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Salt Lake City, Utah
84111

Stanley K. Stoll

June 12, 2018

**VIA HAND
DELIVERY**

Ms. Julie Orchard,
Secretary
Public Service
Commission of Utah
Heber M. Wells
Building
160 East 300 South
Salt Lake City, Utah
84111

Application are enclosed in a separate, sealed envelope. Yesterday, Veracity filed its Motion for Protective Order. The Confidential Version is to be provided only to those having executed Exhibit A to the Protective Order when issued by the Commission.

Electronic versions of the Application have been provided via email.

If you have any questions concerning the above, please feel free to contact me at your convenience.

Re: APPLICATION OF VERACITY COMMUNICATIONS, INC., FOR A CERTIFICATE OF PUBLIC

Dear Ms. Orchard:

Please find enclosed the original and eight copies of the Application of Veracity Communication, Inc., for a Certificate of Public Convenience and Necessity to Provide Facilities-Based Local Exchange Service Within the State of Utah.

In addition, eight copies of the Confidential Version of the

For a Certificate of Public

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Necessity to Provide

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BEFORE THE
UTAH PUBLIC
SERVICE
COMMISSION

Application of

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Veracity

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Exchange Service

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APPLICATION
Veracity
Communications,
Inc. ("Veracity
Communications" or
"Applicant"),
pursuant to Chapter
8b of Title 54 of the
Utah Code; the
Commission's Rules
of Practice and
Procedure, Utah
Admin. Code §§
746-100 et seq.; and

the federal Telecommunications
Act of 1996, 47 U.S.C. §§ 151 et
seq., hereby applies to the Utah
Public Service Commission for a
certificate of public convenience
and necessity authorizing
Applicant to operate as a
provider of facilities-based local
exchange telecommunications
service in the State of Utah in
exchanges with fewer than 5,000
access lines that are owned or
controlled by incumbent local
exchange carriers with fewer
than 30,000 access lines. In
support of its application,
Veracity Communications
provides the following
information pursuant to Utah
Admin. Code R746-349:

1.
Applicant's
legal name is Veracity
Communications, Inc.
Applicant may be
reached at its principal
place of business:
Veracity
Communications, Inc.
Attn:
Chad Bauer
379
North University
Avenue
Provo,
Utah 84601
Telephone:
(801) 379-3000
Facsimile:
(801) 370-1104
2. R746-
349-3(A)(16). Proof
of Authority to
Conduct Business.
Veracity

Communications is a corporation organized on December 5, 2002, under the laws of the State of Utah.

Veracity Communications is a commonly-owned corporation with its sister company, T/A Apartment Services, Inc., dba Off

Campus Telecommunications, a Utah corporation (“Off Campus”).

Off Campus has acted as a Centrex reseller and a reseller of long

distance and other telecommunications services for over 15 years. A copy of Veracity Communications’ Certificate of Existence is attached hereto as **Exhibit A**.

3. Correspondence or communications pertaining to this Application, and questions concerning the ongoing operations of Applicant following certification, should be directed to:

Stanley K. Stoll
Blackburn &
Stoll, LC
257 East 200
South, Suite 800
Utah 84111
Telephone: (801)
521-7900
Facsimile: (801)
521-7965

4. Applicant's registered agent in the State of Utah is:

Chad
Bauer
379 N.
University Avenue,
Suite 301
Provo,
Utah 84601

5. Veracity Communications’ toll-free number for customer inquiries is: (800) 370-1106.

6. R746-349-3(A)(3). Facilities to be used. Veracity Communications utilizes, or will utilize, its own switching facilities including a

NACT long distance switch and a Cisco Call Ware/Asterisk Soft Switch to provide long distance, VOIP and enhanced telecommunications services including DSL; it anticipates reselling Qwest local services (wholesale).

7. R746-349-3(A)(4). Services to be offered. Veracity Communications plans to offer facilities-based and resold local

exchange service and intrastate, interexchange services in the State of Utah.

7(a) R746-349-3(A)(4)(a). Classes of customers. Veracity Communications offers its services to primarily small and medium-sized businesses, single family and multi-family residential customers, and student housing.

