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BEFORE THE UTAH PUBLIC SERVICE COMMISSION

In the Matter of the Application of)
BROADWEAVE NETWORKS OF UTAH, LLC)
for a Certificate of Public Convenience)
and Necessity to Provide Local Exchange) Docket No. _____
and Facilities-Based Interexchange)
Services within the State of Utah)

**APPLICATION OF BROADWEAVE NETWORKS OF UTAH, LLC
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
TO PROVIDE SWITCHED AND DEDICATED, AND FACILITIES-BASED
LOCAL EXCHANGE AND INTEREXCHANGE SERVICES**

Pursuant to Utah Code Ann. §§ 54-8b-1 et seq. (the “Act”), Broadweave Networks of Utah, LLC (“Broadweave Networks”) hereby respectfully requests the Utah Public Service Commission (the “Commission”) approve Broadweave Networks’ application (“Application”) for a certificate of public convenience and necessity (“CPCN”) to operate as a local exchange and interexchange services provider of telecommunications services through its own facilities throughout Qwest’s service territory in the state of Utah. By granting a CPCN to Broadweave Networks, the Commission will provide additional choices and diversity of telecommunications services to Utah residents. Broadweave Networks intends to focus on customer service by providing innovative and unique service offerings (including Fiber to the Home/Business (“FTTHB”) and Fiber Optic Internet Service (“FOIS”)) that address specific customer needs, by

ensuring ease of use of advanced services, and by responding promptly to customer requests. Certifying Broadweave Networks will lead to increased economic development. It will also promote increased competition in the local exchange services market. Granting a CPCN to Broadweave Networks to provide telecommunications services will, therefore, significantly benefit the public interest.

As Broadweave Networks demonstrates below, Broadweave Networks satisfies the Utah requirements to receive authority to offer services pursuant to the Act because (1) Broadweave Networks possesses the necessary technical, managerial and financial qualifications; and (2) granting a CPCN to Broadweave Networks will serve the public interest.

IDENTIFICATION OF BROADWEAVE NETWORKS

1. Broadweave Networks is a Utah limited liability company and maintains its principal office at 1520 West 3600 North, Lehi, Utah. A copy of Broadweave Networks' Articles of Incorporation is attached to this Application as Exhibit "A." A copy of Broadweave Networks' Certificate of Good Standing in Utah will be forthcoming in approximately 3-4 weeks from the date of the filing of this Application.

2. Broadweave Networks first incorporated in June 4, 2003. As a telecommunications company, Broadweave Networks is a start-up company. A list of the executive officers and directors of Broadweave Networks is attached hereto as Exhibit "B."

3. All correspondence, notices and inquiries regarding the Application and operations should be addressed to:

Jerold G. Oldroyd, Esq.
Yvonne R. Hogle, Esq.
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201 South Main Street, Suite 600
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4. Copies of all correspondence should also be sent to:

Stephen T. Christensen
Broadweave Networks of Utah, LLC
1520 West 3600 North
Lehi, Utah 84043
Telephone: (801) 766-7699
Facsimile: (801) 766-3698

5. Broadweave Networks has not been denied registration or certification in any jurisdiction. Broadweave Networks has never filed for bankruptcy and has never been the subject of any federal or state investigation.

DESCRIPTION OF SERVICES

6. Facilities to Be Used. Broadweave Networks is currently constructing its own facilities which are being built from the ground up on undeveloped land and will deliver services over such facilities. Broadweave Networks' facilities include: (a) network switching and routing gear; (b) outside plant equipment; (c) data centers; and (d) class 5 telephone switches. A technical description of the types of technology to be deployed is attached to the Application as Exhibit "C." Broadweave Networks intends to deploy FTTH/FTTB and FOIS in the Traverse Mountain Master Planned Community ("Traverse Mountain") initially and, eventually, throughout Qwest's service territory.

7. Services To Be Offered. Broadweave Networks seeks authority to provide local exchange, interexchange, FTTH/FTTB and FOIS. Broadweave Networks intends to provide and offer a full range of voice, video, and data services including, without limitation, local telephone, voicemail, long distance, broadband Internet services, email and messaging, digital television, movies on demand, storage, back-up recovery and desktop management. Data services will be offered for Internet at speeds of 1 gigabit per second. All services will be generally available

from all locations served by Broadweave Networks. Broadweave Networks requests authority to offer the full range of telecommunications services.

8. Classes of Customers. Broadweave Networks intends to offer the foregoing services to residential, retail and commercial office customers within Traverse Mountain initially and extend to Qwest's service territory in the future.

9. Location of Service. Broadweave Networks will provide service in Traverse Mountain and subsequently throughout Qwest's service territory. Traverse Mountain is located within Qwest Corporation's ("Qwest") service territory. Broadweave Networks does not plan to provide any services in any local exchanges with fewer than 5,000 access lines that are owned or controlled by an incumbent local exchange carrier with fewer than 30,000 access lines. A copy of Broadweave Networks' map of the proposed route is attached to this Application as Exhibit "D." Broadweave Networks intends to negotiate interconnection agreements with Qwest and with other carriers as the need arises. Upon completion of the negotiation of the interconnection agreement with Qwest and other providers, Broadweave Networks will provide the Commission with copies of all final agreements.

