# ORIGINAL

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July 9, 2014 GEIVED

VIA OVERNIGHT DELIVERY

Commission Administrator Utah Public Service Commission 160 East 300 South Salt Lake City, UT 84111

Docket No. 14-2574-01

Re:

Petition of New Horizons Communications Corp. for Authority to Compete as a Telecommunications Corporation and to Offer Public Local Exchange and Interexchange Telecommunications Services - Request for Agency Action

Dear Sir/Madam:

Enclosed please find for filing an original and fifteen (15) copies of the Petition of New Horizons Communications Corp. for Authority to Compete as a Telecommunications Corporation and to Offer Public Local Exchange and Interexchange Telecommunications Services, along with a check in the amount of \$100.00 payable to the Utah Public Utilities Commission to cover the filing fee. An electronic version has also been filed in pdf format to Trixie Behr at tbehr@utah.gov on July 9, 2014.

APPLICANT HAS ALSO ENCLOSED ONE COPY OF FINANCIAL STATEMENTS IN A SEPARATE ENVELOPE MARKED "CONFIDENTIAL AND PROPRIETARY" AND RESPECTFULLY REQUESTS CONFIDENTIAL TREATMENT OF THE ENCLOSED FINANCIAL INFORMATION. APPLICANT EXPECTS THAT THIS INFORMATION WILL BE RESTRICTED TO COUNSEL, AGENTS AND EMPLOYEES WHO ARE SPECIFICALLY ASSIGNED TO THIS APPLICATION BY THE COMMISSION.

I have also enclosed an extra copy of this letter to be date-stamped and returned to me in enclosed pre-addressed, postage prepaid envelope. If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Respectfully submitted,

Lance J.M. Steinhart

Zanger.M. Steinhart, P.C.

Attorneys for New Horizons Communications Corp.

**Enclosures** 

ce: Glen Nelson (w/enc)
Trixie Behr via e-mail

Lance J.M. Steinhart Lance J.M. Steinhart, P.C. 1725 Windward Concourse Suite 150 Alpharetta, Georgia 30005 Telephone: 770/232-9200

Telephone: 770/232-9200 Facsimile: 770/232-9208

E-mail: lsteinhart@telecomcounsel.com

Date Submitted:

# BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Petition	)
of New Horizons Communications Corp.	) <b>DOCKET NO.</b> 14-2574-01
for Authority to Compete as a	)
Telecommunications Corporation	) REQUEST FOR AGENCY ACTION
and to offer	)
Public Local Exchange	)
Telecommunications Services	)

New Horizons Communications Corp., ("New Horizons" or "Petitioner") hereby requests agency action from the Utah Public Service Commission (the "Commission") pursuant to the Commission's Rules of Practice and Procedure (Utah Admin. Code R746-100) and Section 63-46b-3 of the Utah Administrative Procedures Act. New Horizons petitions the Commission for authority to compete as a telecommunications corporation (as defined at Utah Code Ann. § 54-8b-2(7)) and to compete in providing public local exchange telecommunications services (as defined at Utah Code Ann. § 54-8b-2(6)) in Utah. In support of this Request for Agency Action, New Horizons alleges as follows:

#### **DESCRIPTION OF PETITIONER**

- 1. New Horizons is incorporated in the State of Delaware and is in good standing under the laws of that state. The Petitioner was incorporated on October 8, 2002 as New Horizons Communications Corp. The Petitioner is authorized to do business as a foreign Corporation in the State of Utah.
  - 2. New Horizons Communications Corp. is affiliated with NHC Resources, Inc.
- 3. New Horizons is a Delaware Corporation with offices located at 420 Bedford Street, Ste. 250, Lexington, Massachusetts 02420; (781) 290-4600 (Phone); and (781) 290-4660 (Fax). The Petitioner's contact for customer complaints is Julie Fadil, Customer Service Manager. The toll-free number for customer service is (800) 520-5812 and (866) 241-9423 (for repair).

The name, address and telephone number (including toll free number from desired Utah service areas) electronic mailing address of the persons responsible for resolving complaints, inquires, and matters concerning rates and price lists and/or tariffs.

Glen Nelson, Vice President (800) 520-5812 and (866) 241-9423 (for repair) 420 Bedford Street, Ste. 250, Lexington, Massachusetts 02420 (781) 290-4600 (Phone) info@nhcgrp.com (E-mail)

- 4. New Horizons was formed in Delaware to provide a comprehensive package of local and long distance telecommunications services to its targeted customers, primarily small to mid-sized business customers.
- 5. New Horizons has access to the financial and capital necessary to conduct its telecommunications operations as specified herein. New Horizons is financially qualified to provide resold and facilities-based/UNE telecommunications services in the State. New Horizons has extensive experience in providing telecommunications services, and authorized to

provide local exchange and interexchange services in Alabama, Arkansas, California, Colorado, Connecticut, Washington D.C., Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. Petitioner is authorized to provide only interexchange services Kansas, Oklahoma, South Dakota, and Utah. Petitioner is a reseller of long distance service in Utah as of October 27, 2006. New Horizons will rely upon existing financial, personnel and technological resources to provide the proposed local exchange services.

