

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the  
Petition of Qwest  
Communications Company, LLC,  
to Amend its Certificate  
of Public Convenience and  
Necessity No. 2204.

Docket No. 13-2204-01

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HEARING  
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TAKEN AT: Heber M. Wells Building  
160 East 300 South, Room 451  
Salt Lake City, Utah 84111

DATE: Tuesday, June 11, 2013

TIME: 2:00 p.m. to 2:48 p.m.

REPORTED BY: Michelle Mallonee, RPR

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APPEARANCES

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1

Hearing

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June 11, 2013

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## PROCEEDINGS

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THE COURT: We're on the record. And this is

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Docket 13-2204-01. I'm Melanie Reif, Administrative Law Judge

6

for the Utah Public Service Commission. This is the date and

7

time for the hearing in the matter entitled, "The Petition of

8

Qwest Communications Company, LLC, to Amend its Certificate

9

of Public Convenience and Necessity No. 2204."

10

Let's start by taking appearances, starting with the

11

Company, please.

12

MR. SOMERS: Yes. Torry Somers, associate

13

general counsel for CenturyLink, on behalf of Qwest

14

Communications Company. And with me is Jim Farr.

15

THE COURT: Thank you.

16

MR. JETTER: Justin Jetter representing the

17

Division of Public Utilities. And with me is Division expert Ron

18

Slusher.

19

MS. SLAWSON: Kira Slawson from Blackburn &amp;

20

Stoll on behalf of Carbon/Emery Telecom. And with me is Brock

21

Johansen.

22

THE COURT: Very good. Mr. Somers, as I

23

understand it, a stipulation has been filed in this docket and the

24

Commission has a copy of that.

25

So just for procedural reference, how do you wish

1 to proceed, in as much as do you wish to address the stipulation  
2 first and then move into the application itself, or what--

3 MR. SOMERS: We are prepared to put Mr. Farr on  
4 the stand today to go through the stipulation and its various  
5 points.

6 THE COURT: Okay. And then with respect to the  
7 application itself, are you going to do a general presentation on  
8 that as well?

9 MR. SOMERS: Through Mr. Farr's testimony, he'll  
10 discuss what is in the application and then also what is in the  
11 stipulation.

12 THE COURT: Okay. Okay. All right. So let's go  
13 ahead and put Mr. Farr on the stand.

14 And you are welcome to come up here. And Mr.  
15 Farr, could you please raise your right hand. Do you swear that  
16 the testimony you are about to give is the truth?

17 MR. FARR: Yes.

18 THE COURT: Thank you. Please be seated.

19 JAMES FARR, having been first duly sworn, was  
20 examined and testified as follows:

21 DIRECT EXAMINATION

22 BY-MR.SOMERS:

23 Q. Mr. Farr, can you please state your full name?

24 A. Yes. James Farr.

25 Q. And where are you employed?

1 A. I'm employed by CenturyLink.

2 Q. And what is your position?

3 A. I'm director of Utah and Idaho regulatory affairs.

4 Q. Are you familiar with Qwest Communication

5 Company's petition to amend CPCN No. 2204?

6 A. Yes, I am.

7 THE COURT: Mr. Somers, may I interrupt just a  
8 moment? I'm not hearing you real well. Is your microphone on?

9 MR. SOMERS: It is now.

10 THE COURT: Okay. And you may want to pull it a  
11 little bit closer. It seems to do a better job that way. Thank you  
12 very much.

13 BY MR. SOMERS:

14 Q. Mr. Farr, what is the purpose of Qwest  
15 Communication Company's petition to amend CPCN No. 2204?

16 A. The current CPCN has a restriction on QCC's  
17 provision of local exchange service. When QCC originally  
18 sought a CPCN in the 1990s, it did not request to provide local  
19 exchange service. And now it desires to do so. QCC is a CLEC  
20 and wants to be able to operate like many other CLECs in Utah.  
21 Other CLECs are able to offer local exchange service  
22 throughout Utah, excluding those exchanges of less than 5000  
23 access lines of incumbent telecommunication corporations with  
24 fewer than 30,000 access lines.

