

Brian W. Burnett (3772)
Callister Nebeker & McCullough
Zions Bank Building, Suite 900
10 East South Temple
Salt Lake City, Utah 84133
Telephone: 801-530-7428
Facsimile: 801-364-9127
brianburnett@cnmlaw.com

Attorneys for TDS Metrocom, LLC

**BEFORE THE PUBLIC SERVICE
COMMISSION OF UTAH**

In the Matter of the Application of TDS
Metrocom, LLC for Certificate of Public
Convenience and Necessity to Provide
Telecommunications Services in the State of
Utah

Docket No. 14-_____

TDS METROCOM, LLC'S APPLICATION
FOR CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY

TDS Metrocom, LLC ("TDS Metrocom" or "Applicant"), by its undersigned counsel and pursuant to Chapter 8b of Title 54 of the Utah Code Ann., Utah Admin. Code §§ R746-100 *et seq.*, and the rules and regulations of the Public Service Commission of Utah ("Commission"), hereby respectfully applies for a Certificate of Public Convenience and Necessity to Provide telecommunications services in the State of Utah. The Applicant submits the following information in support of this Application:

1. Applicant's legal name is TDS Metrocom, LLC. Its principal place of business is located at:

525 Junction Rd
Madison, WI 53717
1-888-CALLTDS (1-888-225-5837) (telephone)
608-830-5570 (facsimile)
www.tdstelecom.com

2. R746-349-3(A)(16). Proof of authority to conduct business. TDS Metrocom is a wholly-owned subsidiary of TDS Telecommunications Corp. (TDS Telecom), which is wholly-owned a subsidiary of Telephone & Data Systems. A copy of TDS Metrocom's Certificate of Formation and Good Standing Certificate are attached as **Exhibit 1**. A copy of TDS Metrocom's authority to transact business in the state of Utah as a foreign LLC is attached as **Exhibit 2**.

3. Communications related to this Application should be directed to:

Gail Long, Manager – State Government Affairs
TDS Telecom
PO BOX 1566
Oregon City, OR 97045
Telephone: 503-656-8399
Facsimile: 503-656-8660
gail.long@tdstelecom.com

Brian W. Burnett
Callister Nebeker & McCullough
10 East South Temple, Suite 900
Salt Lake City, UT 84133
Telephone: 801-530-7428
Facsimile: 801-364-9127
brianburnett@cnmlaw.com

4. Questions regarding ongoing operations should be directed to:

Gail Long, Manager – State Government Affairs
TDS Telecom
PO BOX 1566
Oregon City, OR 97045
Telephone: 503-656-8399
Facsimile: 503-656-8660
gail.long@tdstelecom.com

5. TDS Metrocom's registered agent in Utah is:

Corporation Service Company
2180 South 1300 East, Suite 650
Salt Lake City, UT 84106

6. R746-349-3(A)(3). Facilities to be used. Facilities-based telecommunications service will be provided using a combination of the company's own switching and transport facilities and through agreements with other carriers. These services include transport and termination of interexchange toll services to be provided via the company's network and using other underlying long distance carriers. TDS Metrocom seeks certification to provide access to the full range of resold and facilities-based local and interexchange services.

7. R746-349-3(A)(4). Services to be offered.

(a) R746-349-3(A)(4)(a). Classes of customers. TDS Metrocom intends to provide service to business and residential customers.

(b) R746-349-3(A)(4)(a). Location of service. TDS Metrocom seeks authority to offer interexchange and local exchange service with the exception of exchange areas with fewer 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. If additional areas become open to competition, TDS Metrocom seeks authority to provide services in those areas.

(c) R746-349-3(A)(4)(c). Services offered. TDS Metrocom seeks authority to provide facilities-based telecommunications service which will be provided using a combination of the company's own switching and transport facilities and through agreements with other carriers. These services include transport and termination of interexchange toll services to be provided via the company's network and using other underlying long distance

carriers. TDS Metrocom seeks certification to provide access to the full range of resold and facilities-based local and interexchange services to business and residential customers.