6. New Horizons is financially and technically qualified to provide public telecommunications services in the State of Utah and has complied with or will comply with all legal requirements to act as a telecommunications corporation and to provide public telecommunications services in the State of Utah.

#### JURISDICTION

7. The Commission has jurisdiction to supervise and regulate every public utility in the State of Utah, including telephone corporations, under Utah Code Ann. Title 54 (the "Act").

# PROPOSED UTAH SERVICES OF NEW HORIZONS

8. New Horizons hereby petitions the Commission for the legal authority as a telecommunications corporation to provide public local exchange telecommunications services (as defined at Utah Code Ann. § 54-8b-2(6)). Upon initiation of service in Utah, New Horizons Communications Corp., proposes to offer local services through the use of unbundled network elements. Services will be provided by utilizing the facilities of incumbent local exchange carriers ("LECs"), such as Qwest, WorldCom, and Global Crossing. New Horizons seeks authority to provide the following services:

- A. Local Exchange Services that will enable customers to originate and terminate local calls in the local calling area served by other LECs, including local dial tone and custom calling features.
- B. Switched local exchange services, including basic service, trunks, carrier access, and any other switched local services that currently exist or will exist in the future.
- C. Non-switched local services (e.g., private line) that currently exist or will exist in the future.
- D. Centrex and/or Centrex-like services that currently exist or will exist in the future.
- E. Digital subscriber line, ISDN, and other high capacity line services (the New Horizons Services").

Initially, New Horizons intends to offer services targeted to the small to mid-sized business customer market within the New Horizons Service Territory (defined in paragraph 9).

An implementation schedule pursuant to 47 U.S.C. 252(c) of the Telecommunications Act of 1996 is as follows: The Petitioner intends to commence providing local exchange service for business customers by the 4th quarter of 2014.

9. Petitioner 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, New Horizons seeks authority as a reseller and facilities-based provider of local exchange services in the service areas of Qwest Communications, Inc. and any other existing or future LECs providing service in Utah (the "New Horizons Service Territory"). As service will be provided on a statewide basis and will mirror the service areas of certified local exchange carriers, a service area map is not being submitted at this time.

The Petitioner will initially be providing resold local exchange service, and will utilize unbundled network elements, through interconnection agreements and commercial agreements, to provide local service in the State of Utah. Should the Petitioner decide to install facilities in the State of Utah, Petitioner is willing to provide detailed maps of proposed locations of facilities including a description of the specific facilities and services to be deployed at each location when the Petitioner submits its first price list prior to beginning service in Utah.

New Horizons's proposed tariff describing its proposed local exchange services and operations, and relevant terms and conditions will be filed hereafter.

# CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

- 10. New Horizons hereby petitions the Commission for the issuance of a certificate of public convenience and necessity under Utah Code Ann. § 54-4-25 ("Certificate") for the New Horizons Service Territory. New Horizons alleges as follows:
  - a. The entry of New Horizons into the public intrastate telecommunications marketplace will enhance the public convenience and necessity. Among other things, New Horizons' participation will:
    - (1) Provide a wider private investment in the telecommunications infrastructure of the State of Utah;
    - (2) Promote consumer choice by expanding the availability of innovative, high quality, reliable and competitively priced public telecommunications services; and
    - (3) Increase incentives for other providers of public telecommunications services to improve their responsiveness to consumers, to enhance their productive efficiency, to accelerate product innovation and to adjust service prices continually according to market conditions.
  - b. The public convenience and necessity requires
    the issuance of a Certificate to New Horizons due to, among other things: (1) the
    significant benefits of the entry of New Horizons to the citizens of Utah
    enumerated above; (2) the continuing changes in the public demand for public
    telecommunications services; (3) the rapid advance of telecommunications
    technology; and