25 The Division has already reviewed the technical,

1 managerial, and financial abilities of QCC and has found that  
2 they have provided the necessary information to satisfy the  
3 Commission's rules for amending CPCN 2204. And the DPU  
4 further stated that they believe the expansion of CPCN 2204 is  
5 in the public interest.

6 Q. Mr. Farr, when you are referring to QCC, that is  
7 Qwest Communications Company, correct?

8 A. That's correct.

9 Q. Are you familiar with Carbon/Emery's petition to  
10 intervene?

11 A. Yes. Carbon/Emery expressed concern that the  
12 expansion of CPCN 2204 in Price, Utah, may have an impact on  
13 the state Universal Service Fund. After meeting with  
14 Carbon/Emery and the Division, the parties were able to reach a  
15 mutually agreeable resolution of this matter.

16 Q. QCC, Carbon/Emery, and the Division entered into  
17 a stipulated settlement, correct?

18 A. That is correct.

19 Q. Can you please explain the terms of the  
20 settlement?

21 A. The parties agree to the following: CPCN 2204  
22 shall permit QCC to provide service throughout Utah, excluding  
23 those local exchanges of less than 5000 access lines of  
24 incumbent telephone corporations with fewer than 30,000  
25 access lines in the state, subject to the terms of this stipulation.

1                   CPCN 2204 shall be effective immediately upon  
2 Commission approval, but shall have a delay implementation  
3 date for Price and Vernal, as set forth in this stipulation.

4                   CPCN 2204 shall not be implemented in Price,  
5 Utah, until April 1, 2017. Nothing in the stipulation shall prohibit  
6 QCC from seeking an implementation date prior to April 1, 2017,  
7 for CLEC operations in Price, Utah, provided it files a petition  
8 with the Commission with notice to Carbon/Emery and such  
9 petition is granted by the Commission.

10                  CPCN 2204 shall not be implemented in Vernal,  
11 Utah, until April 1, 2015. Nothing in the stipulation shall prohibit  
12 QCC from seeking an implementation date prior to April 1, 2015,  
13 for CLEC operations in Vernal, Utah, provided it files a petition  
14 with the Commission with notice to Strata and such petition as  
15 granted by the Commission.

16                  The delayed implementation dates of CPCN 2204 in  
17 Price and Vernal gives Carbon/Emery and Strata an opportunity  
18 to evaluate the impacts of the FCC's transformation order and  
19 possibly seek legislative changes they believe may be needed  
20 as a result of the order.

21                  QCC acknowledges its competitive entry in Price or  
22 Vernal shall be subject to any applicable legislative, statutory,  
23 or rule changes that occur prior to the implementation dates of  
24 CPCN 2204 in Price and Vernal. This stipulation does not  
25 impact QCC's ability to operate anywhere in Utah for services

1 that do not require a CPCN.

2 MR. SOMERS: Your Honor, I know you mentioned  
3 before that the settlement stipulation is on file with the  
4 Commission. Would you like us to introduce it as an exhibit now  
5 in this proceeding?

6 THE COURT: Yes, you may.

7 MR. SOMERS: May I approach Mr. Farr?

8 THE COURT: Sure. Thank you.

9 BY MR. SOMERS:

10 Q. Mr. Farr, I just handed you a document entitled,  
11 "Settlement Stipulation," correct?

12 A. Yes.

13 Q. Is this the document that you were referring to  
14 when you were talking about the terms of the settlement?

15 A. Yes, it is.

16 MR. SOMERS: Your Honor, move to admit the  
17 settlement stipulation as an exhibit in this proceeding.

18 THE COURT: Any objection?

19 MS. SLAWSON: No objection.

20 MR. JETTER: No objection.

21 THE COURT: Thank you. Mr. Somers, if it's okay  
22 with you, we'll mark this QCC Exhibit No. 1.

23 MR. SOMERS: Okay.

24 QCC Exhibit-1 marked

25 BY MR. SOMERS:

1 Q. Mr. Farr, do you believe the stipulated settlement is  
2 in the public interest?

3 A. Yes. QCC believes it's in the public interest for the  
4 Commission to approve the stipulation between the parties. The  
5 parties were able, through settlement, to negotiate a workable  
6 solution. And the Commission can proceed with granting CPCN  
7 2204.

