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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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In the Matter of the Joint Application of Onvoy, LLC, Docket No. 15-2546-01
The Broadvox Holdings Company, LLC, Docket No. 15-2515-01
and Broadvox-CLEC, LLC for
Approval of Transfer of Control

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HEARING PROCEEDINGS  
PRESIDING OFFICER MELANIE REIF  
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TAKEN AT: Public Service Commission
160 East 300 South
Salt Lake City, Utah
DATE: Tuesday, June 30, 2015
TIME: 3:02 p.m.
REPORTED BY: Clark L. Edwards, CSR

Job no. 252859

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A P P E A R A N C E S

THE HEARING OFFICER: MELANIE REIF

FOR DIVISION OF PUBLIC UTILITIES:

JUSTIN C. JETTER, ESQ.,
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1 P R O C E E D I N G S

2 THE HEARING OFFICER: Thank you everyone.

3 And, callers, if you would, please, when you speak today,
4 it's important that the court reporter hear you very plainly
5 and clearly. So if you have the opportunity to speak a
6 little louder than you normally would, that would be very
7 much appreciated.

8 MR. GERTSBURG: No problem.

9 THE HEARING OFFICER: Good afternoon everyone.
10 I'm Melanie Reif, the administrative law judge for the
11 Utah Public Service Commission. And welcome.

12 This is Docket 15-2546-01 and Docket 15-2515-01.
13 This is the hearing in the matter of the Joint Application
14 of Onvoy, LLC, The Broadvox Holdings Company, LLC, and
15 Broadvox-CLEC, LLC for Approval of Transfer of Control.

16 Let's start by taking appearances.

17 MR. EVANS: I am William Evans of Parsons,
18 Behle & Latimer for the joint applicants.

19 THE HEARING OFFICER: Thank you, Mr. Evans.
20 And would you kindly introduce the individuals who are
21 joining us today via telephone?

22 MR. EVANS: Yes. On the phone we have appearing
23 Mary Buley for Onvoy and Alex Gertsburg, that is
24 G-e-r-t-s-b-u-r-g, for the Broadvox companies.

25 THE HEARING OFFICER: Thank you so much.

1 Mr. Jetter.

2 MR. JETTER: Thank you. I am Justin Jetter,
3 and I represent the Utah Division of Public Utilities.
4 And with me is Bill Duncan, a witness for the Utah Division
5 of Public Utilities.

6 THE HEARING OFFICER: Thank you.

7 Mr. Evans, the floor is yours.

8 MR. EVANS: Thank you. We're here on the
9 application to transfer control of the Broadvox-CLECs
10 companies from Broadvox Holdings to Onvoy. And we have
11 filed an application with Exhibits A, B, and C.

12 And we've also filed a supplemental exhibit which
13 we will address in the testimony. We have appearing today
14 two witnesses, Mary Buley for Onvoy and Alex Gertsburg for
15 Broadvox. We can begin if it please the judge to call
16 Mary Buley for our first witness.

17 THE HEARING OFFICER: Very good.

18 Ms. Buley, are you on the line?

19 MS. BULEY: Yes, I am.

20 THE HEARING OFFICER: Okay. I'm going to swear
21 you in even though we are not in the same room with one
22 another. So I ask you to please raise your right hand.

23 MS. BULEY: All right.

24 THE HEARING OFFICER: And do you swear that the
25 testimony you will give today will be the truth?

1 MS. BULEY: Yes.

2 THE HEARING OFFICER: Very good.

3 Mr. Evans, please proceed.

4 MARY BULEY,

5 having been first duly sworn, was

6 examined and testified as follows:

7 DIRECT EXAMINATION

8 BY MR. EVANS:

9 Q. Good afternoon, Ms. Buley. Can you hear me okay?

10 A. Yes.

11 Q. Would you please state your business address and
12 your position at Onvoy?

13 A. I am senior regulatory and interconnection manager
14 for Onvoy. My business address is 10300 6th Avenue North,
15 Plymouth, Minnesota 55441.

