

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the)
Application of RCLEC, Inc.)
for a Certificate of Public)
Convenience and Necessity) Docket No. 15-2583-01
to Provide Resold and)
Facilities-Based Local)
Exchange and Interexchange)
Services within the State of)
Utah.)

HEARING PROCEEDINGS

TAKEN AT: Public Service Commission
Hearing Room 451
160 East 300 South
Salt Lake City, Utah
DATE: Thursday, October 8, 2015
TIME: 4:00 p.m.
REPORTER: Daren S. Bloxham, R.P.R.

Job no. 269954

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

FOR THE PUBLIC UTILITY COMMISSION:

Jennie Jonsson, Administrative Law Judge

FOR THE DIVISION OF PUBLIC UTILITIES:

Justin Jetter, Esq.
Utah Division of Public Utilities
160 East 300 South, 4th Floor
Salt Lake City, Utah 84111

ALSO PRESENT:

Jeffrey Slater (by telephone)
Ron Slusher

I N D E X

WITNESS: Jeffrey Slater

EXAMINATION

PAGE

By: ALJ Jonsson

5

WITNESS: Ron Slusher

EXAMINATION

PAGE

By: Mr. Jetter

6

By: ALJ Jonsson

8

1 P-R-O-C-E-E-D-I-N-G-S

2 --oOo--

3 ALJ JONSSON: Then let's go ahead and go on
4 the record. We are on the record in the matter of the
5 application of RCLEC Incorporated for a certificate of
6 public convenience and necessity to provide resold and
7 facilities-based local exchange and interexchange
8 services within the state of Utah. This is Docket
9 No. 15-2583-01.

10 Let's get appearances on the record. For
11 RCLEC, we have on the phone -- go ahead.

12 MR. SLATER: My name is Jeffrey Slater. And
13 I am the senior director of voice gateways for RCLEC,
14 Inc.

15 ALJ JONSSON: Voice gateways. Okay. For the
16 Division of Public Utilities?

17 MR. JETTER: Thank you. I'm Justin Jetter.
18 And I represent the Utah Division of Public Utilities.
19 With me at counsel table is Ron Slusher, utility
20 technical consultant for the Utah Division of Public
21 Utilities.

22 ALJ JONSSON: Thank you. All right. As we
23 get going, I just wanted to ask the parties to help me
24 understand a little bit better what the application is
25 seeking. And I want to refer you to Utah Code

1 54-2-1-28a. This is the definitions section. It
2 defines telephone corporation.

3 And if you look in subsection B, it explains
4 that a telephone corporation does not mean a company
5 that is -- if you look down to (iii), "If a company is
6 reselling intrastate toll service only, then that
7 company is not considered to be a telephone
8 corporation."

9 As I read the application, it seems like
10 that's what we've got here, is a company that is only
11 reselling intrastate toll service; is that correct?

12 MR. SLATER: No. Actually, we were
13 providing -- you know, we're providing facilities-based
14 wholesale service, so we're not really reselling
15 anything. I mean, what we're applying to do is what
16 we've done in a number of other states, which is to --
17 to be able to interconnect directly with CenturyLink in
18 Utah; be able to exchange local traffic with
19 CenturyLink in Utah; to be able to control our
20 telephone numbers; to be able to port customers to and
21 from those telephone numbers. So in the strict sense
22 of resale, we are -- we're really providing a
23 facilities-based service.

24 ALJ JONSSON: Okay. Thank you. That helps
25 me quite a bit. Let's go ahead then and take -- take

1 the testimony.

2 Mr. Slater, will you be testifying yourself
3 or calling witnesses today?

4 MR. SLATER: I will be testifying myself.

5 ALJ JONSSON: All right. Then I'm going to
6 go ahead and put you under oath.

7 --oOo--

8 JEFF SLATER,

9 having been first duly sworn to tell the
10 truth, testified as follows:

11 ALJ JONSSON: Thank you. And why don't you
12 go ahead and give me whatever information and evidence
13 that you'd like to have on the record.

14 MR. SLATER: So my name again is Jeffrey
15 Slater. I am the senior director of voice gateways.
16 And RCLEC has applied for -- for a CPCN in Utah as a
17 provider of both resold and restated local exchange
18 service.

19 Along with the application, we sent a
20 description of the facilities we're going to use, the
21 services we are going to offer, a -- some fairly
22 detailed financial statements about both RCLEC, as well
23 as our parent company, which is a public company, so we
24 provided as well a 10-K.

25 We provided an overview of the technical

1 experience that we have. We noted that -- that our
2 application will serve the public interest by creating
3 greater competition in the local exchange marketplace.
4 And we have also, you know, verified that we are a
5 corporation in good standing in the state of Utah.

6 ALJ JONSSON: Thank you. Mr. Jetter, do you
7 have any questions for Mr. Slater?

8 MR. JETTER: I have no questions. Thank you.

9 ALJ JONSSON: Thank you. Does the Division
10 have witnesses today?

11 MR. JETTER: Yes. Your Honor. The Division
12 would like to have sworn in Mr. Ronald Slusher.

13 --oOo--

14 RONALD SLUSHER,
15 having been first duly sworn to tell the
16 truth, was examined and testified as follows:

17 ALJ JONSSON: Go ahead.

18 EXAMINATION

19 BY MR. JETTER:

20 Q. Mr. Slusher, could you please state your name
21 and occupation for the record.

22 A. My name is Ron Slusher, S-L-U-S-H-E-R. I'm a
23 utility technical consultant for the Division of Public
24 Utilities.

