Before any telephone company begins providing service in the State of Utah, they must first obtain a "Certificate of Public Convenience and Necessity". Below is a list of governing rules that will help provide guidance in filing an application with the Public Service Commission. This list is in no way a complete list of rules that a company may need when applying for a Certificate of Public Convenience and Necessity.

**Utah Code:** <u>54-4-25</u> < *Use Ctrl+Click to follow link* >

Utan Couc.	<del>54-4-25</del> × 03e	
	Title 54	– Public Utilities
	Chapter 4	<ul> <li>Authority of Commission over Public Utilities</li> </ul>
	Section 25	<ul> <li>Certificate of Convenience and Necessity Prerequisite to Construction and Operation</li> </ul>
Utah Code:	<u>54-7-6</u> < Use (	Ctrl+Click to follow link >
	Title 54	– Public Utilities
	Chapter 7	- Hearings, Practice, and Procedure
	Section 6	– Fees
Utah Code:	$54-8b-2.1 < U_{c}$	se Ctrl+Click to follow link >

e Ciri+Click lo jollow link ~
– Public Utilities
- Public Telecommunications Law
<ul> <li>Competitive Entry</li> </ul>

**Utah Code:** <u>63G-4</u> < *Use Ctrl+Click to follow link* >

Title 63G	- General Government
Chapter 4	- Administrative Procedures Act
Section	– ALL Sections

## **Utah Administrative Code:** <u>**R746-100--3**</u> < Use Ctrl+Click to follow link >

Title R746	- Public Service Commission, Administration
Chapter 100	- Practice and Procedures Governing Formal Hearings
Section 3	– Pleadings

**Utah Administrative Code:** <u>**R746-349-3**</u> < Use Ctrl+Click to follow link >

Title R746	- Public Service Commission, Administration
Chapter 349	- Competitive Entry and Reporting Requirements
Section 3	- Filing Requirements

(See below, the eighteen questions that need to be answered in their entirety for the Company's application to be considered complete.)

Name of Attorney preparing or Signer of Pleading: Derek Larson Address: 3982 Neal Creek Rd. Hood River, OR 97031 Telephone Number: 541-806-4484

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

)

)

)

)

)

))))

In the Matter of the Application **Draupnir Infrastructure Group LLC**, for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange, Access, and Interexchange Telecommunications Services in the State of Utah.

DOCKET NO. 22-2632-01

**CPCN** Application

Applicant requests the Public Utility Commission of Utah grant applicant a Certificate of Public Convenience and Necessity.

## **GENERAL INFORMATION:**

Company Name: Draupnir Infrastructure Group, LLC d/b/a if applicable:

Utah Business Entity Number: 12675502-0151

Principal Address: 3982 Neal Creek Rd. Hood River, OR 97031 Principal Address:

Local Address: Local Address:

Telephone: 541-806-4484 Toll-Free Number: 833-868-2896 Fax: N/A Website: www.Draupnir.us Email Address: Derek@draupnir.us Subsidiary of (if any): N/A

Principal Address: Principal Address:

Local Address: Local Address:

Telephone: Toll-Free Number: Fax: Website: Email Address:

### **Contact Information during Application Process:**

Name: Derek Larson Title: Managing Member Email: Derek@draupnir.us

Telephone: 541-806-4484 Toll-Free Number: N/A Fax: N/A

#### **Regulatory Contact Person:**

Name: Derek Larson Title: Managing Member Email: Derek@draupnir.us

Telephone: 541-806-4484 Toll-Free Number: N/A Fax: N/A

#### **Complaint Contact Person:**

Name: Derek Larson Title: Managing Member Email: Derek@draupnis.us

Telephone: 541-806-4484 Toll-Free Number: N/A Fax: N/A

# Requirements as listed under R746-349 "Competitive Entry and Reporting Requirements"

# R746-349-3 "Filing Requirements"

**R746-349-3(A)** "In addition to any other requirements of the Commission or of <u>Title 63G, Chapter 4</u> and pursuant to <u>54-8b-2.1</u>, each applicant for a certificate shall file, in addition to its application:"

**R746-349-3(1)** "testimony and exhibits in support of the company's technical, financial, and managerial abilities to provide the telecommunications services applied for and a showing that the granting of a certificate is in the public interest. Informational requirements made elsewhere in these rules can be included in testimony and exhibits;"

Draupnir Infrastructure Group LLC is comprised of leading telecommunications, construction, business, and legal professionals within decades of combined experience in the industry. "Draupnir" is currently operating this business in other states, and expanding into other states to continue growing the business.