- (4) the market position, managerial skill and technological expertise of New Horizons.
- c. Before engaging in regulated activities in geographic areas under the jurisdiction of any local public authority, New Horizons will secure and submit to the Commission evidence of any required consent, franchise or permit of the local authority.
- d. The proposed operations of New Horizons will not conflict with or adversely affect the operations of any existing certificated fixed public utility in the New Horizons Service Territory within the meaning of Utah Code Ann. § 54-4-25(3).
- e. New Horizons will not encroach upon, interrupt, overburden, disrupt or otherwise adversely affect the transmission lines, switches or facilities of any existing fixed public utility within the meaning of Utah Code Ann. § 54-4-25(3).
- f. The proposed activities and services of New Horizons are not an improper extension into the territory certificated to an existing fixed public utility within the meaning of Utah Code Ann. § 54-4-25(3).
- g. The issuance of a Certificate to New Horizons is a first and necessary step towards implementation of New Horizons' offering of the New Horizons Services in the New Horizons Service Territory. Other related issues can be resolved through private negotiation, through additional proceedings before the Commission or both. However, resolution of all such issues need not delay the issuance of the Certificate to New Horizons.

# REQUEST FOR EXEMPTION FROM REGULATION

- New Horizons to provide the New Horizons Services in the New Horizons Service Territory,
  New Horizons petitions the Commission to exempt New Horizons, pursuant to Chapter 8b of the
  Act, from certain restrictions and limitations of the Act. The requested exemptions would apply
  solely to New Horizons in its capacity as a telecommunications corporation providing the New
  Horizons Services in the New Horizons Service Territory. The requested exemptions include:
  - a. An exemption to the extent the Commission determines that the New Horizons Services will impermissibly conflict with the services of an existing fixed public utility, or that an exclusive territorial certificate has previously been granted to an existing service provider.
  - b. An exemption from the general rate making and any cost-ofservice based pricing requirements relating to the sale of the New Horizons Services.
  - c. An exemption from the requirements of the Act and any rules promulgated under the Act otherwise applicable to a noncompetitive telephone corporation related to the filing of service and class of service limitations, budgeting and budget filing requirements, tariff filings, the filing of contracts, seeking approval for issuance of securities or for transactions with affiliates, reporting transfers of property, and other similar or related filing, notice and reporting requirements.
    - d. All CLEC Exemptions set forth in R746-349-7, for both Title 53

<sup>&</sup>lt;sup>1</sup> Under Utah Code Ann. § 54-8b-3(1), the Commission has authority, upon proper findings, to exempt any telecommunications corporation or any public telecommunications service from any requirement of the Act.

and Commission rules, including Uniform System of Accounts, Tariff Filings, and Exchange Maps.

The Petitioner is willing to accept only those exemptions listed in Utah Administrative Rule R746-349-7.

- 12. In support of its petition for exemption, New Horizons alleges as follows:
  - a. In providing the New Horizons Services in the New Horizons Service Territory, New Horizons will be subject to effective competition within the meaning of Utah Code Ann. § 54-8b-3(4)(a). New Horizons will be subject to effective competition as shown, among other things, by the following:
    - (1) Each of the New Horizons Services is currently offered by incumbent service providers in the New Horizons Service Territory. Such incumbents have facilities in place and offer public telecommunications services in the New Horizons Service Territory, which are functionally equivalent to or substitutable for the New Horizons Services. Therefore, New Horizons will face effective competition when New Horizons offers the New Horizons Services.
    - (2) Many of the incumbent telecommunications providers in Utah have nearly a century of operating experience in the intrastate public telecommunications marketplace and have clearly demonstrated they possess the technical ability, the economic substance and have in place or can put into service adequate facilities to provide functionally equivalent or substitutable services to intrastate offerings of New Horizons at competitive rates, terms and conditions.
    - (3) New Horizons, with its breadth and extent of its existing and planned network operations, and its proven managerial and

technological expertise, has the ability to provide to its customers services which are comparable to and competitive with services currently offered in the New Horizons Service Territory. Accordingly, competition is both feasible and practical.

- (4) While New Horizons, as a new entrant in the public telecommunications services market in Utah, will initially have no market share for its services, it is a strong potential competitor for public telecommunications services.
- (5) Existing providers, by definition, are not subject to economic or regulatory barriers to entry. A significant barrier to entry for new entrants in the relevant intrastate telecommunications markets New Horizons seeks to enter appear to be regulatory in nature and if regulatory barriers to entry are lowered or eliminated, market forces will accelerate the pace of technological advances which will benefit the public through increased choices and potentially lower cost of service.
- (6) Upon the relaxation of existing regulatory barriers to entry, New Horizons can enter the market and compete with the incumbent telecommunications service providers. In addition, other qualified competitors will have the potential to enter the market and to compete in the providing of public telecommunications services. The entry of New Horizons in the marketplace will also increase competition for price and service of public telecommunications services. Competition will create an incentive for existing service providers to enhance their efficiency and to accelerate technological and service innovations. The result of such innovations will be additional and more convenient services, and greater

choice in selecting services and service providers, all of which will benefit and promote the public interest.