25 Q. And in the course of your employment, have

1 you had the opportunity to review the application filed
2 by the applicant, RCLEC, in this docket?

3 A. I have.

4 Q. And based on that application and any other
5 information that you've gathered in reviewing this, did
6 you create and cause to be filed a document filed by
7 the Division of Public Utilities titled "Memorandum"
8 filed September 18, 2015?

9 A. I did.

10 Q. And does that memorandum still accurately
11 represent the position -- excuse me -- position of the
12 Utah Division of Public Utilities today?

13 A. It does.

14 Q. Do you have any corrections that you'd like
15 to make to that?

16 A. I do not.

17 MR. JETTER: I guess I would move to enter
18 that into the record of this hearing.

19 ALJ JONSSON: And I will accept it and mark
20 it.

21 MR. JETTER: Thank you.

22 (Memorandum received.)

23 Q. (By Mr. Jetter) Based on that, do you
24 recommend, based on the information that you have in
25 the application and other information that you've

1 gathered, that the commission grant the application and
2 grant a CPCN to RCELC in the limited CPCN that they've
3 requested?

4 A. Yes.

5 Q. Are you aware of any opposition to granting
6 the CPCN?

7 A. I have not heard or seen any opposition.

8 MR. JETTER: Thank you. I have no further
9 questions. Mr. Slusher is available for cross.

10 ALJ JONSSON: Mr. Slater, do you have any
11 questions for Mr. Slusher?

12 MR. SLATER: I do not.

13 EXAMINATION

14 BY ALJ JONSSON:

15 Q. Can you give me a sense of what you would
16 anticipate the limitations -- how would you anticipate
17 them being stated?

18 MR. JETTER: That's a question to me, right?

19 ALJ JONSSON: To one of you.

20 THE WITNESS: It's my understanding in the
21 application the way it was filed that they are looking
22 for the ability to connect to other ILECs and CLECs.

23 Q. (By ALJ Jonsson) Uh-huh.

24 A. And those are the only people that they plan
25 on serving, not individual customer type of setup. And

1 the reason they are looking for the CPCN is the other
2 ILECs and CLECs will not do an interconnection
3 agreement with them without it, so --

4 **Q. Okay. So -- so the limitation would be that**
5 **its -- its customers would be limited solely to other**
6 **ILECs and CLECs?**

7 A. Correct. Correct.

8 ALJ JONSSON: And Mr. Slater, is that what
9 you're anticipating?

10 MR. SLATER: Yes. We do not plan to have any
11 individual entities or customers. That is correct.

12 **Q. (By ALJ Jonsson) Okay. But no -- no**
13 **statement as to a limitation on reselling only?**

14 A. No, no statement on that one.

15 ALJ JONSSON: Okay. And, again, Mr. Slater,
16 does that mesh with your expectations?

17 MR. SLATER: Yes, it does.

18 ALJ JONSSON: Okay. All right. Well, then I
19 think I understand. The orders that are issued in
20 these dockets generally have a note that both parties
21 testified on the record that granting of the CPCN is in
22 the public interest.

23 Both parties have stated that in their
24 filings, but I would like you both to state that on the
25 record just so that my report and order is consistent

1 with this hearing.

2 Mr. Slater, is it your opinion that granting
3 the CPCN is in the public interest?

4 MR. SLATER: It is.

5 ALJ JONSSON: Mr. Slusher?

6 THE WITNESS: Yeah. As stated in our
7 memorandum, it's public interest, yes.

8 ALJ JONSSON: Okay. Very good. I think I
9 have what I need. Is there anything else the parties
10 would like to put on the record today?

11 MR. JETTER: Nothing from the Division.
12 Thank you.

13 ALJ JONSSON: Mr. Slater, anything you from
14 you?

15 MR. SLATER: Nothing from me. Thank you.

16 ALJ JONSSON: Okay. I do have just one
17 additional question.

18 Q. (By ALJ Jonsson) Again, I've seen in other
19 dockets that there has been an Exhibit B attached to
20 the memorandum that requires the company to file an
21 annual report to complying with certain regulations and
22 so on.

23 This would not be different in this case?

24 A. Uh-uh (negative).

25 ALJ JONSSON: Okay. All right. Well, then I

1 will prepare an order accordingly and present it to the
2 Commission. It will be issued as the Commission sees
3 fit. With that, I think we can close this hearing.

4 MR. JETTER: Thank you.

5 ALJ JONSSON: Thank you.

6 MR. SLATER: Wonderful. Thank you very much.

7 ALJ JONSSON: Thank you. Bye-bye.

8 (The proceedings concluded at 4:08 p.m.)
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

REPORTER'S CERTIFICATE

STATE OF UTAH)
COUNTY OF UTAH)

I, Daren S. Bloxham, a Notary Public and Certified Shorthand Reporter, Registered Professional Reporter, hereby certify:

THAT the foregoing proceedings were taken before me at the time and place set forth in the caption hereof; that the witnesses were placed under oath to tell the truth; that the proceedings were taken down by me in shorthand and thereafter my notes were transcribed through computer-aided transcription; and the foregoing transcript constitutes a full, true, and accurate record of such testimony adduced and oral proceedings had, and of the whole thereof.

I have subscribed my name on this 21st day of October, 2015.



Daren S. Bloxham
Registered Professional Reporter #335