16 Q. And how long have you held that position?

17 A. I have been the senior regulatory interconnection
18 manager for Onvoy for 12 years.

19 Q. Have you reviewed the joint application that was
20 filed in Utah by Onvoy and Broadvox?

21 A. Yes, I have.

22 Q. Are you the Onvoy representative who signed the
23 verified application?

24 A. No. The verification for Onvoy was signed by
25 Scott Sawyer, general counsel for Onvoy. But I am fully

1 informed of the details of this transaction and the facts
2 contained in the application.

3 Q. And you have personal knowledge of the matters set
4 out in the application?

5 A. Yes, I do.

6 Q. So for the purposes of your testimony here today,
7 do you adopt the statements made in the application as your
8 own?

9 A. Yes.

10 Q. Are there any changes or corrections that should
11 be made to the joint application?

12 A. I do not have any corrections or changes at this
13 time.

14 Q. Is Onvoy requesting this Commission to approve the
15 transaction pursuant to the Commission's informal
16 adjudicative procedures under Commission Rule 746-349-7?

17 A. Yes.

18 Q. Is Onvoy serving as an incumbent local exchange
19 carrier anywhere in the state of Utah?

20 A. No, it is not.

21 Q. Are Onvoy and Broadvox required to file for
22 domestic and international Section 214 authority with the
23 Federal Communications Commission as a result of --

24 A. Yes.

25 Q. -- this transaction? For approval of this

1 **transaction?**

2 A. I'm sorry. Yes. An application for domestic and
3 international Section 2114 and authority was filed with the
4 FCC on June 11th, 2015. A copy of the FCC application
5 is attached to the Utah application as Exhibit B.

6 **Q. And do you have in front of you the document that**
7 **was submitted to the Utah Commission as Supplemental**
8 **Exhibit Number 1?**

9 A. Yes.

10 **Q. Can you tell us what this is, please?**

11 A. This is the FCC's public notice dated June 18th,
12 2015, accepting the domestic 2114 application for streamline
13 treatment.

14 **Q. And has the FCC issued any public notice for**
15 **international Section 214 authority?**

16 A. No, it has not. We expect to receive that in the
17 next week or so.

18 **Q. Do any other -- any state commissions other than**
19 **Utah require Onvoy and Broadvox to obtain approval before**
20 **closing this transaction?**

21 A. Yes. A list of the states in which approval is
22 required can be found on page five of the Utah application.

23 **Q. And are some states only required to notify their**
24 **commissions of the proposed transaction?**

25 A. Yes.

1 Q. And those states are also listed on page five?

2 A. Correct. Yes.

3 Q. And you have filed or have you filed notifications
4 in all states that require it?

5 A. We are still in the process of filing
6 notifications in states that require it prior to closing.
7 We expect to complete that process in the next week.

8 Q. Have you received any approvals from states that
9 require approval?

10 A. Not -- no. We haven't as of yet. Utah is the
11 first state to schedule a hearing on our application for
12 approval of this transaction. In every state, we have
13 requested approval by August 3rd and hope to have most
14 of the approvals by late July.

15 Q. Have you received or are you aware of any
16 opposition from third parties or the public with respect
17 to the Utah application?

18 A. We have not received any notice of opposition from
19 third parties with respect to our application.

20 Q. Have you received or are you aware of any
21 opposition from third parties or the public with respect
22 to the application filed with the FCC?

23 A. No.

24 Q. Or the applications filed for approval in other
25 states?

1 A. No. We have not received any opposition
2 concerning our application for approval in other states.

3 **Q. Can you please offer a summary of why you believe**
4 **this transaction is in the public interest?**

5 A. This transaction will bring together two companies
6 that have long been committed to excellence in a highly
7 competitive marketplace. Their combined financial,
8 technical, and managerial expertise will allow them to
9 better serve the local, national, and global needs of
10 wholesale buyers, business enterprises, and other customers
11 in Utah and to better compete in the marketplace for
12 telecommunications services.

13 The transfer of control will not result in any
14 immediate change in rates, terms or conditions for Broadvox
15 customers who will continue to receive the same high quality
16 services they were receiving before the transaction.