10. Access to Standard Services. Broadweave Networks will arrange for the provision of directory agents through other providers to provide directory listings for customers. Broadweave Networks will provide access to the necessary database so that operators can provide customers with accurate information when directory assistance is needed. Broadweave Networks will also arrange for the provision of 911 and E911 services through interconnection agreements with other providers. Access to intraLATA and interLATA message toll calling will also be available through connection to Qwest's tandem in Salt Lake City and to Qwest's tandem

in Provo. In addition, Broadweave Networks may interconnect directly to an interexchange carrier for interLATA message tolling.

11. Professional Experience and Education of Managerial Personnel; Personnel Responsible for Utah Operations; Employees; Financial Qualifications. Broadweave Networks is guided by an experienced and skilled management team with a collective 60 years of valuable experience in the telecommunications industry. A summary of the professional and educational background of each of Broadweave Networks' managerial personnel is attached to this Application as Exhibit "E." Broadweave Networks' organization chart is also set forth in Exhibit "E."

12. Chart of Accounts; Financial Statements; Balance Sheets. As a relatively new company, Broadweave Networks has no significant financial history. However, Broadweave Networks has access to the financing and capital necessary to provide local exchange, interexchange, FTTH/FTTB and FOIS. Broadweave Networks has raised millions of dollars and is currently in the process of raising additional funds to purchase electronic equipment and to build Broadweave Networks' initial fiber network. In addition, Broadweave Networks has the financial backing of Broadweave Networks, Inc. A copy of Broadweave Networks' chart of accounts is attached to this Application as Exhibit "F." Broadweave Networks' balance sheet and financial statements are attached to this Application as Exhibit "G." A letter from Greg Hill, Treasurer of Broadweave Networks, attesting to the accuracy, integrity, and objectivity of the balance sheet, and attesting that the balance sheet was prepared in accordance with Generally Accepted Accounting Principles is attached as Exhibit "H." A letter of undertaking and financial support from Broadweave Networks, Inc. is attached hereto as Exhibit "I."

13. The balance sheet demonstrates that Broadweave Networks has a positive net worth and has sufficient cash flow to provide the proposed services. Broadweave Networks, therefore, is financially qualified to provide local exchange telecommunications services in Utah.

14. Bond Requirement. Prior to or concurrent with the filing of any tariff provision relating to the collection of customer deposits, Broadweave Networks will file proof of a bond in the amount of \$100,000 in order to protect customer deposits and other liabilities.

15. Five-Year Projections of Expected Operations. The timing of the installation of Broadweave Networks' facilities is affected by several factors including market and customer analyses. However, Broadweave Networks has negotiated with the owners of Traverse Mountain to begin the construction of a network. Broadweave Networks intends to begin offering services in the third quarter of 2003. A copy of Broadweave Networks' five-year projections of expected operations in Utah is attached hereto as Exhibit "J".

16. Implementation Schedule. Broadweave Networks intends to implement the following schedule: (i) July 2003 through August 2003 obtain CPCN and negotiate interconnection agreements with Qwest and other carriers; (ii) July 2003 begin and complete collocation facilities at Qwest's central offices, light Broadweave Networks' network and begin offering services to residents of and businesses located in Traverse Mountain in August 2003. Broadweave Networks intends to initiate negotiations for an interconnection agreement with Qwest during the third quarter of 2003. Pursuant to the interconnection agreement, Broadweave Networks will purchase loops and collocate its electronic equipment at Qwest's central offices. Broadweave Networks also intends to begin marketing its services to business customers in the third quarter of 2003.

17. Technical and Managerial Skills. The officers of Broadweave Networks have the necessary managerial and technical resources and qualifications to execute Broadweave Networks' business plan, provide its proposed telecommunications services, and operate and maintain its facilities over which such services will be deployed. Broadweave Networks' management team has extensive experience in the telecommunications industry. Biographies of Broadweave Networks' key personnel are attached as Exhibit "E."

18. Public Interest. Approval of the Application will serve the public interest by creating greater competition in the local telecommunications services market. Broadweave Networks' business plan will allow it to by-pass the problem with the last mile because it intends to deploy FTTH/FTTB and FOIS. The residents of the State of Utah will have a choice and improved quality of service. In addition, the FTTH/FTTB and FOIS will give residential and business customers the opportunity to obtain improved technology in their homes and small businesses. The public interest will, therefore, be served by issuing a CPCN to Broadweave Networks.

19. Unauthorized Switching, Solicitation of New Customers and Prevention of Unauthorized Switching and Name of Person to Whom Complaints are to be Directed. No complaints have been made nor has any investigation been undertaken against Broadweave Networks for unauthorized switching ("slamming") or any other illegal activities. Broadweave Networks initially plans to market data and voice services. When Broadweave Networks offers voice services, it will implement a policy with the intent of preventing slamming of customers by either hiring an independent third party verifier or by obtaining customer consents prior to switching. Further, Broadweave Networks will comply with all Utah and Federal anti-slamming

laws, rules and regulations. The person to whom complaints may be directed is Stephen Christensen, at 1520 West 3600 North, Lehi, Utah 84043, at (801) 766-7699.

