Walter P. Maner Chairman X5 OpCo LLC c/o NewSpring Holdings LLC 555 E. Lancaster Ave, Suite 444 Radnor, PA 19087

Telephone: 610.567.2380

BEFORE THE UTAH PUBLIC SERVICE COMMISSION

In the Matter of the Application of X5 OpCo LLC for a Certificate of Public Convenience and Necessity to Provider Certain Telecommunications Services in the State of Utah Docket No. 15-_____APPLICATION

INTRODUCTION

X5 OpCo LLC ("X5 OpCo" or "Applicant"), pursuant to Chapter 8b of Title 54 of the *Utah Code Ann.* § 54-8b, Utah Administrative Code R746-100 *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, interexchange, non-switched private line, and switched exchange access services in the State of Utah.

In support of its application, Applicant provides the following information pursuant to Utah Administrative Code R746-349-3.

I. GENERAL INFORMATION

X5 OpCo is a limited liability company formed under the laws of the State of Delaware in 2014. X5 OpCo has been formed specifically to effect the proposed Transfer described in the attached Joint Application of X5 Solutions, Inc. ("X5 Solutions" or "Transferor") and X5 OpCo for Approval of Asset and Customer Transfer

Transaction, through which X5 Solutions will transfer substantially all of its assets and

customer base to X5 OpCo. X5 OpCo is a wholly owned subsidiary of X5 Holdings LLC

("X5 Holdings") which is controlled by NewSpring Holdings Management Company

LLC ("NewSpring"). NewSpring is a limited liability company organized under the laws

of the State of Delaware. NewSpring is affiliated with NewSpring Holdings LLC, a

private equity fund that seeks to partner with successful business owners and

management teams to grow profitable businesses. X5 OpCo, X5 Holdings, and

NewSpring do not currently provide telecommunications services. After consummation

of the Transfer referenced above, X5 OpCo will manage Transferors' operations and

business under its current organization, which includes local exchange and interexchange

telecommunications services primarily provided to commercial and governmental

institution subscribers, wholesale telecommunications network facilities and services

provided to carriers, and switched exchange access services.

Contact Information:

Correspondence or communications pertaining to this Application or questions

concerning the ongoing operations of Applicant following certification should be directed

to:

Walter P. Maner

Chairman

X5 OpCo LLC

c/o NewSpring Holdings LLC

555 E. Lancaster Ave, Suite 444

Radnor, PA 19087

Telephone: 610.567.2380

Email: smaner@newspringcapital.com

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With a copy to:

Thomas J. Navin, Esq. Wiley Rein LLP 1776 K Street, NW Washington, DC 20006 Telephone: 202.719.7487

Email: tnavin@wileyrein.com

Applicant's registered agent in the State of Utah is:

Corporation Service Company 10 E South Temple Suite 850 Salt Lake City, UT 84133

II. **RESPONSES TO R746-349-3 INQUIRIES**

Testimony and exhibits in support of the Α. R746-349-3(A)(1) company's technical, financial, and managerial abilities

A copy of X5 OpCo's Certificate of Formation and Good Standing Certificate are attached in Exhibit 1. In addition, biographies for X5 OpCo Directors and Officers are attached in **Exhibit 3**.

B. R746-349-3(A)(2) Proof of bond in the amount of \$100,000

Applicant requests a waiver of the requirement in R746-349-3(A)(2) that Applicant obtain a bond in the amount of \$100,000.00 as security for customer deposits or other liabilities to telecommunications customers. Applicant's financial statements submitted herewith indicate that the company has a positive net worth. In addition, Applicant will not collect deposits. Applicant also will not collect advance payments from customers, except that Applicant will bill local exchange monthly recurring charges to its subscribers in advance as is customary, although bills do not become past due until 20 days following issuance. Accordingly, X5 OpCo hereby requests a waiver of this bond requirement.

C. R746-349-3(A)(3) Construction or Acquisition of Facilities

X5 OpCo does not currently own property in the State of Utah and does not plan to construct any facilities in the state. X5 OpCo will provide local exchange services through resale or non-switched private line service.

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

X5 OpCo will provide local exchange and interexchange telecommunications services primarily provided to commercial and governmental institution subscribers, wholesale telecommunications network facilities and services provided to carriers, and switched exchange access services. X5 OpCo seeks authority to offer telecommunication services statewide.

E. R746-349-3(A)(5) Access to standard services

X5 OpCo will provide access to local exchange, toll, operator services, directory assistance, directory listings, and emergency services such as 911 and E911 either through facilities-based interconnection or resale services purchased directly from the ILEC.

F. R746-349-3(A)(6) Implementation schedule

X5 OpCo intends to initiate its operations in Utah upon receipt of authority.

G. R746-349-3(A)(7) Professional experience and education of managerial personnel and personnel responsible for Utah operations

X5 OpCo does not currently or plan to operate any facilities in Utah. X5 OpCo's management team will handle the Utah operations from its office in Washington. Biographies for X5 OpCo Directors and Officers is attached in **Exhibit 3**.

H. R746-349-3(A)(8) Organization Chart for Utah Operations

X5 OpCo does not maintain any employees in Utah. X5 OpCo's management team will handle the Utah operations with its employee base in Washington. An Organization Chart has been attached in **Exhibit 4**.

I. R746-349-3(A)(9) Chart of Accounts

X5 OpCo's chart of accounts is attached in **Exhibit 5**.