17 MR. EVANS: Thank you. Ms. Buley is available for
18 cross-examination.

19 THE HEARING OFFICER: Mr. Jetter, any questions
20 for Ms. Buley?

21 MR. JETTER: No questions from the Division.
22 Thank you.

23 THE HEARING OFFICER: Thank you.

24 Mr. Evans, you may call your next witness.

25 MR. EVANS: Let's call Alex Gertsburg, please.

1 THE HEARING OFFICER: Mr. Gertsburg, are you on
2 the line?

3 MR. GERTSBURG: I am.

4 THE HEARING OFFICER: Good afternoon, sir.
5 I'm going to swear you in now.

6 Could you kindly raise your right hand?

7 MR. GERTSBURG: Sure.

8 THE HEARING OFFICER: And do you swear that the
9 testimony you will be giving today will be the truth?

10 MR. GERTSBURG: I do.

11 THE HEARING OFFICER: Thank you.

12 ALEX GERTSBURG,
13 having been first duly sworn, was
14 examined and testified as follows:

15 DIRECT EXAMINATION

16 BY MR. EVANS:

17 Q. Thank you. Good afternoon, Mr. Gertsburg.

18 For the record, would you state your position
19 at Broadvox and your business address?

20 A. Sure. I'm the executive vice president and
21 general counsel of Broadvox, Inc. which is the parent of the
22 applicants Broadvox Holdings Company and Broadvox-CLEC.
23 Office address is 75 Erieview Plaza, Suite 400, Cleveland,
24 Ohio 44114.

25 Q. And how long have you served as executive vice

1 president and general counsel of Broadvox, Inc?

2 A. Since 2006. So, nine years.

3 Q. Have you reviewed the joint application filed by
4 Onvoy and Broadvox in Utah?

5 A. I have.

6 Q. And are you the officer from Broadvox who signed
7 the verified application?

8 A. I'm not. That was Eugene Blumin, the Broadvox's
9 COO.

10 Q. Do you yourself have personal knowledge of the
11 matters set out in the application?

12 A. I do.

13 Q. So, for the purposes of your testimony here today,
14 do you accept the statements in the application as your own?

15 A. I do.

16 Q. Is Broadvox requesting this Commission approve the
17 transaction pursuant to its informal adjudicative
18 procedures?

19 A. Yes.

20 Q. Is Broadvox serving as an incumbent local exchange
21 carrier anywhere in the state of Utah?

22 A. No.

23 Q. Were you present on the phone and did you hear
24 Ms. Buley's testimony a few minutes ago?

25 A. Yes.

1 Q. Apart from the information contained in the
2 supplemental exhibit and the information offered by
3 Ms. Buley in her testimony, do you have any changes
4 or corrections to make to the joint application?

5 A. I do not.

6 Q. Have you reviewed or are you aware or have you
7 received, rather, or are you aware of any opposition from
8 third parties or the public to the FCC application?

9 A. No.

10 Q. Have you received or are you aware of any
11 opposition from third parties or the public to the Utah
12 application or any application filed for approval with any
13 state commission?

14 A. No.

15 Q. Do you have a statement of why you believe this
16 transaction is in the public interest?

17 A. Sure. I agree with Ms. Buley's statement.
18 The Broadvox transaction is in the public interest. It will
19 increase the economic efficiency of the combined company and
20 will enhance competition in Utah among competitive local
21 exchange carriers to the benefit of all customers in Utah.

22 The transaction will be transparent to Broadvox
23 customers who will receive same services and quality of
24 service they have come to expect without any change to
25 service offerings, rates or terms and conditions.

1 MR. EVANS: Thank you, Mr. Gertsburg. I have no
2 more questions. Mr. Gertsburg's available for
3 cross-examination.

4 THE HEARING OFFICER: Mr. Jetter, any questions?

5 MR. JETTER: No questions for the Division.
6 Thank you.

7 THE HEARING OFFICER: Mr. Gertsburg, thank you for
8 your testimony today. You are excused.

9 MR. GERTSBURG: Thank you very much.

10 THE HEARING OFFICER: Thank you. Mr. Jetter?

11 MR. JETTER: Thank you. The Division would like
12 to call Bill Duncan.

13 THE HEARING OFFICER: Good afternoon,
14 Mr. Duncan.

15 MR. DUNCAN: Good afternoon.

16 THE HEARING OFFICER: Would you please raise your
17 right hand? And do you swear that the testimony you will be
18 giving today will be the truth?

