

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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In the Matter of the
Application of X5 OpCo, LLC,
for a Certificate of Public Convenience and Necessity to
Provide Certain Docket No. 15-2580-01
Telecommunications Services
in the State of Utah

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HEARING PROCEEDINGS  
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TAKEN AT: Public Service Commission
Hearing Room 451
160 East 300 South
Salt Lake City, Utah

DATE: Thursday, May 7, 2015

TIME: 9:02 a.m.

REPORTED BY: Scott M. Knight, RPR

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A P P E A R A N C E S

ADMINISTRATIVE LAW JUDGE: MELANIE A. REIF
FOR DIVISION OF PUBLIC UTILITIES:

JUSTIN C. JETTER, ESQ.,
ASSISTANT ATTORNEY GENERAL
160 East 300 South, Fifth Floor
Salt Lake City, Utah 84114

FOR X5 OPCO, LLC:

GREGORY B. MONSON, ESQ.,
STOEL RIVES
201 South Main Street, Suite 1100
Salt Lake City, Utah 84111

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1 PROCEEDINGS

2 THE HEARING OFFICER: And good morning, everyone.
3 I'm Melanie Reif. I am the administrative law judge for the
4 Utah Public Service Commission. This morning we are hearing
5 Docket 15-2580-01. This matter is entitled The Application
6 of X5 OpCo, LLC, for a Certificate of Public Convenience and
7 Necessity to Provide Certain Telecommunications Services in
8 the State of Utah.

9 Let's start with appearances, please, beginning
10 with you, Mr. Monson.

11 MR. MONSON: Gregory Monson of Steel Rives for the
12 Applicant.

13 MR. JETTER: And Justin Jetter for the Utah
14 Division of Public Utilities. And with me at counsel table
15 is Ron Slusher, a utility technical consultant with the Utah
16 Division of Public Utilities.

17 THE HEARING OFFICER: Thank you.

18 And Mr. Monson, I understand you also have
19 witnesses on the line this morning joining us via telephone?

20 MR. MONSON: That's right. Robert Kristjanson and
21 Barbara Meyer are on the phone and are prepared to testify.

22 THE HEARING OFFICER: Okay. Great. Why don't
23 I--I'll go ahead and swear both of them in at the same time,
24 and you can decide whether you want to call both of them.

25 So Mr. Kristjanson and Ms. Meyer, are you both on

1 the line with me?

2 MS. MEYER: Yes, we are.

3 MR. KRISTJANSON: Yes, we are.

4 THE HEARING OFFICER: Thank you very much. I'm
5 going to swear you in at the same time, so if you'd raise
6 your right hand. And do you swear that the testimony you
7 will be providing today will be the truth?

8 MR. KRISTJANSON: Yes.

9 MS. MEYER: I do.

10 THE HEARING OFFICER: Thank you.

11 Okay, Mr. Monson. Please go ahead.

12 MR. MONSON: I think we'll use--I think we'll ask
13 questions of Mr. Kristjanson, and then if you have questions
14 that he needs to have Ms. Meyer answer, we'll do that.

15 ROBERT KRISTJANSON,

16 being first duly sworn, was examined and testified as
17 follows:

18 DIRECT EXAMINATION

19 BY MR. MONSON:

20 Q So, Mr. Kristjanson, would you state your name for
21 the record?

22 A Robert Kristjanson.

23 Q And by whom are you employed?

24 A X5 OpCo, LLC.

25 Q And in what capacity?

1 A I'm the CFO, chief financial officer.

2 Q Okay. And have you reviewed the application that
3 was filed by X5 OpCo, LLC, in this matter?

4 A I have.

5 Q And to the best of your knowledge, is it true and
6 correct?

7 A Yes.

8 Q Do you have any statement you wish to make in
9 support of the application, without, you know, going through
10 all of it, just in summary form?

11 A Basically just summarizing what is in fact in the
12 application, that we provide local and long distance to
13 customers in Utah. We feel that transfer--transfer from X5
14 Solutions to X5 OpCo, LLC, is in the public interest. It
15 will--X5 OpCo is going to bring additional resources that X5
16 Solutions didn't have to upgrade systems, provide additional
17 capacity, additional redundancy, and higher, better call
18 quality to the system in Utah.

19 Q And I understand that you don't have any
20 facilities in the state of Utah but you operate from either
21 resale or private line services you acquire from others?

22 A That is correct.

23 Q Thank you.

24 MR. MONSON: Your Honor, that's all we have. Is
25 there anything else that you'd like us to present or ask

1 Mr. Kristjanson?

2 THE HEARING OFFICER: Mr. Jetter, do you have any
3 questions?

4 MR. JETTER: I have no questions. Thank you.

5 THE HEARING OFFICER: Okay. Mr. Kristjanson, are
6 you still on the line, sir?

7 Mr. Kristjanson?

8 Be off the record.

9 (A discussion was held off the record.)