Competition will also increase system redundancies that can eliminate or mitigate the adverse effects of network failures.

- (7) New Horizons seeks an exemption to the extent necessary to allow New Horizons, as a telecommunications corporation, to provide the New Horizons Services in the New Horizons Service Territory. Granting the proposed exemptions will not in and of itself alter the regulatory status of public telecommunications services provided by other telecommunications corporations, or the status of any other telecommunications corporations.
  - a. Authorizing New Horizons to provide the New Horizons Services in the New Horizons Service Territory is in the public interest. Currently, a significant proportion of potential customers in the New Horizons Service Territory are customers of an incumbent service provider. The entry of New Horizons will afford those customers a choice in local exchange services, which choice is not currently available. Additionally, the granting of this request is and will be in the public interest, among other reasons, because of the following:
  - (1) Competition has emerged for many public telecommunications services that were previously thought to be natural monopolies;

- (2) Advancements in telecommunications infrastructure will enhance the public welfare by helping to speed the delivery of new and competitive services;
- (3) Increased competition in public telecommunications services will encourage infrastructure development and have beneficial effects on the price, universal availability, variety, and quality of public telecommunications services;
- (4) The emergence of competition in public telecommunications services has already contributed, and can be expected to continue contributing, to the modernization of the telecommunications infrastructure;
- (5) Competition in the local market will, as in the long distance industry and the communications equipment market, bring lower prices and higher quality services;
- (6) A diversity of telecommunications carriers enhances the network reliability by providing redundant capacity, thereby lessening the impact of any network failure;
- (7) Increasing the availability of interconnection and interoperability among the facilities of telecommunications carriers will help stimulate the development of fair competition among providers;
- (8) Access to unbundled network features and functions will enhance the growth of competition and promote the diversity of services available to the public; and

- (9) Access to switched, digital telecommunications service for all segments of the population promotes the core First Amendment goals of diverse information sources and diverse means of disseminating information by enabling individuals and organizations alike to publish and otherwise make information available in electronic form.
- b. New Horizons will not have any captive customers because all potential customers of New Horizons will have access to reasonably available alternative public telecommunications services.
- c. Because the New Horizons Services will be subject to effective competition, market pressures will establish prices for the New Horizons Services that will not exploit customers and which, if efficiently delivered, will provide a fair return to New Horizons. The resulting New Horizons rates will be just and reasonable, and the Commission, with respect to New Horizons, can replace regulatory rate making, which is only a substitute for effective competition, with actual competition.

## RELATED ISSUES

- 13. Interconnection between New Horizons and incumbent service providers is practical and technologically feasible and there are practical and feasible means for treating related interconnection issues such as 911/E911 routing, directory assistance, 800 routing, local area number portability, custom local area signaling services ("CLASS"),<sup>2</sup> operator services and the development and operation of an open network architecture. New Horizons petitions the Commission for legal authority to resolve all such issues to the satisfaction of the Commission, either through private negotiation or through additional proceedings before the Commission. Specifically, New Horizons petitions the Commission for an order which:
  - a. Authorizes interconnection between New Horizons and incumbent service providers in the New Horizons Service Territory; and
  - b. Requires incumbent service providers in the New Horizons Service

    Territory to sell access, interconnection and related services to New Horizons on
    an unbundled basis.
- 14. New Horizons will participate in all existing Commission approved programs and can satisfy statutory requirements relating to the universal availability of public telecommunications services in Utah. While it is the belief of New Horizons that the competitive entry it has proposed in this Request for Agency Action will assist, not hinder, universal service, New Horizons will, nonetheless, agree to participate in any reasonable program supporting universal availability of public telecommunications services that the Commission.

<sup>&</sup>lt;sup>2</sup> CLASS is a generic term for features that require Signaling System 7 connectivity. The most well known feature under this umbrella is Caller Identification, commonly referred to as Caller ID.

- 15. New Horizons will further participate in all existing Commission approved programs and can satisfy statutory requirements relating to the provision of 911/E-911 services and Telecommunications Device for the Deaf (TDD).
- 16. New Horizons further petitions the Commission for legal authority to undertake such additional activities as are necessary or incidental to bringing into operation the New Horizons Services in the New Horizons Service Territory.