7(b) R746-349-3(A)(4)(b). Location of service. Veracity Communications will provide service to and from all points in Utah except that Veracity Communications does not seek authority to provide local exchange service with fewer than 5,000 access lines that are owned or controlled by

incumbent local exchange carriers with fewer than 30,000 access lines.

8. R746-349-3(A)(5). Access to standard services. Veracity Communications 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 through its own operations.

9. R746-349-3(A)(7)-(8).
Professional experience and education of managerial personnel and personnel responsible for Utah operations.
Descriptions of the extensive telecommunications and managerial experience of Applicant's key personnel are attached hereto as **Exhibit B**. An organizational chart

for Veracity Communications is also attached as **Exhibit B**.
10. R746-349-3(A)(1), R746-349-3(A)(10).
Financial abilities. Veracity Communications is financially qualified to provide local exchange telecommunications services in Utah. In particular, Veracity Communications has access to the financing and capital necessary to conduct its telecommunications operations as specified in this application.
10(a) R746-349-3(A)(10)(a)-(d), R746-349-3(A)(11)(a)-(b). Financial Statements. Attached hereto as **Confidential Exhibit C** are the most recent annual balance sheets and income statements of

Veracity Communications and as **Exhibit E**, a letter from Chad Bauer, Chief Financial Officer, attesting to the accuracy, integrity, and objectivity of the financial statements and attesting that the financial statements were prepared in accordance with Generally Accepted Accounting Principles. Veracity Communications respectfully requests that the financial information in

Confidential Exhibit C not be publicly disclosed. In accordance with R746-349-3(A)(10), these financial statements show that Applicant has a positive net worth and that Applicant has sufficient cash flow to provide its proposed services.

10(b)
R746-349-3(A)(2), R746-349-3(A)(11)(c). Bond requirement.

Veracity Communications does not collect

security deposits from its customers. As such, Veracity Communications respectfully requests waiver of the bond requirement. In addition, the financial information included in **Confidential Exhibit C** successfully demonstrates its financial stability and the availability of financial resources which it has. Further, Off Campus, an affiliate of Veracity Communications, has a 15-year history of successful operations as a Central reseller in the State of Utah. A copy of the consolidated P&L and Balance Sheet at year end 2004 is attached as **Confidential Exhibit D**.

11. R746-349-3(A)(12). Three-year projection of expected operations.

11(a)
R746-349-3(A)(12)(a). Income and cash flow statements. Please find attached as **Confidential Exhibit F** a five-year projection of expected operations including pro forma income statements and pro forma cash flow statements. Veracity Communications respectfully requests that the financial

information in
Confidential
Exhibit F not be
publicly disclosed.
11(b)
R746-349-
3(A)(12)(b). Types
of technology to be
deployed. Veracity
Communications
will continue to
deploy the
technology specified
above in Paragraph
7 of this
Application.

Implementation schedule.
Veracity Communications
intends to initiate interconnection
negotiations with Incumbent
Local Exchange Carrier(s) within
one year from the date of this
application.
13. R746-349-
3(A)(1), R746-349-3(A)(14).
Technical and managerial
abilities. Veracity
Communications' officers have
the necessary managerial and
technical resources and
qualifications necessary to
execute its business plan, to

deployed. Veracity
Communications'
management team has
extensive experience
in the
telecommunications
industry. Biographies
of Veracity
Communications' key
personnel are attached
hereto as **Exhibit B**.
13(a)
R746-349-
3(A)(14)(a). Veracity
Communications does
not provide, nor does

11(c)
12.
R746-349-
3(A)(6), R746-349-
3(A)(13).

R746-349(A)(12)(c) maps of facilities locations.
telecommunications services, and
to operate and maintain Veracity
Communications' facilities over
which such services will be

All facilities prescribed in Paragraph 7 of
telecommunications
services in any states
other than the State of
Utah. Veracity

Communications has not been denied requested certification in any jurisdiction, nor has it had a permit, license, or certificate revoked by any authority. Veracity Communications has been providing telecommunications and information services, not subject to the regulation of the Commission, since November 2003, i. e., internet, resold intrastate long distance and VoIP services. In

addition, its sister corporation, Off Campus, has acted as a Centrex (shared tenant service provider) since 1992.