10 (Recess taken, 9:06-9:12 a.m.)

11 THE HEARING OFFICER: Thank you, everyone. My
12 apologies for whatever happened. And we're back on the
13 record.

14 Mr. Monson, please.

15 BY MR. MONSON:

16 Q Mr. Kristjanson, you understand that the
17 application we're hearing right now is the application for
18 certificate of public convenience and necessity?

19 A Yes.

20 Q And let me just ask you a couple of questions in
21 that regard. Based on the application and your own personal
22 knowledge, does X5 OpCo, LLC, have the technical,
23 managerial, and financial capability to be a competitive
24 local exchange carrier in the state of Utah?

25 A Yes. Yes, we do.

1 Q And do you believe that the granting of this
2 application is in the public interest?

3 A I'm sorry. I didn't hear that. Could you repeat
4 it, please?

5 Q Yeah. Do you understand that the granting--do you
6 believe that the granting of this application would be in
7 the public interest?

8 A Yes, I do.

9 MR. MONSON: Anything else, your Honor?

10 EXAMINATION

11 BY THE HEARING OFFICER:

12 Q Just one follow-up question, Mr. Kristjanson--and
13 this is just a matter of formality: Regarding the public
14 interest standard, is it--do you believe that granting of
15 the CPCN would also be just and reasonable?

16 A I'm sorry. If you could speak just a touch closer
17 to the phone.

18 Q Regarding your testimony, sir, about the public
19 interest being served by the granting of the CPCN, do you
20 also believe that granting of the CPCN would be just and
21 reasonable?

22 A Yes.

23 Q Okay. Great. Thank you very much.

24 Are there any other questions?

25 Mr. Jetter?

1 MR. JETTER: Actually do have a brief question.

2 CROSS-EXAMINATION

3 BY MR. JETTER:

4 Q Can you hear me okay, Mr. Kristjanson?

5 A Yes, I can.

6 Q The Division issued a data request, I believe, on
7 April 3rd, clarifying the coverage area that you're
8 intending to provide services, or potentially provide
9 services under this CPCN in Utah. I just want to clarify:
10 Is it still your understanding that you intend the CPCN to
11 grant authority to operate within the competitive areas of
12 Utah, and that would exclude exchange areas with less than
13 5,000 access lines or controlled by an ILEC with fewer than
14 30,000 access lines? And so to clarify that, are you
15 intending this CPCN to be coverage only within the
16 competitive exchange areas in Utah?

17 A That is correct.

18 Q Okay. And do you understand that if this CPCN is
19 granted within those competitive exchange areas, if you did
20 decide in the future to provide service in a noncompetitive
21 area, the incumbent local exchange areas, that would require
22 a modification to your CPCN that would, I guess, require
23 another application with the Commission to enter those
24 territories?

25 A Yes.

1 Q Okay. Thank you.

2 A Yes, we're aware of that. I'm aware of that.

3 MR. JETTER: Thank you. I have no further
4 questions.

5 THE HEARING OFFICER: Any follow-up, Mr. Monson?

6 MR. MONSON: No, thank you.

7 THE HEARING OFFICER: Just one other question.

8 This is just a general question: Is there anyone here who
9 wishes to address the application that's pending that hasn't
10 already done so?

11 Hearing no request to do so, we will be off the
12 record for a five-minute recess. Thank you.

13 (Recess taken, 9:15-9:20 a.m.)

14 THE HEARING OFFICER: Thank you, everyone. We're
15 back on the record.

16 Due to the uniqueness of the application that's
17 pending and the subsequent application that we'll be hearing
18 today, the Commission wishes to address this in a way of
19 bench order on the application that we're currently hearing
20 in Docket 15-2580-01, the application for the CPCN.

21 Pursuant to statute, the Commission makes a bench
22 ruling granting the CPCN as requested and approves and
23 confirms by the Commission and file--and will be filed in
24 the office of the Commission such order.

25 That order will be based on a finding that the

1 parties have established that issuance of the CPCN is just
2 and reasonable and in the public interest and the order will
3 be that such a CPCN will be issued.

4 So having that taken care of, we'll be adjourned
5 with this matter and we'll move to the next matter, okay?

6 So we're off the record for a moment. Thank you.
7 (Proceedings concluded at 9:21 a.m.)

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CERTIFICATE

This is to certify that the foregoing proceedings were taken before me, SCOTT M. KNIGHT, a Registered Professional Reporter and Notary Public in and for the State of Utah, residing at South 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



Scott M. Knight

Scott M. Knight, RPR
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