NOW, THEREFORE, New Horizons respectfully requests that the Commission:

- A. Grant to New Horizons a Certificate authorizing New Horizons to compete as a telecommunications corporation offering Local Exchange Services in the New Horizons Service Territory.
- B. As may be deemed necessary or appropriate by the Commission, issue an order under Chapter 8b of the Act granting New Horizons an exemption to the requirements of the Act to allow New Horizons:
  - 1. To obtain a nonexclusive Certificate to compete as a telecommunications corporation offering the New Horizons Local Exchange Services in the New Horizons Service Territory;
    - 2. To price the New Horizons Services at market rates; and
  - 3. As set forth in this Request for Agency Action, to operate without the reporting, notice and filing requirements imposed by the Act and applicable Commission rules on noncompetitive telephone corporations.

- Issue an order under authority of Chapter 8b and Section 54-4-1 of the Act: C.
- Authorizing New Horizons to interconnect with incumbent service 1. providers in the New Horizons Service Territory;
- Requiring incumbent local exchange telecommunications services 2. providers to offer access, interconnection and related services to New Horizons on an unbundled basis.
- Issue an order authorizing New Horizons to undertake such additional D. activities as are necessary or incidental to bringing into operation the New Horizons Services in the New Horizons Service Territory.

Grant New Horizons a waiver of the \$100,000 bond requirement. New Ε. Horizons will not require advance payments or deposits.

Respectfully submitted this \_\_\_\_\_ day of \_

By:

Lance V.M. Steinhart

M. Steinhart, P.C.

Windward Concourse

Alpharetta, Georgia 30005

(770) 232-9200 (Phone)

(770) 232-9208 (Fax)

lsteinhart@telecomcounsel.com (E-mail)

Attorneys New Horizons Communications Corp.

# LIST OF EXHIBITS

- 1. NEW HORIZONS COMMUNICATIONS CORP.'S CERTIFICATE OF ORGANIZATION
- 2. STATEMENT REGARDING FACILITIES
- 3. MANAGEMENT PROFILES
- 4. CERTIFICATION IN OTHER JURISDICTIONS
- 5. PROOF OF AUTHORITY TO CONDUCT BUSINESS IN UTAH
- 6. 5 YEAR PROJECTION OF EXPECTED OPERATIONS
- 7. STATEMENT REGARDING COMPLAINTS
- 8. STATEMENT REGARDING WRITTEN POLICIES REGARDING SOLICITATION OF NEW CUSTOMERS AND DESCRIPTION OF EFFORTS MADE TO PREVENT UNAUTHORIZED SWITCHING OF UTAH LOCAL SERVICE
- 9. NEW HORIZONS' FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION YEARS ENDED DECEMBER 31, 2013 AND 2012

1. NEW HORIZONS COMMUNICATIONS CORP.'S CERTIFICATE OF ORGANIZATION

# New Horizons Communications Corp. 420 Bedford Street, Ste. 250 Lexington, Massachusetts 02420

# **VIA OVERNIGHT DELIVERY**

Utah Public Service Commission 160 East 300 South Salt Lake City, UT 84145 Attn: Ms. Julie Orchard Commission Secretary

Re: Petition of New Horizons Communications Corp. for Authority to Compete as a

Telecommunications Corporation and to Offer Public Local Exchange Services

Dear Ms. Orchard:

Glen Nelson, Vice President of New Horizons Communications Corp. attests to the accuracy, integrity and objectivity that the statements were prepared in accordance with generally accepted accounting principles and the applicable rules of the Commission.

Sincerely,

Glen Nelson Vice President

Enclosures

cc: Lance J.M. Steinhart, P.C.

UT CLEC

# Delaware

PAGE 1

# The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS ON FILE OF "NEW HORIZONS COMMUNICATIONS CORP." AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

CERTIFICATE OF INCORPORATION, FILED THE EIGHTH DAY OF OCTOBER, A.D. 2002, AT 11 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, FILED THE EIGHTH DAY OF FEBRUARY, A.D. 2007, AT 10:30 O'CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID

CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE

AFORESAID CORPORATION, "NEW HORIZONS COMMUNICATIONS CORP.".

3577623 8100H

080186486

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 6392585

DATE: 02-20-08

Warriet Smith Hindson

You may verify this certificate online at corp.delaware.gov/authver.shtml

STATE OF DELAWARE SECRETARY OF STATE DIVISION OF CORPORATIONS FILED 11:00 AM 10/08/2002 020623668 - 3577623

# CERTIFICATE OF INCORPORATION OF NEW HORIZONS COMMUNICATIONS CORP.

The undersigned, being of legal age, in order to form a corporation under and pursuant to the laws of the State of Delaware, do hereby set forth as follows:

The name of the corporation is NEW HORIZONS FIRST: COMMUNICATIONS CORP.

The address of the initial registered and principal office of this SECOND: corporation in this state is c/o The Corporation Trust Center, 1209 Orange St., in the City of Wilmington, County of New Castle, State of Delaware 19801 and the name of the registered agent at said address is The Corporation Trust Company.

