

JON HUNTSMAN Jr. Governor GARY HERBERT Lieutenant Governor

## State of Utah Department of Commerce **Division of Public Utilities**

FRANCINE GIANI Executive Director

THAN LEVAR Deputy Director PHILIP POWLICK Director, Division of Public Utilities

## **MEMORANDUM**

- To: **Public Service Commission**
- From: Division of Public Utilities Philip Powlick, Director Bill Duncan, Telecommunications / Water Manager Ron Slusher, Utility Technical Consultant

Date: July 30, 2009

Re: In the Matter of the Application of NextGen Communications, Inc., for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange Telecommunications Service within the State of Utah Docket No. 09-2507-01.

## **RECOMMENDATION:**

The Division has reviewed the technical, managerial, and financial abilities of the Applicant and has found that the Applicant has provided the necessary information to fulfill the requirements as stated in the existing Commission rules. It believes that the public interest will be promoted by recommending that the Commission allow the Applicant a 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.

## **EXPLANATION:**

NextGen Communications Inc. ("Applicant") filed an application for a certificate of public convenience and necessity ("CPCN") on July 13, 2009. The Division reviewed the application and found the following:

The Applicant intends to offer its E911 routing and location-related services on a wholesale basis to VoIP providers, ILECs, cellular telephone providers, competitive local exchange ("CLEC") providers, and/or local 911 authorities. The Applicant does not anticipate providing any form of dial tone services on a retail basis to either residential or business end users.

According to financial statements attested to be accurate, objective and with integrity by Richard H. Dickinson, Senior Director – Public Safety, the Applicant has a positive net worth and has ample working capital.



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.

Summaries of professional experience and education of its managerial personnel demonstrate that the Applicant has considerable experience in the telecommunications industry. It is currently authorized to provide local exchange service in California, Florida, Minnesota, Tennessee, Texas, and Washington.

The Applicant requests that the \$100,000 bond requirement be waived because it will not require customer deposits or prepayments of any kind.

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: Richard H. Dickinson, Senior Director – Public Safety, NextGen Communications Inc Michael Ginsberg, Assistant Attorney General