**R746-349-3(2)** "proof of a bond in the amount of \$100,000. This bond is to provide security for customer deposits or other liabilities to telecommunications customers of the Telecommunications Corporation or liabilities to the Utah Public Telecommunications Service Support Fund, <u>54-8b-15</u>, or the Hearing and Speech Impaired Fund, <u>54-8b-10</u>. An applicant may request a waiver of this requirement from the Commission if it can show that adequate provisions exist to protect customer deposits or other customer liabilities;" *(also see R746-349-11(c))* 

Draupnir Infrastructure Group LLC requests a waiver for the required bond referenced in this section. As Draupnir's specific business model does not interface with end users, only middle mile services, adequate provisions exist to protect customer deposits via bonds the Public Service Commission of Utah requires of all internet service providers who will interact directly with end users.

**R746-349-3(3)** "a statement as to whether the telecommunications corporation intends to construct its own facilities or acquire use of facilities from other than the incumbent local exchange carrier, or whether it intends to resell an incumbent local exchange carrier's and other telecommunications corporation's services;"

Draupnir Infrastructure Group LLC intends to construct and operate our own facilities, with the intent to resell services and infrastructure to other telecommunications providers to include incumbent local exchange carriers (ILEC) and competitive local exchange carriers (CLEC).

R746-349-3(4) "a statement regarding the services to be offered including:"

Draupnir Infrastructure Group LLC intends to offer a variety of services which will be specific to the need of the specific customer. These can include build-to-suite (BTS) builds, middle mile lit services, middle mile dark leasing, dark fiber ring configurations, and other potential similar services.

## R746-349-3(4)(a) "which classes of customer the applicant intends to serve,"

Draupnir Infrastructure Group LLC intends to provide services to current and future internet service providers, wireless service providers, municipal governments, and large enterprise customers.

R746-349-3(4)(b) "the locations where the applicant intends to provide services," (<u>54-8b-2.1(3)(c) "Competitive Entry</u>, a telecommunications corporation may not receive a certificate to compete in providing local exchange service within any local exchange with fewer than 5,000 access lines that is owned or controlled by an incumbent telephone corporation with fewer than 30,000 access lines in the state.")

Draupnir Infrastructure Group LLC intends to operate within the greater Salt Lake City, and surrounding jurisdictions. Draupnir will not operate in any area that any local exchange has fewer than 5,000 access lines that are owned or controlled by an incumbent telephone corporation with fewer than 30,000 access lines in the state.

R746-349-3(4)(c) "the types of services to be offered;"

Draupnir Infrastructure Group LLC intends to offer a variety of services which will be specific to the need of the specific customer. These can include build-to-suite (BTS) builds, middle mile lit services, middle mile dark leasing, dark fiber ring configurations, and other potential similar services.

**R746-349-3(5)** "a statement explaining how the applicant will provide access to ordinary IntraLATA and InterLATA message toll calling, operator services, directory assistance, directory listings and emergency services such as 911 and E911;"

Draupnir Infrastructure Group LLC will not provide end user services such as these. As Draupnir's specific business model does not interface with end users, only middle mile services, Draupnir's customers who do provide end user services will provide access to the above mentioned services to their end users.

**R746-349-3(6)** "an implementation schedule pursuant to 47 U.S.C. 252(c)(3) of the Telecommunications Act of 1996 which shall include the date local exchange service for residential and business customers will begin;"

Draupnir Infrastructure Group LLC will not provide end user services. The exact date of services being offered will vary based on: regulatory timelines and hurdles at the state and local levels, construction scheduling and related resource availability, vendor availability, and other industry standard factors. That being said, Draupnir intends to begin construction in late 2022 with services being available to customers by mid 2023.