8. R746-349-3(A)(5). Access to standard services. TDS Metrocom will enter into interconnection agreements with other carriers as necessary and will obtain services such as operator services, directory assistance, directory listings, and access to emergency services such as 911 and E911.

9. R746-349-3(A)(7). Professional experience and education of managerial personnel and personnel who will have responsibilities for Utah operations. TDS Metrocom does not plan to operate an office in Utah. TDS Metrocom's existing management team will handle the Utah operations from its office in Wisconsin. The resumes of TDS Metrocom's officers and directors are attached as **Exhibit 3**.

10. R746-349-3(A)(1), R746-349-3(A)(9)-(12). Financial ability. TDS Metrocom has sufficient financial ability and access to capital to provide the proposed telecommunications services in Utah.

(a) R746-349-3(A)(9). Chart of Accounts. TDS Metrocom's chart of accounts including account numbers, names and brief descriptions is attached as **Exhibit 4**.

(b) R746-349-3(A)(10)(a)-(d). Financial statements. TDS and its affiliates have been providing telecommunications services since 1969 and are authorized to provide telecommunications services in 48 states. Financial statements of the parent company demonstrating TDS's financial ability are attached as **Exhibit 5**. TDS Metrocom is solely financed by TDS Telecommunications Corp (TDS Telecom), a subsidiary of Telephone & Data Systems. Telephone & Data Systems 2012 Annual Report (10-K) was filed with the U.S. Securities and Exchange Commission on February 26, 2013. These financials are also available

online at: <http://tds.q4cdn.com/d58b11bf-b847-4c63-91ac-e753c0847531.pdf> or
<http://investors.teldta.com> or <http://www.last10k.com/sec-filings/ticker/tds>

(c) R746-349-3(A)(11)(b). Sufficient projected and verifiable cash flow. See Section 11, below.

(d) R746-349-3(A)(2), R746-349-3(A)(11)(c). Bond requirement. TDS Metrocom respectfully requests a waiver of the bond requirement in R746-349-3(A)(2). TDS Metrocom will not require advance customer deposits in the state of Utah, and has a strong financial position and thus the risk to Utah customers is limited.

11. R746-349-3(A)(12). Five-year projection of expected operations.

(a) R746-349-3(A)(12)(a). Income and cash flow statements. TDS Metrocom's Combined Pro Forma Income and Cash Flow Statement is attached as **Exhibit 6**. The information provided in **Exhibit 6** is proprietary and confidential. As such, it has been submitted, under seal, on yellow paper, marked "**CONFIDENTIAL – SUBJECT TO PUBLIC SERVICE COMMISSION OF UTAH RULE R746-100-16.**" TDS Metrocom respectfully requests that this sensitive trade secret information be treated as confidential and not made available for public inspection, absent prior written permission from TDS.

(b) R746-349-3(A)(12)(b). Types of technology to be deployed in Utah. Initially, TDS Metrocom will not own any switching or other facilities in Utah, but will utilize its facilities and switches located in other portions of its operating service territory in combination with services purchased through agreements with other carriers to provision services.

(c) R746-349-3(A)(12)(c). Maps of proposed locations of facilities. As stated above, TDS Metrocom does not own any switching or other facilities in Utah at this time, thus this is not applicable.

12. R746-349-3(A)(6), R746-349-3(A)(13). Implementation schedule. TDS Metrocom proposes to begin offering services in Utah shortly after it is authorized to do so.

13. R746-349-3(A)(1), R746-349-3(A)(14). Sufficient managerial and technical ability to provide telecommunications services. TDS Metrocom is a wholly-owned subsidiary of TDS Telecommunications Corp. (TDS Telecom), which is wholly-owned a subsidiary of Telephone & Data Systems. All members of company's management team are also officers and/or directors of TDS Telecommunications Corporation (TDS Telecom) and its affiliated local companies. See **Exhibit 3**. In addition, several have over 20 years of service in the company. Technical resources will be provided by TDS Telecom staff. TDS Telecom has been operating local exchange companies in 28 states for 41 years and competitive local exchange companies in 4 states for 15 years. TDS Metrocom is currently certificated to offer services in the following states: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, and Wisconsin.

