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State of Utah
Department of Commerce
Division of Public Utilities

CHRIS PARKER
Interim Executive Director

CHRIS PARKER
Director, Division of Public Utilities

Memorandum

To: Public Service Commission of Utah
From: Utah Division of Public Utilities
Chris Parker, Director
Artie Powell, Manager
Brenda Salter, Utility Technical Consultant Supervisor
Ron Slusher, Utility Technical Consultant
Date: March 27, 2020
Re: **Docket No. 20-2616-01**, In the Matter of the Application of Arcadian Infracom, Inc. for a Certificate of Public Convenience and Necessity to Provide Interexchange Telecommunications Services within the State of Utah.

Recommendation (Approve)

The Division of Public Utilities (“Division”) has reviewed the technical, managerial, and financial abilities of the Arcadian Infracom, Inc. and has found that it has provided the necessary information to fulfill the requirements as stated in the existing Public Service Commission (“Commission”) rules. The public interest will be promoted by the Commission granting Arcadian Infracom, Inc. a Certificate of Public Convenience and Necessity (“CPCN”) as requested under the same terms and conditions allowed in other CPCNs.

The Division also recommends that the \$100,000 bond be waived on the basis that the Applicant will not require customer deposits or prepayments of any kind.

The Division expects that based on history, a filing of this type and with the information submitted by the company will generate no objections or opposition to this recommendation. Therefore, the Division requests that this docket be adjudicated informally in accordance with R746-110-1.

Explanation

On or about March 19, 2020, Arcadian Infracom, Inc. (“Arcadian or Applicant”) filed an application for a CPCN. The Division reviewed the application and found the following.

Arcadian Infracom, Inc. is a registered foreign corporation within the State of Utah; with its corporate headquarters located at 4579 Laclede Avenue, #341, St. Louis, MO 63108.

Arcadian Infracom, Inc. seeks authority to offer interexchange telecommunications statewide. To the extent Arcadian provides basic local exchange service, it will initially do so in the areas served by CenturyLink Communications, Inc. (“CenturyLink”) and does not plan to provide service in areas of any small or rural local exchange carriers having 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. 5 54-8b-2.1 (3) and (4). However, Arcadian does seek statewide authority so that it may expand into other services as market conditions warrant and as additional service areas become open to competition.

The Arcadian intends to provide facilities-based dark and lit fiber networks to business and enterprise customers in the incumbent, CenturyLink, exchanges statewide in Utah, consistent with the exchange maps CenturyLink has on file with the Commission.

The Applicant does not currently own facilities or property in the State of Utah, but will expect to construct facilities to provide its service offerings upon receiving a Certificate of Public Convenience and Necessity; however, the timing and location(s) of such commencement will depend largely on customer demand.

The Applicant intends to commence negotiations with CenturyLink for an interconnection/commercial agreement immediately upon receiving approval from the Commission to operate as a local exchange telecommunications service provider in the State of Utah.

Applicant will not be providing traditional switched local exchange services within Utah. Therefore, Applicant will not have any interaction with emergency services such as 911 or enhanced 911, operator services, directory assistance, and telecommunications relay services.

Summaries of professional experience and education of its managerial personnel demonstrate that the Applicant has considerable experience in the telecommunications industry.

According to financial statements attested to be accurate, objective and with integrity by Brandon D. Porter, General Counsel & Assistant Secretary, Arcadian Infracom, Inc. the Applicant has a positive net worth and has ample working capital.

The Applicant requests that the \$100,000 bond requirement be waived because it will not require customer deposits or prepayments of any kind. Although it plans to in the future, Applicant does not currently provide services in any other state similar to the services Applicant intends to provide in Utah. Applicant is in the process of applying or already has applications pending for certificates of convenience and necessity in nearby states, including Arizona, California, Colorado, New Mexico, and Texas.

The Applicant claims that it has never had any complaints nor has any investigation been undertaken against it or any of its affiliates involving unauthorized switching (slamming) or any other illegal activities. The Applicant also states that it has implemented policies and procedures concerning solicitation of new customers. These policies require that customers sign a contract authorizing the Applicant to provide telecommunications services.

The Applicant asserts that approval of its application will serve the public interest creating and enhancing competition and expanding customer service options. Additionally, the approval of

this application will expand the availability of innovative, high quality, reliable and competitively-priced telecommunications services in the State of Utah.

Cc: Adrienne Bell, Holland & Hart LLP
Thorvald A. Nelson, Holland & Hart LLP
Brandon D. Porter, General Counsel & Assistant Secretary, Arcadian Infracom, Inc.
Justin Jetter, Assistant Attorney General, State of Utah
Office of Consumer Services, State of Utah