The purpose of the corporation is to engage in any lawful act or activity THIRD: for which corporations may be organized under the corporation laws of the State of Delaware.

> The corporation shall be authorized to issue the following shares: FOURTH:

Class

Number of Shares

Par Value

Common

200

\$0.01

FIFTH:

The name and address of the incorporator are as follows:

NAME

ADDRESS

Robert J. Fabbricatore

124 Hopewell Point Rd. Wolfeboro NH 03895

The following provisions are inserted for the management of the business SIXTH: and for the conduct of the affairs of the corporation, and for further definition, limitation and regulation of the powers of the corporation and of its directors and stockholders:

- (1) The number of directors of the corporation shall be such as from time to time shall be fixed by, or in the manner provided in the by-laws. Election of directors need not be by ballot unless the by-laws so provide.
- (2) The Board of Directors shall have power without the assent or vote of the stockholders:
  - (a) To make, alter, amend, change, add to or repeal the By-Laws of the corporation; to fix and vary the amount to be reserved for any proper purpose; to authorize and cause to be executed mortgages and liens upon all or any part of the property of the corporation; to determine the use and disposition of any surplus or net profits; and to fix the times for the declaration and payment of dividends.
  - (b) To determine from time to time whether, and to what times and places, and under what conditions the accounts and books of the corporation (other than the stock ledger) or any of them, shall be open to the inspection of the stockholders.
- (3) The directors in their discretion may submit any contract or act for approval or ratification at any annual meeting of the stockholders or at any meeting of the stockholders called

for the purpose of considering any such act or contract, and any contract or act that shall be approved or be ratified by the vote of the holders of a majority of the stock of the corporation which is represented in person or by proxy at such meeting and entitled to vote thereat (provided that a lawful quorum of stockholders be there represented in person or by proxy) shall be as valid and as binding upon the corporation and upon all the stockholders as though it had been approved or ratified by every stockholder of the corporation, whether or not the contract or act would otherwise be open to legal attack because of director's interest, or for any other reason.

(4) In addition to the powers and authorities hereinbefore or by statute expressly conferred upon them, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the corporation; subject, nevertheless, to the provisions of the statutes of Delaware, of this certificate, and to any by-laws from time to time made by the stockholders, provided, however, that no by-laws so made shall invalidate any prior act of the directors which would have been valid if such by-law had not been made.

SEVENTH: No director shall be liable to the corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director, except with respect to (1) a breach of the director's duty of loyalty to the corporation or its stockholders, (2) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) liability under Section 174 of the Delaware General Corporation Law or (4) a transaction from which the director derived an improper personal benefit, it being the intention of the foregoing provision to eliminate the liability of the corporation's directors to the corporation or its stockholders to the fullest extent permitted by Section 102(b)(7) of the Delaware General Corporation Law, as amended from time to time. The corporation shall indemnify to the fullest extent permitted by Sections 102(b)(7) and 145 of the Delaware General Corporation Law, as amended from time to time, each person that such Sections grant the corporation the power to indemnify.

Whenever a compromise or arrangement is proposed between this corporation EIGHTH: and its creditors or any class of them and/or between this corporation and its stockholders or any class of them, any court or equitable jurisdiction within the State of Delaware, may, on the application in a summary way of this corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this corporation under the provisions of Section 279 Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths (3/4) in value of the stockholders of this corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this corporation, as the case may be, and also on this corporation.

**NINTH:** The corporation reserves the right to amend, alter, change or repeal any provision contained in this certificate of incorporation in the manner now or hereafter prescribed by law, and all rights and powers conferred herein on stockholders, directors and officers are subject to this reserved power.

IN WITNESS WHEREOF, the undersigned hereby executes this document and affirms that the facts set forth herein are true under the penalties of perjury this  $8^{th}$  day of October, 2002.

/s/ Robert J. Fabbricatore
Robert J. Fabbricatore, Incorporator

State of Delaware Secretary of State Division of Corporations Delivered 10:30 AM 02/08/2007 FILED 10:30 AM 02/08/2007 SRV 070145588 - 3577623 FILE