14. R746-349-3(A)(1), R746-349-3(A)(15). Public interest. TDS Metrocom's entry into the Utah marketplace would be in the public interest. TDS Metrocom's entry into the local and long distance market will increase the competitive pressure felt by the existing local and interexchange carriers, spurring them to lower costs and improve services.

15. R746-349-3(A)(17). Complaints or investigations of unauthorized switching, or other illegal activities of the applicant or any of its affiliates. On November 15, 2012, TDS Telecommunications Corporation entered into a Consent Decree (DA 12-1832) with the Federal Communications Commission regarding an investigation of TDS Telecom's compliance with Section 222(c)(1) of the Communications Act of 1934, as amended and Section 64.2007 of the Commission's Rules. The Consent Decree applies to TDS Metrocom, a wholly-owned subsidiary of TDS Telecommunications Corporation. The Company made a voluntary

contribution to the US Treasury and has implemented a compliance plan. This was a self-reported finding which indicated that some customers may have received unwanted product advertisements. At no time did any proprietary customer information become disclosed. Moreover, the Company received no customer complaints related to this oversight.

16. R746-349-3(A)(18). Written policies regarding the solicitation of new customers and efforts to prevent unauthorized switching. TDS Metrocom has anti-slamming measures in place and routinely uses third-party verification (“3PV”) to verify carrier change requests in accordance with federal and state requirements.

17. Verification. Attached hereto as **Exhibit 7** is the Verification of Joel P. Dohmeier, Vice President of TDS Metrocom, LLC, verifying the statements made herein.

WHEREFORE, TDS Metrocom, LLC respectfully requests that the Commission grant a Certificate of Public Convenience and Necessity to provide telecommunications services in the state of Utah.

Dated this 14th day of March, 2014.

Respectfully submitted,
TDS Metrocom, LLC

/s/ Brian W. Burnett

Brian W. Burnett
Callister Nebeker & McCullough
Zions Bank Building, Suite 900
10 East South Temple
Salt Lake City, Utah 84133
Telephone: 801-530-7428
Facsimile: 801-364-9127
brianburnett@cnmlaw.com
Attorneys for TDS Metrocom, LLC

LIST OF EXHIBITS

**TDS Metrocom, LLC
Application for CPCN
Public Service Commission of Utah**

- Exhibit 1 Certificate of Formation and Certificate of Good Standing of TDS Metrocom, LLC – Delaware
- Exhibit 2 Certificate of Registration – TDS Metrocom, LLC – Utah
- Exhibit 3 Director and Officer Managers – Officer Biographies
- Exhibit 4 Chart of Accounts
- Exhibit 5 Annual Report – Telephone and Data Systems, Inc. (Parent Corporation)
- Exhibit 6 TDS Metrocom, LLC – Combined Pro Forma Income and Cash Flow Statement – (CONFIDENTIAL – SUBJECT TO UTAH PUBLIC SERVICE COMMISSION RULE 746-100-16)
- Exhibit 7 Verification

CERTIFICATE OF SERVICE

I certify that on 14th day of March, 2014, a true and correct copy of TDS METROCOM, LLC'S APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY was served upon the following as indicated below:

By Electronic-Mail:

Public Service Commission of Utah: psc@utah.gov

Division of Public Utilities:

Bill Duncan wduncan@utah.gov
Ron Slusher rslusher@utah.gov
Patricia Schmid pschmid@utah.gov
Justin Jetter jjetter@utah.gov

Office of Consumer Services:

Michelle Beck mbeck@utah.gov
Cheryl Murray cmurray@utah.gov
Brent Coleman bcoleman@utah.gov

TDS Metrocom, LLC:

Gail Long gail.long@tdstelecom.com
Brian Burnett brianburnett@cnmlaw.com

/s/ Brian W. Burnett