8 In regards to Price and Vernal, there will be a  
9 delayed implementation date. Price is April 1, 2017; Vernal is  
10 April 1, 2015. At the current time, it is not a priority of QCC to  
11 begin offering local exchange service in Price and Vernal.  
12 However, from a policy perspective, QCC wants to be able to  
13 provide local exchange service in the same manner as other  
14 CLECs. The Commission has previously approved other CLEC  
15 certificates, which include the Price and Vernal exchanges.

16 If QCC's priority should change prior to the  
17 implementation date, nothing in the stipulation shall prohibit  
18 QCC from petitioning the Commission for a change in the  
19 implementation date, consistent with the other criteria in the  
20 stipulation.

21 QCC acknowledges Carbon/Emery's concerns. And  
22 the delayed implementation date will give Carbon/Emery and  
23 Strata the opportunity to evaluate the impact of the FCC's  
24 transformation order.

25 By reaching this settlement, this avoids the need to

1 go through a contested hearing. The Commission will not need  
2 to decide at this time the difficult legal issue of whether there is  
3 a legal basis to have previously approved other CLEC's CPCNs  
4 to provide local exchange service in Price and Vernal and now  
5 excludes QCC from doing so.

6 CenturyLink believes that at this time the resources  
7 of the Commission and the involved parties would be better  
8 spent on Universal Service Fund reform and other important  
9 parity issues.

10 MR. SOMERS: I have no other questions for Mr.  
11 Farr.

12 THE COURT: Thank you.

13 Any questions, Mr. Jetter?

14 MR. JETTER: I have no questions, your Honor.

15 THE COURT: Ms. Slawson?

16 MS. SLAWSON: We have no questions.

17 THE COURT: Okay. Just a few questions for you,  
18 Mr. Farr.

19 MR. FARR: Yes.

20 CROSS-EXAMINATION

21 BY-THE COURT:

22 Q. On page 3 of the stipulation, which has been  
23 marked as QCC Exhibit No. 1, and which has been accepted by  
24 the Commission into evidence, that document purports that  
25 Strata has a local exchange in Vernal, Utah. Is that your

1 understanding?

2 A. Yes.

3 Q. But nevertheless, Strata is not a party to this  
4 stipulation. Is that correct?

5 A. That is correct.

6 Q. Okay. Do you know if Strata is aware of this  
7 arrangement between QCC and Carbon/Emery and the Division?

8 A. That's my understanding. Their attorney that  
9 represents Carbon/Emery also represents Strata.

10 Q. Okay. Do you know if they were given an  
11 opportunity to actually sign the agreement?

12 A. Because--I don't know that they were given the  
13 opportunity. They are not a party to the proceeding.

14 Q. Okay.

15 A. But ...

16 Q. Is it QCC's position that regardless of whether  
17 Strata has signed the agreement or otherwise intervened in the  
18 case, that QCC is willing to agree to delay implementation in  
19 Strata's area in Vernal, despite the fact that they're not a party  
20 to this?

21 A. Yeah. Consistent with the stipulation, we're willing  
22 to agree to April 1, 2015.

23 Q. Okay. One other question for you.

24 If you could turn to page 4 of the stipulation.

25 Paragraph 7 states, "QCC acknowledges its competitive entry in

1 Price or Vernal shall be subject to any applicable legislative,  
2 statutory, or rule changes that occur prior to the implementation  
3 dates of CPCN 2204 in Price and Vernal."