# STATE OF DELAWARE CERTIFICATE OF AMENDMENT OF CERTIFICATE OF INCORPORATION

The corporation	n organized and existing under and b	by virtue of the General
Corporation Lav	v of the State of Delaware does hereby co	ertify:
FIRST: That at	a meeting of the Board of Directors of	
NEW HORIZONS	COMMUNICATIONS CORP.	
be advisable an	e duly adopted setting forth a prop- acorporation of said corporation, declar d calling a meeting of the stockholder ereof. The resolution setting forth the	aring said amendment to
RESOLVED, the	at the Certificate of Incorporation of this	s comoration he amended
by changing the	Article thereof numbered "FOURTH	use that as "
amended, said A	rticle shall be and read as follows:	oo man as
The corporat	ion shall be authorized to issu	ie the following shar
CLass	Number of Shares	Par Value
Common		\$.01
by statute were vo THIRD: That	scordance with Section 222 of the Gen ware at which meeting the necessary num ofted in favor of the amendment, said amendment was duly adopted it tion 242 of the General Corporation Law	the accordance with the
IN WITNESS V	VHEREOF, said corporation has cause 1974 day of DECEMBER	ed this certificate to be , 20 <u>06</u> .
	By: Kal	9
	Authorized Of Title: President	fficer
	Name: Stephen Gibbs	
	Print or Type	

#### 2. STATEMENT REGARDING FACILITIES

Upon initiation of service in Utah, the company proposes to offer resold local exchange services, and local services utilizing unbundled network elements. Such services will be provided by utilizing the facilities of incumbent local exchange carriers ("LECs"). The company has no current plans to install facilities in the State of Utah. If the company installs facilities in Utah, it will probably use the following or a similar configuration of equipment: Applicant will provide voice and high speed data services through a combination of the latest technology switching and transport media. The switching system will consist of a central processing and control complex capable of interconnection as a peer to the incumbent as well as competitive local exchange companies. The hub portion of the switch will interconnect with the public switched network on Signaling System 7 ("SS7") or Feature Group D ("FGD") facilities. The system's remote module capability will allow properties to be served in a manner that provides the exchange of appropriate signaling, control and calling/caller information to the network in accordance with network standards and specifications. Additionally, these services will be delivered over a combination of delivery mechanisms through incumbent local carriers' unbundled loop network, both copper and fiber and transport networks, as well as via Applicant constructed facilities. All of Applicant's equipment will be capable of providing local number portability, and will be compliant and compatible with existing 911 systems. At the time of the filing of this application, none of this equipment has been installed in the State of Utah.

# 3. MANAGEMENT PROFILES

See Attached

## Robert Fabbricatore, Chief Executive Officer

Bob Fabbricatore founded New Horizon Communications in October of 2002. He draws on 40 years of telecommunications experience including interconnect, networking, technology development and entrepreneurial ventures. He also brings extensive senior management experience in finance, operations, marketing, and sales. Prior to starting NHC, Bob founded CTC Communications (now One Communications) in 1980. As Chairman and CEO, he built CTC into the largest CLEC (Competitive Local Exchange Carrier) in the Northeast region of the U.S.

#### Stephen Gibbs, President & Chief Operating Officer

Steve Gibbs joined New Horizon at its inception in 2002 and was named President in May of 2003. He brings over 20 years of telecommunications experience to NHC. Prior to helping start NHC, Steve was responsible for a \$120 million business unit of CTC Communications, overseeing sales and operations of the New York/New Jersey market. Before CTC, he served in sales and sales management positions at Verizon and MCI.

# Glen Nelson, Vice President - Marketing & Business Development

Glen Nelson has nearly 25 years of experience in telecommunications sales and marketing. Before joining New Horizon at its inception in 2002, he worked for 13 years in various sales and marketing positions at CTC Communications. As Vice President of Marketing at CTC, Glen developed, implemented, and scaled to production one of the first networks to deploy T1-based integrated services. His background also includes relevant work in marketing research, strategic planning, sales, sales management, and marketing management for companies including IBM, Motorola, and other telecom service providers.

# Paul Wieners, Vice President - Operations

Paul Wieners joined New Horizon in June, 2004 and currently manages all after-hours repair and escalations. Prior to NHC, as Global Operations Manager of Network Operations at Dimension Data, he helped the firm's managed services annual revenues grow from \$4 million to \$42 million. He also worked with several NHC colleagues at CTC Communications, where he was responsible for 7x24 installation, repair, and maintenance of a nine-state network. Paul's telecom career began at NYNEX (now Verizon) in 1980, where he managed service centers as well as operations centers with team sizes ranging from 10 to 200 representatives.

# 4. CERTIFICATION IN OTHER JURISDICTIONS

to provide local exchange and interexchange services in Alabama, Arkansas, California, Colorado, Connecticut, Washington D.C., Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. Applicant is authorized to provide only interexchange services Kansas, Oklahoma, South Dakota, and Utah. Applicant is a reseller of long distance service in Utah as of October 27, 2006.

5. PROOF OF AUTHORITY TO CONDUCT BUSINESS IN UTAH

See Attached

.