**R746-349-3(7)** "summaries of the professional experience and education of all managerial personnel who will have responsibilities for the applicant's proposed Utah operations;"

Draupnir Infrastructure Group LLC is comprised of leading telecommunications, construction, business, and legal professionals with decades of combined experience in the industry. "Draupnir" is currently operating this business in other states, and expanding into other states to continue growing the business. Derek Larson will be the managing member who has a masters degree in business administration (MBA), has a project management professional (PMP) certification from the Project Management Institute (PMI), and have over 15 years in the telecommunications industry in multiple states across the western United States. Draupnir is already operating this business model in other states and jurisdictions.

**R746-349-3(8)** "an organization chart listing all the applicant's employees currently working or that plan to be working in or for Utah operations and their job titles;"

Draupnir Infrastructure Group LLC will be member managed with no initial employees that will be working within the state of Utah.

Derek Larson – Managing Member Lach – Litwer – Member Mike Craig – Member Craig Brunkenhoefer - Member

R746-349-3(9) "a chart of accounts that includes account numbers, names and brief descriptions;"

#### This requirement is acknowledged, please see the attached chart of accounts.

R746-349-3(10) "financial statements that at a minimum include:"

**R746-349-3(10)(a)** "the most recent balance sheet, income statement and cash flow statement and any accompanying notes, prepared according to GAAP,"

#### This requirement is acknowledged, please see the attached financial statement.

**R746-349-3(10)(b)** "a letter from management attesting to their accuracy, integrity and objectivity, and that the statements were prepared in accordance with GAAP,"

As the managing member and applicant, I attest to the accuracy, integrity, and objectivity of the accompanying financial documents. I also confirm that these documents were prepared in accordance with GAAP.

This requirement is acknowledged, please see the attached financial statement.

**R746-349-3(10)(c)** "if the applicant is a start-up company, a balance sheet following the above principles must be filed,"

#### This requirement is acknowledged, please see the attached financial statement.

**R746-349-3(10)(d)** "if the applicant is a subsidiary of another corporation, financial statements following the above principles must also be filed for the parent corporation;"

### Not applicable.

**R746-349-3(11)** "financial statements to demonstrate sufficient financial ability on the part of the applicant. At a minimum, the applicant's statements must show:"

R746-349-3(11)(a) "positive net worth for the applicant CLEC,"

## This requirement is acknowledged, please see the attached supporting documentation.

**R746-349-3(11)(b)** "sufficient projected and verifiable cash flow to meet cash needs as shown in a five-year projection of expected operations,"

#### This requirement is acknowledged, please see the attached supporting documentation.

**R746-349-3(11)(c)** "proof of bond as specified in R746-349-3(A)(2);"

## Draupnir Infrastructure Group LLC requests a waiver of this requirement.

R746-349-3(12) "a five-year projection of expected operations including the following:"

## This requirement is acknowledged, please see the attached supporting documentation.

R746-349-3(12)(a) "proforma income statements and proforma cash flow statements,"

#### This requirement is acknowledged, please see the attached supporting documentation.

**R746-349-3(12)(b)** "when applicable, a technical description of the types of technology to be deployed in Utah including types of switches and transmission facilities,"

Draupnir Infrastructure Group LLC will deploy industry standard conduit, vaults, locate wire, and various standard telecommunications materials and products customarily found in existing networks throughout the United States. Exact switching equipment is TBD and will be specific to needs of future customers. Standard telecommunications vendors such as Commscope, AFl, Sysco, and others will be industry standard vendors and materials.

**R746-349-3(12)(c)** ""when applicable, detailed maps of proposed locations of facilities including a description of the specific facilities and services to be deployed at each location;"

Draupnir Infrastructure Group LLC's intended service area will be the greater Salt Lake City area. The exact routes to be taken are still being designed and to share at this point would be preliminary and conceptual at best. The network will be 100% underground and locatable within the right-of-way in all areas. Specific services to be served at specific locations will vary based on future customer's requirements.