4 I'm assuming that you also mean subsequent or  
5 subsequent to--actually, I think I'm confusing myself. What I'm  
6 trying to ask you is: Assuming that there is a legislative change  
7 before the Commission would authorize this. Does that change  
8 paragraph 7 in your mind?

9 A. The reason for this provision is that we can't really  
10 bind the legislature through this agreement. And this is  
11 hypothetical. I don't know. But if they made a change that  
12 applied to the existing CLEC certificates in Vernal and Price,  
13 then it would be applicable to CenturyLink as well. I mean,  
14 that's conceivable and that was the intent.

15 Q. Okay. Are you aware of any objection to the  
16 stipulation?

17 A. I've not heard an objection.

18 Q. Okay. And is it QCC's position that the proposed  
19 settlement is just and reasonable?

20 A. Yes, we believe it is.

21 Q. Okay. Thank you, Mr. Farr. That is all I have for  
22 you. You may be excused. Thank you for your time.

23 A. Thank you.

24 THE COURT: Mr. Jetter, would you like to go next?

25 MR. JETTER: Yes, thank you, your Honor. The

1 Division would like to call our witness, Ron Slusher.

2 THE COURT: Mr. Slusher, are you prepared to  
3 testify today?

4 MR. SLUSHER: Yes.

5 THE COURT: And would you raise your right hand,  
6 please. Do you swear that the testimony you are about to give  
7 is the truth?

8 MR. SLUSHER: Yes.

9 THE COURT: Thank you. You may proceed.

10 MR. JETTER: Thank you.

11 RON SLUSHER, having been first duly sworn, was  
12 examined and testified as follows:

13 DIRECT EXAMINATION

14 BY-MR.JETTER:

15 Q. Mr. Slusher, would you please state your name and  
16 occupation for the record.

17 A. Ron Slusher, utility technical consultant for the  
18 Division of Public Utilities.

19 Q. Thank you. Mr. Slusher, have you reviewed the  
20 application and the supporting materials, along with the  
21 settlement stipulation and all of the other filings made in this  
22 docket?

23 A. Yes, I have.

24 Q. And have you submitted a recommendation from  
25 the Division of Public Utilities in this docket?

1 A. Yes, I did.

2 Q. Have you reviewed the settlement stipulation  
3 signed by the parties in this docket as well?

4 A. Yes, I did.

5 Q. And do you believe that--subject to the terms of the  
6 settlement stipulation, would the memo filed still reflect the  
7 Division's position with respect to any other extension of the  
8 CPCN if requested?

9 A. Yes, it would.

10 Q. And with respect to the areas with the additional  
11 terms found in settlement stipulation, do you believe that  
12 approval by the Commission of the settlement stipulation terms  
13 would be just, reasonable, and in the public interest?

14 A. Yes.

15 Q. Are you aware of any objection from any party to  
16 the settlement stipulation or the terms contained within it?

17 A. I have not heard of any.

18 Q. Thank you. I have no further questions.

19 THE COURT: Thank you.

20 Mr. Somers, questions?

21 MR. SOMERS: No questions.

22 THE COURT: Ms. Slawson?

23 MS. SLAWSON: No questions.

24 CROSS-EXAMINATION

25 BY-THE COURT:

1 Q. Mr. Slusher, there's been some testimony--Mr. Farr  
2 testified that the reason for the stipulation was, in part, so that  
3 the parties can evaluate the FCC transformation order and to  
4 better determine how that affects them in the areas of Price and  
5 Vernal.

6 You may or may not have the answer to this, but  
7 I'm just wondering: Are you able to give a little bit more  
8 background into what is pending before the FCC that makes the  
9 area of Price and Vernal particularly relevant?

