

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the
Application of Vitcom LLC for aDocket No. 15-2576-01
Certificate of Public
Convenience and Necessity to
Provide Facilities-Based and
Resold Local Exchange and
Interexchange
Telecommunications Services
within the State of Utah

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HEARING PROCEEDINGS  
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TAKEN AT: Public Service Commission
Hearing Room 451
160 East 300 South
Salt Lake City, Utah

DATE: Tuesday, March 24, 2015

TIME: 1:05 p.m.

REPORTER: Nancy A. Fullmer, RMR

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APPEARANCES

Administrative Law Judge: Melanie A. Reif
 For the Division of Public Utilities:
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 Assistant Attorney General
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PROCEEDINGS

THE HEARING OFFICER: Good afternoon, everyone. We're on the record and this is Docket 15-2576-01. The matter is entitled In the Matter of the Application of Vitcom, LLC for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange and Interexchange Telecommunications Services within the State of Utah.

My name is Melanie Reif and I am ALJ for the Utah Public Service Commission. Let's start by taking appearances starting with you, please, Mr. Jetter.

MR. JETTER: I'm Justin Jetter. I represent the Utah Division of Public Utilities. And with me at counsel table is Ron Slusher.

THE HEARING OFFICER: Thank you.
Ms. Slawson.

MS. SLAWSON: Kira Slawson representing Utah Rural Telecom Association.

MR. JETTER: And, I think at this point, I understand from Kira that she just got an e-mail that Mordy Gross would like to call in.

THE HEARING OFFICER: Okay. Let's go off the record then.

1 (Recess taken.)

2 THE HEARING OFFICER: We now have a
3 caller on the line. And, Mr. Gross, could you
4 please identify yourself and who you represent in
5 this case?

6 MR. GROSS: My name is Mordy Gross. I'm
7 the regulatory counsel for Vitcom, LLC.

8 THE HEARING OFFICER: Thank you,
9 Mr. Gross, and welcome. Mr. Gross, we've already
10 taken appearances. And just for your information
11 since you're not here and are joining us by
12 telephone, we have here Justin Jetter with the
13 Division of Public Utilities and his witness, Ron
14 Slusher. We also have Kira Slawson with URTA.
15 And, as I understand it, you will be testifying on
16 behalf of the applicant. Is that correct?

17 MR. GROSS: Yes.

18 THE HEARING OFFICER: Okay. I'm going to
19 let you go first as you're the applicant. And
20 inasmuch as you're going to be testifying, I would
21 like to go ahead and swear you in at this time.
22 So if you would kindly raise your right hand. And
23 do you swear that the testimony that you'll be
24 giving today will be the truth?

25 MR. GROSS: Yes.

1 THE HEARING OFFICER: Okay. Thank you,
2 sir. You may proceed.

3 MR. GROSS: Okay. To be honest with you,
4 I mean, we sent the application petition, so
5 I'm--and I was contacted by counsel for the Rural
6 elect. And I believe--the Rural Telecom--that we
7 had some conversation back and forth via e-mail.
8 And I actually believe that--is she there,
9 Ms. Slawson?

10 THE HEARING OFFICER: Yes. Ms. Slawson
11 is here.

12 MR. GROSS: I believe that she has
13 information regarding amending our application
14 that we agreed to stipulate to.

15 THE HEARING OFFICER: Okay. And since
16 you are the applicant, sir, would you like to
17 present with what that agreement is?

18 MR. GROSS: Yes. We are agreeing to
19 limit our CPC application within the CenturyLink
20 service area. If we want to provide
21 telecommunication services outside of
22 CenturyLink's service area, we will submit a new
23 application demonstrating that granting applicant
24 additional services is in the public interest.

25 THE HEARING OFFICER: Okay. Very good.

1 Do you happen to have a copy of the notice of
2 filing, comment period, and hearing that was
3 issued by the Commission in this docket on the 5th
4 of February?