**R746-349-3(13)** "an implementation schedule pursuant to 47 U.S.C. 252(c)(3) of the Telecommunications Act of 1996 which shall include the date local exchange service for residential and business customers will begin;"

Draupnir Infrastructure Group LLC will not provide end user services. The exact date of services being offered will vary based on: regulatory timelines and hurdles at the state and local levels, construction scheduling and related resource availability, vendor availability, and other industry standard factors. That being said, Draupnir intends to begin construction in late 2022 with services being available to customers by mid 2023.

**R746-349-3(14)** "evidence of sufficient managerial and technical ability to provide the public telecommunications services contemplated by the application must be demonstrated by a showing of at least the following;

**R746-349-3(14)(a)** "proof of certification in other jurisdictions; and that service is currently being offered in other jurisdictions by the applicant,"

Draupnir Infrastructure Group LLC is applying for regulatory rights in multiple additional states throughout the United States. Draupnir, LLC is currently operating in the state of Washington and is in good standing.

**R746-349-3(14)(b)** "or the corporation has had at least two years of recent experience in providing telecommunications services related to the type of services the CLEC intends to provide;"

Draupnir Infrastructure Group LLC is a new holdings company meant to expand the operations of "Draupnir LLC" into other states and jurisdictions. Draupnir Infrastructure Group LLC is

comprised of leading telecommunications, construction, business, and legal professionals within decades of combined experience in the industry. "Draupnir" is currently operating this business in other states, and expanding into other states to continue growing the business. Derek Larson will be the managing member who has a masters in business administration (MBA), has a project management professional (PMP) certification from the Project Management Institute (PMI), and have over 15 years in the telecommunications industry in multiple states across the western United States. Draupnir is already operating this business model in other states and jurisdictions.

R746-349-3(15) "a statement as to why entry by the applicant is in the public interest;

Draupnir Infrastructure Group LLC's business model is to provide neutral middle mile telecommunications infrastructure to any and all existing and future telecommunications service providers. End user ISPs have various reasons not to allow their competitors to augment their networks by sharing infrastructure. This could be to reduce competition, save the limited infrastructure for themselves, or countless other reasons. Draupnir's model is to seek out and allow all ISPs the ability to quickly augment their networks with no reason to deprive anyone of this service. This allows all ISPs the ability, if they choose, to enhance their networks for the benefit of their end users throughout the state without the large capital often required to do these builds themselves.

R746-349-3(16) "proof of authority to conduct business in Utah;

# This requirement is acknowledged. Draupnir Infrastructure Group LLC is in good standing with the state of Utah. Registration number 12675502-0151.

**R746-349-3(17)** "a statement regarding complaints or investigations of unauthorized switching, otherwise known as slamming, or other illegal activities of the applicant or any of its affiliates in any jurisdiction. This statement should include the following"

R746-349-3(17)(a) "sanctions imposed against the applicant for any of these activities,"

# Not applicable, no such complaints or investigations have occurred.

**R746-349-3(17)(b)** "copies of any written documents related to these complaints, investigations, or sanctions, including: orders or other materials from the FCC or state commissions, any courts, or other government bodies, and any complaint letters or other documents from any non-government entities or persons,"

# Not applicable, no such complaints or investigations have occurred.

R746-349-3(17)(c) "the applicant's responses to any of these issues;"

#### Not applicable, no such complaints or investigations have occurred.

**R746-349-3(18)** "statement about the applicant's written policies regarding the solicitation of new customers and a description of efforts made by the applicant's to prevent unauthorized switching of Utah local service by the applicant, its employees, or its agents."

# Not applicable, no such complaints or investigations have occurred. Draupnir Infrastructure Group LLC is a new legal entity with no such policies yet in place.

**R746-349-3(B)** "Additional questions relating to the technical, financial, and managerial capabilities of the applicant and public interest issues may be submitted by the Division or other parties in accordance with <u>R746-100-8</u>, <u>Discovery</u>."

### This requirement is acknowledged and understood.