19 MR. DUNCAN: Yes.

20 THE HEARING OFFICER: Thank you.

21 BILL DUNCAN,
22 having been first duly sworn, was
23 examined and testified as follows:

24 DIRECT EXAMINATION

25 BY MR. JETTER:

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

3 A. Yes. Bill Duncan. I'm manager of the
4 telecommunications section for the Utah Division of
5 public Utilities.

6 Q. Thank you. And in the course of your employment,
7 have you had the opportunity to review the application along
8 with the exhibits and the later-filed Supplemental Exhibit 1
9 that have been filed in the two dockets that we're
10 addressing here today?

11 A. Yes, although one of our analysts, Casey Coleman,
12 did most of the review of the documents and produced the
13 memo which went to the Commission. I reviewed the memo
14 prior to it being sent but have since reviewed all of the
15 documents in the application.

16 Q. Excellent. Thank you. And that memo you're
17 referring to, is that the memo from the Division of Public
18 Utilities dated June 22nd, 2015?

19 A. Yes.

20 Q. And are there any corrections that you would like
21 to make to that memo?

22 A. No.

23 Q. And would you adopt that -- or let me rephrase
24 that question. Do you adopt that memorandum as your
25 testimony today?

1 A. Yes.

2 Q. And with that, do you believe that approval of the
3 application for this joint transfer of control would be
4 just, reasonable, and in the public interest?

5 A. Yes.

6 Q. And are you aware of any opposition or reason that
7 it should not be approved?

8 A. No, I am not.

9 MR. JETTER: Thank you. I have no further
10 questions. Mr. Duncan is available for cross.

11 THE HEARING OFFICER: Thank you, Mr. Jetter.

12 Any questions, Mr. Evans?

13 MR. EVANS: No. Thank you.

14 THE HEARING OFFICER: Okay. Mr. Duncan, thank you
15 for your testimony. You may be excused.

16 Just some final issues here. I do want to ask
17 if there's anyone present who wishes to address the
18 Commission on this issue?

19 (No verbal response)

20 THE HEARING OFFICER: And seeing no one present,
21 the record shall note that there is no one here to address
22 the issue other than the testimony that's been taken on the
23 matter.

24 I also wish to address just a couple of
25 housekeeping matters. That is, that the application filed

1 by Mr. Evans, that application consists of not only the
2 application but a number of exhibits that was filed on
3 June 12th, 2015, along with Supplement 1 which was filed on
4 June 23rd, 2015, and also the Division's memorandum filed on
5 June 22nd, 2015.

6 The Commission takes these matters into the record
7 and accepts them as part of the record. So, I just wanted
8 to assure you of that. So, we've got that taken care of.

9 Also, as you know, this hearing is being held
10 pursuant to Utah code. And as counsel has also referenced,
11 we have a rule on this issue which addresses when the
12 Commission will approve a matter when there is no objection.
13 And that has been clearly shown in this matter.

14 So, upon receipt of the transcript in this case,
15 we will prepare an order that reflects the request of the
16 application. So, thank you so much.

17 If there's anything else, please let me know.
18 Otherwise, we'll be off the record and dismissed for the
19 day. Thank you.

20 MR. EVANS: Thank you.

21 (Proceedings concluded at or about 3:22 p.m.)

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CERTIFICATE

This is to certify that the foregoing proceedings were taken before me, CLARK L. EDWARDS, a Certified Shorthand Reporter and Notary Republic in and for the State of Utah, residing at West Jordan, Utah;

That the proceedings were 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 proceedings so taken and transcribed is set forth in the foregoing pages, inclusive.

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.



Clark L. Edwards, CSR
Utah License No. 109221-7801