

ORIGINAL



State of Utah
Department of Commerce
Division of Public Utilities

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2013 SEP 23 12:01

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Lieutenant Governor

RECEIVED

MEMORANDUM (Reviewed/Approved)

- To: Public Service Commission Ron Allen _____
- From: Division of Public Utilities
Chris Parker, Director *CP/BD* David R. Clark _____
Bill Duncan, Telecommunications / Water Manager *BD*
Ron Slusher, Utility Technical Consultant *RS* Thad LeVar _____

Date: September 21, 2013

Re: In the Matter of the Application of BCN Telecom, Inc. for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange and Interexchange Telecommunications Services in the State of Utah, Docket No.13-2566-01.

Administrative Law Judge

Melanie Reif _____

RECOMMENDATION (Approve):

The Division of Public Utilities ("Division") has reviewed the technical, managerial, and financial abilities of the BCN Telecom, Inc. ("BCN") and has found that they have provided the necessary information to fulfill the requirements as stated in the existing Public Service Commission ("Commission") rules. The Division believes that the public interest will be promoted by recommending that the Commission allow the BCN a Certificate of Public Convenience and Necessity ("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.

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 request that this docket be adjudicated informally in accordance with R746-110-1.

EXPLANATION:

("BCN or Applicant") filed an application for a CPCN with the Commission on or about August 21, 2013. The Division reviewed the application and found the following:



BCN is a registered foreign corporation within the State of Utah; with its corporate head quarters located at 550 Hills Drive, Suite 110, 1st Floor, Bedminster, NJ 07921..

The Applicant seeks statewide authority except within exchange areas with less than 5,000 access lines that are owned or controlled by an ILEC with fewer than 30,000 total access lines in accordance with Utah Code Ann. 54-8b-2.1 (3) and (4). Specifically, The Applicant seeks authority as a reseller local exchange services in the service areas of CenturyLink Communications, Inc. and any other existing or future LECs providing service in Utah.

The Applicant intends to provide a full range of telecommunications services to business customers in the incumbent CenturyLink exchanges statewide in Utah, consistent with the exchange maps CenturyLink has on file with the Commission.

The Applicant does not plan to construct any facilities in the state. The Applicant intends to use the local loops and other existing network facilities where prudent of the local exchange incumbent provider.

The Applicant intends to commence negotiations with CenturyLink Communications for an interconnection/commercial agreement immediately upon receiving approval from the Public Service Commission of Utah to operate as a local exchange telecommunications service provider in the State of Utah.

BCN will provide access to local exchange, operator services, directory assistance, directory listings, and emergency services such as 911 and E911 either through facilities based interconnection or resale services purchased directly from the ILEC.

Summaries of professional experience and education of its managerial personnel demonstrate that the Applicant has considerable experience in the telecommunications industry.

According to financial statements attested to be accurate, objective and with integrity by Richard M. Boudria, President, of BCN Telecom, Inc. the Applicant has a positive net worth and has ample working capital.

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 is authorized to provide facilities-based and/or resold local exchange services in: Alabama, California, Colorado, Connecticut, District of Columbia, Delaware, Florida, Georgia, Illinois, Kentucky, Massachusetts, Maryland, Maine, Michigan, North Carolina, New Hampshire, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, Vermont, West Virginia, and Wisconsin. The Applicant is currently authorized to provide long distance services throughout the United States with the exception of Alaska.

The Applicant claims that it has never had any complaints nor has any investigation been undertaken against it involving unauthorized switching (slamming) or any other illegal activities. The Applicant also states that they utilize company sales representatives to market its services. The Company's marketing plan for Utah will be limited in nature. As such, the Company's exposure to unauthorized switching of customers is almost non-existent. The Company will comply with all FCC and state requirements regarding solicitation and authorization for preferred carrier changes.

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 M. Boudria, President, BCN Telecom, Inc.
Justin Jetter, Assistant Attorney General, State of Utah
Cheryl Murray, Utility Analyst, Office of Consumer Services, State of Utah