Francine Glani
Executive Director
Department of Commerce

Kathy Berg
Director
Division of Corporations
& Commercial Code

# STATE OF UTAH DEPARTMENT OF COMMERCE DIVISION OF CORPORATIONS & COMMERCIAL CODE CERTIFICATE OF REGISTRATION

TCS CORPORATE SERVICES, INC NEW HORIZONS COMMUNICATIONS CORP. 50 W 3900 S STE 2B SALT LAKE CITY UT 84107



State of Utah
Department of Commerce
Division of Corporations & Commercial Code

# CERTIFICATE OF REGISTRATION

Corporation - Foreign - Profit

This certifies that NEW HORIZONS COMMUNICATIONS CORP. has been filed and approved on October 04, 2006 and has been issued the registration number 6346291-0143 in the office of the Division and hereby issues this Certification thereof.

Kathy Berg

KATHY BERG Division Director 6. 5 YEAR PROJECTION OF EXPECTED OPERATIONS

See Attached

**Utah 5 Year Projections** 

	2014	2015	2016	2017
Local Lines Served	100.00	300.00	600.00	900.00
Ann Local Rev/Line(no Tax)	\$ 420.00	\$ 420.00	\$ 420.00	\$ 420.00
Revenue	\$ 42,000	\$ 126,000	\$ 252,000	\$ 378,000
Cost of Goods Sold	\$ 25,200	\$ 75,600	\$ 151,200	\$ 226,800
Net Sales (Gross Profit)	\$ 16,800	\$ 50,400	\$ 100,800	\$ 151,200
Operating Expense	\$ 13,860	\$ 41,580	\$ 83,160	\$ 124,740
Depreciation	\$ -	\$ ~	\$ -	\$ -
Earnings Before Int. Exp	\$ 2,940	\$ 8,820	\$ 17,640	\$ 26,460
Other (income)/Expense				
Taxes - None, Sub S corp.				
Net Income	\$ 2,940	\$ 8,820	\$ 17,640	\$ 26,460

# 7. STATEMENT REGARDING COMPLAINTS

New Horizons Communications Corp., has had no formal complaints filed with the FCC or any state regulatory authority, nor have any sanctions been imposed against the company.

8. STATEMENT REGARDING WRITTEN POLICIES REGARDING SOLICITATION OF NEW CUSTOMERS AND DESCRIPTION OF EFFORTS MADE TO PREVENT UNAUTHORIZED SWITCHING OF UTAH LOCAL SERVICE

The company intends to and is willing to abide by and comply with Commission Rule 746-349-3.

The company intends to and is willing to abide by and comply with Commission Rule 746-349-3.

The company's Policy on Slamming is as follows:

# Verification of orders

New Horizons will not submit a change order for local exchange or intrastate toll service until the change order is confirmed in accordance with one of the following procedure:

- (a) New Horizons has obtained the customer's written authorization to submit the order which includes the following information from the customer:
- (1) The customer billing name, billing telephone number and billing address and each telephone number to be covered by the change order;
- (2) The decision to change; and
- (3) The customer's understanding of the change fee, if any.

# Implementing order changes

- (a) Telemarketing orders. Within three business days of any telemarketing order for a change, New Horizons will send each new customer an information package by first class mail containing at least the following information concerning the requested change:
- (1) The information is being sent to confirm a telemarketing order placed by the customer.
- (2) The name of the customer's current telecommunications company.
- (3) A description of any terms, conditions or charges that will be incurred.
- (4) The name of the newly requested telecommunications company.
- (5) The name of the person ordering the change.
- (6) The name, address and telephone number of both the customer and New Horizons.
- (7) A postpaid postcard that the customer can use to deny, cancel or confirm a service order.
- (8) A clear statement that if the customer does not return the postcard, the customer's service will be switched fourteen days after the date the information package was mailed. If customers have cancelled their orders during the waiting period, New Horizons cannot submit the customer's order.
- (9) The name, address and telephone number of a contact point for consumer complaints.
- (b) The documentation of the order shall be retained by New Horizons, at a minimum, for twelve months to serve as verification of the customer's authorization to change its telecommunications company. The documentation will be made available to the customer upon request.
- (c) Customer initiated orders. New Horizons when receiving the customer initiated request for a change of local exchange and/or intrastate toll shall keep an internal memorandum or record generated at the time of the request. Such internal record shall be maintained by New Horizons for a minimum of twelve months to serve as verification of the customer's authorization to change telecommunications companies. The internal record will be made available to the customer upon request. Within three business days of the order, New Horizons will send each new customer an information package by first class mail containing at least the following information concerning the request to change.

9. NEW HORIZONS' FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION YEARS ENDED DECEMBER 31, 2013 AND 2012

# FILED CONFIDENTIAL