit.

For the reasons stated above, YipTel respectfully submits that the public interest, convenience, and necessity would be furthered by a grant of this Application for the authority to provide all types of facilities-based and resold local exchange, access and interexchange telecommunications services as requested herein.

Respectfully submitted,

Dated: December 21, 2012

By:

Robert B Brown President YipTel, L.L.C.

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