10 A. I'm not really prepared to go into that.

11 Q. Okay.

12 A. I haven't really paid much attention to the FCC  
13 ruling.

14 THE COURT: Okay. Okay. No further questions.  
15 Ms. Slawson?

16 MS. SLAWSON: We would call Brock Johansen.

17 THE COURT: Mr. Johansen, are you prepared to  
18 testify today?

19 MR. JOHANSEN: Yes.

20 THE COURT: And would you please raise your  
21 right hand. Do you swear that the testimony you are about to  
22 give is the truth?

23 MR. JOHANSEN: Yes.

24 THE COURT: Thank you. You may proceed.

25 BROCK JOHANSEN, having been first duly sworn,

1 was examined and testified as follows:

2 DIRECT EXAMINATION

3 BY-MS.SLAWSON:

4 Q. Would you please state your name and occupation  
5 for the record.

6 A. Brock Eugene Johansen. I'm the CEO/General  
7 Manager of Carbon/Emery Telecom.

8 Q. And in your capacity as CEO and general manager  
9 of Carbon/Emery Telecom, have you reviewed the terms of the  
10 stipulation, which has been marked as Exhibit 1 in this hearing?

11 A. Yes.

12 Q. Do you believe to the terms of the stipulation are  
13 just and reasonable?

14 A. Yes.

15 Q. Do you believe that the stipulation is in the public  
16 interest?

17 A. Yes.

18 Q. And does Carbon/Emery support the Commission's  
19 entry of an order adopting the stipulation?

20 A. Yes.

21 Q. Do you know of any objections--have you heard of  
22 any objections to the stipulation?

23 A. No.

24 Q. I have no other questions.

25 THE COURT: Mr. Somers?

1 MR. SOMERS: No questions.

2 THE COURT: Mr. Jetter?

3 MR. JETTER: I have no questions, your Honor.

4 THE COURT: Mr. Johansen, just a few questions,  
5 please.

6 CROSS-EXAMINATION

7 BY-THE COURT:

8 Q. Do you have any affiliation with Strata?

9 A. Yes--by "affiliation," can you clarify that?

10 Q. Are you a part owner in Strata?

11 A. No. We are a neighboring company. We do have  
12 some joint ventures with them. But as far as Strata as a whole,  
13 we aren't.

14 Q. Okay. And what's the nature of your joint venture  
15 with Strata?

16 A. They're in some other companies outside of the  
17 realm of this proceeding. We do have a switching company  
18 together. And then we have a fiber company that we serve  
19 outside of the areas involved here.

20 Q. Do you serve on their board?

21 A. No. I don't have any affiliation with Strata, the  
22 actual company Strata.

23 Q. Have you been in touch with Strata about this  
24 agreement?

25 A. Yes.

1 Q. And is there any reason why Strata did not  
2 participate in the stipulation as much as indicating a preference  
3 or willing to sign it?

4 A. I don't have any knowledge of that. I talked to the  
5 CEO of Strata about this, but they weren't parties to the  
6 proceeding. So I think they--  
7 I don't know. I'd have to speculate on why they hadn't signed.  
8 But that was my understanding.

9 Q. Did you give them an opportunity to be a part of the  
10 stipulation?

11 A. That--I didn't, but that wasn't really in my realm.

12 Q. Did you ask them if they would support the  
13 stipulation?

14 A. Yes.

15 Q. And what was their response?

16 A. They were supportive of them. That's why the  
17 language is how it is. The addition to the original stipulation  
18 only--as we were discussing back and forth in our initial  
19 conference with QCC, we only discussed limited entry, or  
20 delayed entry, into the Carbon/Emery exchange.

21 Subsequently, we talked with--my counsel and  
22 myself talked with Strata's management. They requested that  
23 we add the language concerning Strata. And so that language  
24 was added at their request.