5 MR. GROSS: I will--if you give me a
6 minute, I will pull it up.

7 THE HEARING OFFICER: Okay. I just
8 wanted to ask you one quick question about that.
9 In the notice of hearing portion of that document,
10 the Commission ask that parties come prepared to
11 this hearing to testify on whether granting Vitcom
12 a certificate of public convenience and necessity
13 is just and reasonable and in the public interest.
14 So in addition to what you have already stipulated
15 to and clarified, which is very helpful and I
16 appreciate that, could you be sure to address the
17 issue that is outlined in the notice of hearing?

18 MR. GROSS: Yes. So to briefly give you
19 some background about Vitcom is we are a federal
20 local exchange company that we're--we originally
21 started in New York and we've been providing
22 competitive services to customers in New York
23 state and we are expanding into other regions as
24 well, including Utah.

25 And by providing this competitive--we

1 believe that providing--we believe that providing
2 these competitive services will be--you know, will
3 be--it will be--it will help level corp for
4 consumers and it's within the public--you know,
5 public necessity to provide--it's within the
6 public's necessity to provide low corp services.
7 We believe that it is just and reasonable and in
8 the public interest to grant this petition.

9 THE HEARING OFFICER: Thank you,
10 Mr. Gross. In reviewing the application that you
11 submitted on the 8th of January, 2015, that
12 application is submitted by a Zalmen--sorry, I'm
13 not sure how to pronounce his last
14 name--A-S-H-K-E-N-A-Z-I.

15 MR. GROSS: Ashkenazi.

16 THE HEARING OFFICER: Ashkenazi. And it
17 is also signed by--the application was also signed
18 by him. As the individual testifying on behalf of
19 the applicant today, do you adopt the statements
20 in the application as your own?

21 MR. GROSS: Yes, I do.

22 THE HEARING OFFICER: Okay. And are
23 there any corrections that you would need to make
24 in light of the information that you shared
25 earlier about the discussions with Ms. Slawson?

1 MR. GROSS: Other than those changes and
2 other than what was already communicated to staff,
3 no.

4 THE HEARING OFFICER: Okay. Are there
5 any questions for Mr. Gross?

6 EXAMINATION

7 BY-MR.JETTER:

8 Q. I think--this is Justin Jetter from the
9 Utah Division of Public Utilities. I think we've
10 already had this on the record, but I want to
11 clarify that you understand and that everyone is
12 under the same understanding, Mr. Gross, that
13 Vitcom is not going to seek to provide any
14 services in the--in telecommunication services
15 under the CPCN in the areas outside of what's
16 currently generally referred to as CenturyLink's
17 area, which is area served by a phone company with
18 greater than 30,000 access lines. Is that right?

19 A. Our understanding is that if we do want
20 it, we will have to provide another petition.

21 MR. JETTER: Okay. That, I think, is the
22 only question that I have. Thank you.

23 THE HEARING OFFICER: Ms. Slawson?

24 MS. SLAWSON: No. I have no other
25 questions.

1 THE HEARING OFFICER: Okay. Mr. Jetter?

2 MR. JETTER: Thank you. The Division
3 would like to call Ron Slusher, utility technical
4 consultant.

5 THE HEARING OFFICER: Good afternoon,
6 Mr. Slusher. Will you please raise your right
7 hand and I will swear you in? Do you swear that
8 the testimony you're about to give will be the
9 truth?

10 MR. SLUSHER: Yes.

11 THE HEARING OFFICER: Thank you.

12 EXAMINATION

13 BY-MR.JETTER:

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

16 A. My name is Ron Slusher, S-L-U-S-H-E-R.
17 I'm a utility technical consultant for the
18 Division.

19 Q. Thank you. And have you reviewed the
20 January 8th filing by Vitcom, LLC, which was an
21 application for a CPCN with three exhibits--

22 A. Yes.

23 Q. --as well as a February 3, 2015 corrected
24 electronic filing with Exhibits A through H?

25 A. Yes, I did.

1 Q. And after reviewing those, did you
2 prepare a memorandum from the Division of Public
3 Utilities dated March 3, 2015?

