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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

MARGARET W. BUSSE
Executive Director

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Brenda Salter, Assistant Director
Abdinasir Abdulle, Utility Technical Consultant Supervisor
Ron Slusher, Utility Technical Consultant

Date: August 7, 2023

Re: **Docket No(s). 23-2586-01 and 23-2628-01**, In the Matter of the Joint Application of ExteNet Systems, LLC and ExteNet Asset Entity, LLC for Approval to Transfer Certain Assets Between Applicants.

Recommendation (Acknowledge)

The Division of Public Utilities (“Division”) has reviewed the notification of the transfer of assets of ExteNet Systems, LLC (“ExteNet Systems”) and ExteNet Asset Entity, LLC (“ExteNet Asset”) (together the “Applicants”). The public interest will be promoted by the Public Service Commission (“Commission”) acknowledging this Transfer of Assets. As a result of the transfer, the companies should be in a better position to provide expanded and advanced telecommunications services in the State of Utah.

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

Division of Public Utilities

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Discussion

On or about July 26, 2023, ExteNet Systems and ExteNet Asset notified the Commission of a transaction, which will result in a transfer of assets from ExteNet Asset to ExteNet Systems.

ExteNet Systems, is a registered Delaware limited liability company, headquartered at 5844 John Hickman Parkway, Suite 300, Frisco, TX. 75034. ExteNet Systems received authorization to provide public telecommunications services in the State of Utah by the Commission on March 09, 2016, Docket No.16-2586-01.

ExteNet Asset is a privately held Delaware limited liability company, headquartered at 5844 John Hickman Parkway, Suite 300, Frisco, TX. 75034. ExteNet Asset received authorization to provide public telecommunications services in the State of Utah by the Commission on June 16, 2021, Docket No.16-2586-01.

The Applicants state that under the transaction, assets and customers will be transferred from each of the companies to be more in line with the services provided by each. The Applicants further submit that the transaction described herein will serve the public interest. The transaction will help create a stronger competitor by bringing together each organization's respective strengths. Operating as an integrated company will allow each of the operating companies to be more competitive and to deliver greater value and variety of services to their customers than they do individually.

Conclusion

The Division has reviewed the notice filed by the Applicants for the transfer of assets and concludes that the Applicants are in compliance with Commission Rule R746-349-7, and have provided reasonable documentation of the following:

1. The CLEC shall submit an application which includes but is not limited to:
 - a. Identification that it is not an ILEC,
 - b. Identification that it seeks approval of the application pursuant to this rule,
 - c. A reasonably detailed description of the transaction for which approval is sought,

- d. A copy of any filings required by the Federal Communications Commission or any other state utility regulatory agency in connection with the transaction, and,
- e. Copies of any notices, correspondence, or orders from any federal agency or any other state utility regulatory agency reviewing the transaction, which is the subject of the application.

The Division recommends the Commission acknowledge this notice.

cc: Ronald W. Sel Sesto, Counsel for Applicants
Brian Kirk, ExteNet Systems, LLC
Patricia Schmid, Assistant Attorney General, State of Utah
Patrick Grecu, Assistant Attorney General, State of Utah
Office of Consumer Services, State of Utah