25 Q. At Strata's request?

1 A. Yes. But again, they weren't parties to the  
2 proceeding. So that's why they're not on the stipulation.

3 Q. Did you give them an opportunity to review the  
4 stipulation or otherwise sign the stipulation?

5 A. I don't have any knowledge of that.

6 Q. Okay.

7 A. I'm sure they are aware of the--as was stated in Mr.  
8 Farr's testimony, our attorneys are--  
9 they represent both companies, Strata and Carbon/Emery. So  
10 their attorney is our attorney. They reviewed the stipulation.  
11 They prepared the stipulation. Blackburn & Stoll is aware of it,  
12 and they represent both companies. So through their counsel, I  
13 would believe they have seen this and have signed off on it.

14 Q. Have you actually seen a signed copy?

15 A. Not signed off like that. But I mean agreed to.

16 Q. Okay.

17 THE COURT: Ms. Slawson, I'll come back to you.

18 Thank you.

19 BY THE COURT:

20 Q. Mr. Johansen, another question for you, please.

21 With respect to a question that I raised with Mr. Slusher earlier,  
22 the stipulation purports, in part, that the reason for making the  
23 exceptions in the areas of Price and Vernal are to give the  
24 companies an opportunity to evaluate the impact that the FCC  
25 transformation order will have.

1 Can you help explain what it is about the  
2 transformation order that makes the areas of Vernal and Price  
3 particularly important, or what it is about the transformation  
4 order in general that makes this stipulation important?

5 A. I'll try. So the transformation order and then the  
6 subsequent orders following that from the FCC have changed  
7 the revenue sources for telecommunication companies, in  
8 particular Carbon/Emery. It limits or changes the way funds are  
9 distributed out of the federal Universal Service Fund. It also  
10 limits and changes the way access rates--well, it limits and  
11 changes access rates, both on the federal and the state side.

12 And because of those two changes, that's going to  
13 have an effect--because of the way the laws in the State of Utah  
14 are written, that's going to--the change in federal revenues is  
15 going to affect the state revenues, also, and the state Universal  
16 Service Fund. So many states are looking at ways to revise  
17 their state Universal Service Funds and their access rates, state  
18 access rates, intra-state access rates. All of a sudden that went  
19 loud. Sorry.

20 As part of that, the legislature commissioned--the  
21 Commission actually looked at that. So there is another  
22 proceeding before this Commission on that very subject. And  
23 we anticipate that the legislature at some point will have to  
24 change their rules to account for the changes on the federal  
25 level. And Carbon/Emery's opinion is that this stipulation allows

1 us time to do that. And so we feel it is in the public interest to  
2 have this stipulation. It allows us to see what the state  
3 legislature is going to do as far as changing law and to account  
4 for the changes on the federal level.

5 It also allows the changes on the federal level to--  
6 they're not complete. Since the transformation order was  
7 initially enacted at the end of 2011, there's been many  
8 subsequent orders. And so they're still trying to figure out the  
9 rules on the federal side. And as soon as they figure out the  
10 rules on the federal side, we anticipate that the State will have  
11 to make some rule changes. In fact, Carbon/Emery and some of  
12 the other rural ILECs in the state have recommended that the  
13 State look at some law changes.

14 Did that answer your question?

15 Q. As I understand the stipulation, you are requesting  
16 an extension to 2017 for Price. And with respect to Vernal,  
17 there's an extension to 2015, exactly a year apart. Can you  
18 help me understand that?

19 A. It's two years, your Honor. And I don't know why  
20 the disparate--the discrepancy in those dates. When we met  
21 with QCC, we asked that they push this decision out--or delay  
22 this out to 2017. They agreed. And that's the date that we  
23 agreed to with QCC. I do not know why Strata's is 2015.

24 Q. Okay. So is it correct to say that with respect to  
25 the first part of the question that I was asking you about

1 extending these dates out to give the companies an opportunity  
2 to evaluate the impact of the FCC transformation order is that  
3 the companies may have certain things in mind, such as,  
4 perhaps, discussing certain things with the state legislature.  
5 But all of that isn't solidified yet. There's nothing for sure. For  
6 example, there's not a piece of legislation that you are  
7 supporting at the moment that addresses that issue?