J. R746-349-3(A)(10) Financial Statements

1. R746-349-3(A)(10)(a) Balance Sheet, Income Statement and Cash Flow Statement

See X5 OpCo's financial statements in **Exhibit 6**.

2. R746-349-3(A)(10)(b) Letter from Management

See X5 OpCo's letter from management in **Exhibit 6**.

K. **R746-349-3(A)(11)** Additional Financial Information

Pursuant to Rule 746-100-16, Applicant requests confidential treatment of proprietary financial information and submits its financial statements under seal and labeled "CONFIDENTIAL -- SUBJECT TO UTAH PUBLIC SERVICE COMMISSION RULE 746-100-16."

- Positive Net Worth 1. R746-349-3(A)(11)(a) See X5 OpCo's financial statements in **Exhibit 6**.
- 2. R746-349-3(A)(11)(b) Income and Cash Flow See X5 OpCo's financial statements in **Exhibit 6**.
- R746-349-3(A)(11)(c) Applicant requests a waiver as the company does not solicit customer deposits or offer any prepaid telecommunications services.

Proof of Bond

L. R746-349-3(A)(12) Five-year Projection

3.

Pro forma Income and Cash 1. R746-349-3(A)(12)(a) Flow Statements

Applicant's combined projection of expected operations, including proforma income statements and pro-forma cash flow statements, are submitted herewith, under seal, as **Exhibit 6**. Applicant requests confidential treatment of the attached projections pursuant to Utah Rule 746-100-16.

2. R746-349-3(A)(12)(b). Technical Description (b) Applicant will provide local exchange services through the purchase or lease of unbundled network elements from other certificated local exchange carriers, the provisions of commercial agreement(s) entered into

with Incumbent Local Exchange Carriers, the resale of other certificated local exchange carrier services including Qwest Corporation dba CenturyLink, or a combination thereof. Initially, X5 OpCo 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.

3. R746-349(A)(12)(c). Maps of Facilities Locations

Applicant currently does not intend to construct or otherwise deploy new facilities in the State of Utah. As a result, Applicant does not maintain detailed maps of proposed locations of facilities and services to be deployed at each location. Applicant will provide local exchange services in any location in Qwest's service area where subscribers request the company to provide service.

M. R746-349-3(A)(13). Implementation schedule

X5 OpCo intends to initiate its operations in Utah upon receipt of authority.

N. R746-349-3(A)(14) Technical and managerial abilities

1. R746-649-3(A)(14)(a) Proof of Certification in other jurisdictions

Please see attached X5 OpCo's certification to provide telecommunications services in the State of Washington at **Exhibit 8**, and X5 OpCo's certification to provide telecommunications services in the State of Oregon at **Exhibit 9**.

O. R746-349-3(A)(15) Public Interest

Approval of X5 OpCo's Application will serve the public interest by allowing X5 OpCo to continue to provide the competition in the local exchange marketplace that X5 Solutions was providing. X5 OpCo's provision of services will promote consumer choice by expanding the availability of innovative, high quality, reliable, and competitively priced public telecommunications services. The availability of its services also will increase incentives for other providers of public telecommunications services to improve their responsiveness to consumers, enhance their productive efficiency, accelerate product innovation, and adjust service prices continually according to market conditions.

The public convenience and necessity, therefore, will be served by the issuance of a Certificate of Public Convenience and Necessity to X5 OpCo authorizing it to provide the services described in this Application.

P. R746-349-3(A)(16) Proof of Authority to Conduct Business in Utah A copy of X5 OpCo's proof of authority to transact business in the state of Utah is attached in Exhibit 2.

Q. R746-349-3(A)(17) Unauthorized switching, solicitation of new customers and prevention of unauthorized switching.

1. R746-349-3(A)(17)(a)Sanctions

X5 OpCo has never had sanctions imposed against it for unauthorized switching.

2. R746-349-3(A)(17)(b)

Not applicable.

3. R746-349-3(A)(17)(c)

Not applicable.

R746-349-3(A)(18) Applicant's written policies R.

X5 OpCo has anti-slamming measures in place and has a documented internal policy

to verify compliance.

III. **CONCLUSION**

X5 OpCo respectfully requests that the Utah Public Service Commission issue a

Certificate of Public Convenience and Necessity authorizing X5 OpCo LLC to provide local

exchange and non-switched private line telecommunications services in the State of Utah.

Respectfully Submitted,

/s/ Thomas J. Navin

Thomas J. Navin Counsel for X5 OpCo LLC

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Dated: March 20, 2015

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LIST OF EXHIBITS

X5 OpCo LLC Application for CPCN Public Service Commission of Utah

EXHIBIT 1	Certificate of Formation and Certificate of Good Standing of X5 OpCo LLC
EXHIBIT 2	Certificate of Registration – X5 OpCo LLC – Utah
EXHIBIT 3	Director and Officer Managers - Biographies
EXHIBIT 4	Organization Chart
EXHIBIT 5	Chart of Accounts
EXHIBIT 6	Combined Pro Forma Financial Statements
EXHIBIT 7	Verification
EXHIBIT 8	Registration of X5 OpCo LLC as a Competitive Telecommunications Company in Washington
EXHIBIT 9	Designation of X5 OpCo LLC as a Competitive Telecommunications Provider in Oregon