PROPOSED PRICE LIST

20. Broadweave Networks intends to enter into an interconnection agreement with Qwest. Once interconnection and other costs are available, Broadweave Networks will file a copy of its proposed price list with the Commission. The Price List will include detailed rates, terms and conditions for the local exchange and interexchange and broadband services Broadweave Networks intends to provide.

REQUEST FOR EXEMPTION FROM AND WAIVERS OF CERTAIN REGULATORY REQUIREMENTS

21. Broadweave Networks respectfully requests that the Commission grant it exemptions from certain provisions of the Act, as well as waivers of certain of the Commission's rules, general orders, procedures and notice requirements, as appropriate, based on Broadweave Networks' status as a competitive local exchange carrier. Specifically, Broadweave Networks requests that the Commission exempt it from the application of the following provisions of the Act: Utah Code Ann. § 54-7-12 (rate increases and decreases); Utah Code Ann. § 54-4-21 (establishment of property values); Utah Code Ann. § 54-4-24 (depreciation rates); and Utah Code Ann. § 54-4-26 (approval of expenditures). In addition, Broadweave Networks requests that the Commission grant it waivers from the following sections contained in the Utah Administrative Rules: Utah Admin. R. R746-340-2(D) (uniform systems of accounts – (47 C.F.R. § 32)); Utah Admin. R. R746-340-2(E)(1) (tariff filings required); Utah Admin. R. R746-340-2(E)(2) (exchange maps); Utah Admin. R. R746-341 (lifeline); Utah Admin. R. R746-344 (rate case filing requirements); Utah Admin. R. R746-401 (reporting of construction,

acquisition and disposition of assets); Utah Admin. R. R746-405 (tariff formats) and Utah Admin. R. R746-600 (accounting for post-retirement benefits).

REQUEST FOR EXPEDITED TREATMENT

22. Broadweave Networks respectfully requests expedited treatment of its Application to the extent practicable and consistent with the Act and Commission rules and regulations.

CONCLUSION

23. Broadweave Networks respectfully requests that the Commission grant it a CPCN authorizing to provide switched and dedicated local exchange telecommunications services through its own facilities in Traverse Mountain in the state of Utah. Broadweave Networks' qualifications are sufficient to support a finding by the Commission that Broadweave Networks possesses the requisite technical, financial and managerial resources and capabilities to provide such services. In addition, the discussions set forth in this Application support a finding by the Commission that exercise of the authority sought herein will promote the public interest. Finally, Broadweave Networks respectfully requests that the Commission grant the waivers requested herein and such other relief as the Commission deems necessary and appropriate.

Respectfully submitted this 9th day of July, 2003.

BROADWEAVE NETWORKS OF UTAH, LLC

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Attorneys for Broadweave Networks of Utah, LLC

CERTIFICATE OF SERVICE

I hereby certify that on the 9th day of July, 2003, I caused an original, eight true and correct copies and an electronic copy (sent via e-mail) of the foregoing Application of Broadweave Networks of Utah, LLC for a Certificate of Public Convenience and Necessity to Provide Local Exchange and Interexchange Services to be hand delivered to:

Ms. Julie Orchard
Commission Secretary
STATE OF UTAH
Public Service Commission
Heber M. Wells Building, Fourth Floor
160 East 300 South
Salt Lake City, Utah 84111
pupsc.amitchell@state.ut.us

and a true and correct copy mailed, postage prepaid thereon, to:

Stephen T. Christensen
Broadweave Networks of Utah, LLC
1520 West 3600 North
Lehi, Utah 84043

Michael Ginsberg, Esq.
Assistant Attorney General
STATE OF UTAH
Heber M. Wells Building, Fifth Floor
160 East 300 South
Salt Lake City, Utah 84111

LIST OF EXHIBITS

- EXHIBIT A** Articles of Incorporation and Certificate of Good Standing in Utah
- EXHIBIT B** Executive Officers and Directors of Broadweave Networks of Utah, LLC
- EXHIBIT C** Technical Description of Technology
[CONFIDENTIAL]
- EXHIBIT D** Map of Proposed Route
[CONFIDENTIAL]
- EXHIBIT E** Summary of Professional and Educational Background of Key Personnel of Broadweave Networks of Utah, LLC and Organizational Chart
[CONFIDENTIAL]
- EXHIBIT F** Chart of Accounts
[CONFIDENTIAL]
- EXHIBIT G** Balance Sheet and Financial Statements of Broadweave Networks of Utah, LLC
[CONFIDENTIAL]
- EXHIBIT H** Letter of Greg Hill Attesting to Accuracy of Balance Sheet and Financial Statements
- EXHIBIT I** Letter of Undertaking from Broadweave Networks, Inc.
- EXHIBIT J** Five-Year Projection of Expected Operations
[CONFIDENTIAL]