8 A. No.

9 Q. Okay. So it's--

10 A. And that's why the reason for the 2017 date, is  
11 because we're still waiting for some of these orders to take  
12 effect. There was a staged approach on a lot of the SEC's  
13 transformation order. And then, like I said, there were  
14 subsequent orders. And they have promised future orders. So  
15 we know that the changes on the federal level are not even  
16 complete yet, and as they are completed, we do anticipate  
17 pushing for changes in the state law.

18 Q. Okay. And the time frame that you've identified will  
19 give you an opportunity to address that?

20 A. We hope so.

21 Q. Okay. And--okay. Very good.

22 THE COURT: Ms. Slawson, I know I was asking  
23 your client some questions, which I think you were probably  
24 wanting to address with respect to Strata and whether or not  
25 they were given an opportunity to be a party. And you're

1 welcome to address that.

2 MS. SLAWSON: I would just proffer for this  
3 proceeding that Strata has reviewed this stipulation and has had  
4 notice of the hearing date and has no objections to the  
5 stipulation. And  
6 they--to my way of thinking, they were not included in this  
7 stipulation as a signer because they were not formal intervenors  
8 in the case.

9 THE COURT: Okay. Is there anything that you  
10 would like to add with respect to the date disparagement, the  
11 two-year difference, the 2017 versus the 2015? Is there any  
12 clarification that you can provide with respect to that?

13 MS. SLAWSON: Those are the dates that the  
14 parties were able to agree upon for the terms of this stipulation.

15 THE COURT: Okay.

16 Mr. Somers, do you have something you would--

17 MR. SOMERS: And I can add to that as well.

18 Strata did not intervene. However, as a compromise, and in an  
19 effort to avoid challenges to the stipulation, the parties all  
20 agreed to the restrictions in Vernal. There is a disparity  
21 between the two years and the four years, but that was a  
22 compromised agreement.

23 I know that Ms. Slawson had spoken to Strata  
24 about that. Strata could have filed an intervention. We would  
25 have challenged that intervention. So a lot of that came into

1 play in terms of this overall compromise.

2 THE COURT: Okay.

3 MR. SOMERS: And even with the disparity, I would  
4 just point out that everyone indicated they believe it's just and  
5 reasonable, even with the disparity between Strata and  
6 Carbon/Emery.

7 THE COURT: Okay. Thank you. And we've  
8 finished with questions.

9 So was there anything else anybody wished to add?  
10 Is there anyone here to object to the application and/or  
11 stipulation?

12 We'll take a recess for five minutes and we'll be  
13 back. Thank you.

14 (A break was taken from 2:38 p.m. to 2:47 p.m.)

15 THE COURT: Thank you, everyone. We're back on  
16 the record.

17 Do we have any questions or concerns before we  
18 adjourn today?

19 I just wish to note that the Commission, as you all  
20 know, under 57--excuse me, 54-7-1 does prefer settlements.  
21 And we'll be taking this matter under advisement and issuing an  
22 order as quickly as possible. So thank you very much for your  
23 testimony and your time today. All the information that was  
24 provided was very helpful and very much appreciated by the  
25 Commission.

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And I hope you have a very nice afternoon. Thank  
you. We're adjourned.  
(The matter concluded at 2:48 p.m.)

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CERTIFICATE

State of Utah )

ss.

County of Salt Lake )

I, Michelle Mallonee, a Registered Professional Reporter in and for the State of Utah, do hereby certify:

That the proceedings of said matter was reported by me in stenotype and thereafter transcribed into typewritten form;

That the same constitutes a true and correct transcription of said proceedings so taken and transcribed;

I further certify that I am not of kin or otherwise associated with any of the parties of said cause of action, and that I am not interested in the event thereof.

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Michelle Mallonee, RPR, CSR