14. R746-349-3(A)(7). Employees. Attached is an organizational chart of Veracity Communications and the biographies of its key personnel set forth in **Exhibit B** to satisfy R746-349-3(A)(7).

15. R746-349-3(A)(1), R746-349-3(A)(15). Public interest. Approval of Veracity Communications' application will serve the public interest by creating greater competition in the local exchange marketplace, and the high-speed data market in particular. The public convenience and

necessity, therefore, will be served by the issuance of a Certificate of Public Convenience and Necessity to Applicant authorizing it to provide the services described in this application.

16. R746-349-3(A)(17)(a)-(c), R746-349-3(A)(18). Unauthorized switching, solicitation of new customers, and prevention of unauthorized switching. Veracity Communications and its sister corporation,

Off Campus, have had no history of any complaints either with the FCC or the State of Utah regarding the unauthorized switching of customers. Veracity Communications will prevent unauthorized switching of customers in Utah by obtaining a signed letter of authorization from all new customers. Veracity Communications will comply with

Utah law and the FCC's regulations regarding how interexchange carriers may change a consumer's Primary Interchange Carrier ("PIC"). Veracity Communications will also comply with the FCC's regulations regarding how carriers may change a consumer's primary local exchange provider.

exchange telecommunications services in the State of Utah.

WHEREFORE, Veracity Communications, respectfully requests that the Utah Public Service Commission issue a Certificate of Public Convenience and Necessity authorizing Veracity Communications to provide resold and facilities-based, switched and dedicated local

STATE OF UTAH fully submitted,

:

ss.

COUNTY OF UTAH)

Stanley K. Stoll
Blackburn & Stoll, LC

I. ~~Chad Bauer~~, being Applicant
first duly sworn upon oath,
deposes and says:

Dated: July 15, 2005

*That he is the President
and Chief Financial Officer of
Veracity Communications Inc.,
a Utah corporation, and T/A
Apartment Services, Inc., dba
Off Campus
Telecommunications, a Utah
corporation, and as such, he is
authorized to make this
verification for and on behalf of
said corporations. That he has
read the foregoing Application
and knows the contents thereof,
that the same is true of his own
knowledge except as to matters
therein stated on information
and belief, and as to those
matters, he believes them to be
true.*

Chad Bauer

**SUBSCRIBED AND
SWORN to before me this ____
day of April, 2005.**

<u>LIST OF</u> <u>EXHIBITS</u>	Certificate of Existence
EXHIBIT A	Managerial and Technical Qualifications
EXHIBIT B	Financial Statements of Veracity Communications
EXHIBIT C	[CONFIDENTIAL]
EXHIBIT D	Combined Financial Statements of Veracity Communications and Off Campus [CONFIDENTIAL]
EXHIBIT E	
EXHIBIT F	Letter of Chad Bauer, CFO, in Support of Financial Statements
VERIFICATION	Five-Year Projection of Expected Operations [CONFIDENTIAL]

EXHIBIT A

CERTIFICATE OF EXISTENCE

EXHIBIT B

SUMMARY OF APPLICANTS MANAGEMENT TEAM

Andrew (Drew) A. Peterson, President, Marketing Manager

Mr. Peterson began his career in telecommunications in 1994 with Access Long Distance, Inc. as an account executive responsible in selling long distance service to small and medium sized business customers. Mr. Peterson was promoted to the Utah Sales Manager in 1996 and managed a team of account executives and large account managers. He was the top Sales Manger for Access Long Distance for 3 years before being promoted to Corporate Director of Sales. During his Sales Manager tenure, Access Long Distance grew from monthly revenue of less than one million to over 2 million in the Utah region. As Director of Sales, Mr. Peterson managed 6 Sales Managers and their teams. He successfully implemented the Internet products Access Long Distance sold. In 2000, McLeod USA purchase Access Long Distance and promoted Mr. Peterson to a Director/General Manager position. He was responsible for 10 Sales Managers and teams, 2 Executive Account Manager, a team of Administrative employees, and a sales engineering team. With over 110 individuals reporting through Mr. Peterson, he opened the local dial tone and Internet markets in Utah, Idaho, and Montana for McLeodUSA. Drew helped in setting pricing and creating products during this time. Mr. Peterson became the Director of Sales and Strategic Accounts prior to leaving McLeod and was the top Strategic Director of Sales for McLeodUSA in 2002.