4 A. Yes, I did.

5 Q. And have you been in the hearing room for
6 the entirety of the hearing today?

7 A. I have.

8 Q. And are you familiar with the
9 modification that's been requested by the
10 applicant to limit the CPCN to the territories
11 currently served by CenturyLink?

12 A. Yeah, I am.

13 Q. Does that change your recommendation?

14 A. It does not.

15 Q. And does the recommendation as it's been
16 filed remain the recommendation of the Division of
17 Public Utilities?

18 A. Yes. The recommendation stays the same
19 that they should be approved.

20 MR. JETTER: Thank you. At this time I
21 would like to move to enter the memo from the
22 Division into the record of the hearing.

23 THE HEARING OFFICER: Any objection?
24 Hearing none, the memo and the attached affidavit
25 will be admitted.

1 MR. JETTER: Thank you.

2 BY MR. JETTER:

3 Q. And, finally, do you believe that
4 approval of the application, as it's been amended
5 today, would be just, reasonable, and in the
6 public interest?

7 A. Yes.

8 MR. JETTER: That's the last question I
9 had. Mr. Slusher is available for
10 cross-examination.

11 THE HEARING OFFICER: Thank you.

12 Mr. Gross, do you have any questions for
13 Mr. Slusher, the Division's witness?

14 MR. GROSS: No, I do not.

15 THE HEARING OFFICER: Okay. Ms. Slawson?

16 MS. SLAWSON: No questions.

17 THE HEARING OFFICER: Okay. Just one
18 quick follow-up question, Mr. Slusher.

19 EXAMINATION

20 BY-THE HEARING OFFICER:

21 Q. Regarding your affidavit with respect to
22 the application being unopposed, do you wish to
23 clarify that in light of the intervention that's
24 been filed in this matter?

25 A. Yeah. Previous applications have been

1 submitted under the same rule have been approved
2 in the past. I started doing CPCNs back in 2010.
3 A quick review of some of those applications, the
4 statewide reference was used in them and approved.
5 So I saw nothing out of the ordinary that would
6 make this different than those applications.
7 That's why the affidavit reads like it does.

8 Q. Okay. I'm sorry, I wasn't trying to make
9 this more difficult than maybe you understood it
10 to be. What I was getting at is that in light of
11 URTA's request to intervene, is there anything
12 about that statement that you would like to amend
13 or clarify or expand upon?

14 A. No.

15 Q. Okay. But you do understand that URTA
16 has intervened?

17 A. Yes, I do.

18 THE HEARING OFFICER: All right. Very
19 good. Ms. Slawson, do you have something you
20 would like to share with the Commission today?

21 MS. SLAWSON: No. We appreciate the
22 opportunity to be here and the order granting our
23 intervention. Our concerns have been addressed by
24 the modification indicated by Mr. Gross in his
25 testimony.

1 THE HEARING OFFICER: Okay. Excellent.
2 All right. Are there any questions before we go
3 off the record today?

4 Mr. Gross, do you have any questions for
5 the Commission?

6 MR. GROSS: No. I think we're good.

7 THE HEARING OFFICER: Okay. I would like
8 to thank you very much for being here today.
9 Mr. Gross, a special thank you for calling at the
10 last minute. We really appreciate that. And
11 we'll take this matter under advisement and issue
12 an order.

13 If it helps you, Mr. Gross, typically,
14 the transcript takes a couple of weeks or so and
15 then an order will be issued shortly thereafter.
16 But based on the testimony today, I think you can
17 expect something positive in the very near future.

18 MR. GROSS: Okay. I appreciate that.
19 Thank you very much.

20 THE HEARING OFFICER: You're welcome.
21 Have a good day, everyone. Thank you.
22 (Hearing concluded at 1:28 p.m.)

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CERTIFICATE

This is to certify that the foregoing proceedings were taken before me, NANCY A. FULLMER, a Registered Merit Reporter and Notary Public in and for the State of Utah;

That the proceeding was reported by me in stenotype and thereafter caused by me to be transcribed into typewriting, and that a full, true, and correct transcription of said testimony so taken and transcribed is set forth in the foregoing pages;

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



Nancy A. Fullmer

Nancy Fullmer, RMR