Chad J. Bauer, Vice President, Chief Operations Officer (COO)

Mr. Bauer began his career in telecommunications in 1981 as a Provo Branch Manager with National Telecom, a alternative long distance provider. Upon the purchase of National Telecom, Inc. by Tel America, Mr. Bauer continued employment as a sales manger in the Utah County Area, General Manager of the State of Idaho, Sales Manager of the State of Utah, and Corporate Marketing Manager for Tel America. While with Tel America, Mr. Bauer became acquainted and experienced in sales, marketing, computer software, pricing and cost structures, equipment installation, programming and deployment, managing employees, opening sales offices, and running a profitable business. While working in the Corporate headquarters, Mr. Bauer was responsible for creating and implementing competitive products for the states in which Tel America provided service in. Using this experience and knowledge base, Mr. Bauer is now experienced in telephone switch operation, call routing, trouble shooting, developing profitable products, implementation of ideas, Voice over Internet Protocol development and deployment, providing Internet service to individuals and business, billing and collections.

Kevin L. Mayberry, Secretary, Chief Technical Officer (CTO)

Mr. Mayberry began his career in telecommunications in 1982 as a telephone system installer for Maycom Telematics, Inc., he was responsible for cabling, installation, and programming of PBX telephone systems throughout the Intermountain and Midwest United States for businesses and small motels. In 1986 Mr. Mayberry became partner and co-owner of Central Office Consultants, Inc., an authorized agent for Mountain Bell at that time, which became US West, and now Qwest. Mr. Mayberry provided consulting services and sold telecommunication service's to large business and governmental agencies. Mr. Mayberry has been instrumental in developing, programming, billing, and maintaining large telecom network infrastructures and well as deploying wireless, LAN, and WAN Internet networks. Mr. Mayberry is instrumental in working through "white papers" for telecom and Internet equipment to determine what the "real" capabilities are. Mr. Mayberry was instrumental in developing a shared tenant telecommunications network to provide off campus student housing with high quality, low cost, easy installation telephone and long distance service.

R. Matthew Ward, Assistant Marketing Manager

Mr. Ward has worked the last 5 years in telecommunications. Mr. Ward was a Major Account Representative for McLeodUSA Communications and was instrumental in selling, servicing, and maintaining business accounts. He was a top account representative during his tenure with McLeodUSA. Mr. Ward is well versed in telecom and developing and supporting products which will benefit consumers. As an Assistant Manager, Mr. Ward is also responsible for the team which maintains the accounts after they have purchased products from Veracity.

Christopher D. Modesitt, Internet Technology Manager

Mr. Modesitt has an extensive background in computer building, programming, and operation. He has been instrumental in maintaining the computer network for Metal West of Utah, prior to being employed with Veracity. Mr. Modesitt has deployed wireless, LAN, WAN, DSL, T-1, MegaCentral, ATM Internet networks. He has been instrumental in the successful development and deployment of Voice over Internet Protocol (VoIP) products. Mr. Modesitt creates, builds, and deploys products which can process local, long distance calls with dynamic Internet bandwidth available to the customer. He has a working understanding of all Microsoft OS's and Linux, and builds and maintains routers and servers using both operating system technology's, getting the best of both.

Lisa Matthews, Customer Service Manager

Ms. Matthews has worked the last 8 years with N.A.C.T., National Applied Computer Technology, a developer and manufacture of telecom switches used by alternative carriers. Ms. Matthews has managed the switch plant for remote company owners all over the world, allowing them to market long distance, calling card, and prepaid services without having to maintain the switch on their site. She has extensive customer service experience in the telecommunications industry, and has spent the past 3 years training purchases of the N.A.C.T. switches how to program, manage, and run their business. She has the understanding, knowledge, personality, and common sense to train and manage customer service representatives to service our customers.

CONFIDENTIAL EXHIBIT C

**FINANCIAL STATEMENTS OF VERACITY COMMUNICATIONS AT
DECEMBER 31, 2004**

CONFIDENTIAL--SUBJECT TO PROTECTIVE ORDER IN DOCKET NO. 05-2461-01

EXHIBIT E

VERIFICATION OF CHAD BAUER AS TO FINANCIAL STATEMENTS

CONFIDENTIAL EXHIBIT D

**COMBINED P&L AND BALANCE SHEET FOR VERACITY COMMUNICATIONS,
INC.,**

**AND T/A APARTMENT SERVICES, INC., DBA OFF CAMPUS
TELECOMMUNICATIONS**

(DECEMBER 31, 2004)

CONFIDENTIAL--SUBJECT TO PROTECTIVE ORDER IN DOCKET NO. 05-2461-01

Profit and Loss 2004	
Income/Revenue	
Internet Revenues	\$1,527,041.73
Dividend/Fees	\$980.00
Sales	\$1,272,493.09
Services	\$1,772.67
Total Income	\$2,802,287.49
Cost of Goods Sold	
Centrex Phone Cost	\$880,210.04
Internet Costs	\$250,690.96
Long Distance	\$495,979.50
Telephone Equipment	\$176,919.09
Total COGS	\$1,803,799.59
Gross Profit	\$998,487.90
Expenses	
Advertising	\$10,261.95
Acct/Legal Fees	\$909.53
Bank Fees	\$45,019.78
Dues and Subscriptions	\$1,715.11
Supplies and Installations	\$233,444.83
Office Supplies	\$8,700.64
Payroll	\$510,919.71
Insurance	\$4,617.60
Postage	\$15,511.96
Printing	\$4,421.91

License and Permits	\$82.68
Freight	\$1,117.04
Equipment Rental	\$3,750.00
Rent	\$28,025.00
Repairs	\$24,130.24
Commissions	\$7,033.40
Tax	\$7,275.25
Telephone	\$5,382.43
Travel/Entertainment	\$17,173.94
Professional Fees	\$1,760.05
Utilities	\$751.44
VoIP Misc.	\$5,966.56
Total Expenses	\$937,971.05
Net Profit	\$60,516.85

Balance Sheet	
ASSETS	
Current Assets	
Checking/Savings	
Checking	\$100,740.30
Total Checking/Savings	
Accounts Receivable	
Accounts Receivable	-\$174,735.69
Total Accounts Receivable	-\$174,735.69
Other Current Assets	
Cash	\$224.42
Tools	\$696.48
Raintree Prtshp	\$42,500.00
Total Current Assets	\$43,420.90
Fixed Assets	
Equipment	\$478,787.92

N/R Shareholders	\$235,392.67
Total Fixed Assets	\$714,180.59
TOTAL ASSETS	\$683,606.10
LIABILITIES & EQUITY	
Current Liabilities	
Accounts Payable	-\$19,680.52
Credit Cards	\$3,463.85
Far West Business Loan	\$31,608.46
MBNA Line of Credit	\$15,102.00
Payroll Liabilities	\$15,432.77
Sales Tax	\$26,965.72
SCSI Loan	\$291,709.17
Total Long Term Liabilities	\$380,818.12
Total Liabilities	\$364,601.45
Capital Stock	\$1,000.00
Owners Equity	-\$125,000.10
Retained Earnings	-\$69,799.77
Net Income	\$242,631.00
Total Equity	\$270,173.52
TOTAL LIABILITIES & EQUITY	\$683,606.10

CONFIDENTIAL EXHIBIT F

FIVE-YEAR PROFORMA

CONFIDENTIAL--SUBJECT TO PROTECTIVE ORDER IN DOCKET NO. 05-2461-01

ATTESTATION

The undersigned, Chad Bauer, Chief Operating Officer of Veracity Communications, Inc., and T/A Apartment Services, Inc., dba Off Campus Telecommunications, hereby attests to the accuracy, integrity and objectivity of the financial statements attached as Exhibit "D" to Veracity Communications Application. I also attest that the financial statements were prepared in accordance with Generally Accepted Accounting Principles.

Dated this ___ day of _____, 2005.

Veracity Communications, Inc.

**Chad Bauer
Chief Operating Officer**