

GARY HEBERT Governor SPENCER J. COX Lieutenant Governor

State of Utah Department of Commerce Division of Public Utilities

FRANCINE GIANI Executive Director THOMAS BRADY Deputy Director CHRIS PARKER
Director, Division of Public Utilities

MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities Chris Parker, Director

Bill Duncan, Telecommunications / Water Manager

Ron Slusher, Utility Technical Consultant

Date: December 02, 2015

Re: In the Matter of the Application of Local Access LLC for a Certificate of Public

Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange and Access Telecommunications Services in the State of Utah, Docket No.15-2584-01.

RECOMMENDATION (Approve):

The Division of Public Utilities ("Division") has reviewed the technical, managerial, and financial abilities of the Local Access, LLC 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 Local Access, LLC a Certificate of Public Convenience and Necessity ("CPCN") as requested.

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:



On or about November 09, 2015, Local Access, LLC ("Local Access or Applicant") filed an application for a CPCN. The Division reviewed the application and found the following:

Local Access, LLC is a registered foreign corporation within the State of Utah; with its corporate headquarters located at 11442 Lake Butler Boulevard, Windermere, FL. 34786.

The Applicant is requesting the service area to be the same as the non-rural ILEC CenturyLink/Qwest. Local Access does not intend to provide services in any area considered rural or within an area of an incumbent with less than 30,000 total access lines in accordance with Utah Code Ann. 5 54-8b-2.1 (3) and (4).

The Applicant only provides wholesale access for other CLEC's and VOIP providers to provide telecommunications service, consistent with the exchange maps CenturyLink has on file with the Commission.

Local Access uses a combination of its own facilities and those of other CLEC's and ILEC's to provision its wholesale service. The type and location of the facilities that may be placed in Utah depends on the concentration on number of customers in Utah.

Local Access only provides wholesale access for other CLEC's and VOIP providers to provide telecommunications service. Once approved by this Commission, Local Access will start the process of obtaining numbering resources within the State of Utah to begin providing services.

Local Access will not provide operator services, directory assistance, directory listing or emergency 911 and E911 services. 911 and E911 services are the responsibility of the CLEC or VOIP provider that is purchasing services from Local Access. Local Access also does not provide IntraLATA or InterLATA message toll services, but it does provide carriers the ability to provide this services.

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 Robert Russell, President, Local Access, LLC, 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 provide retail telecommunications services to the public. In the event that they do so in the future, Local Access will provide a bond at that time.

The Applicant is currently authorized to provide local exchange telecommunications services in California, Delaware, Florida, Georgia, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New York, Texas, Virginia, and Washington.

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.

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.

Kenny Perkins, Counsel for Local Access, LLC.
 Robert Russell, President, Local Access, LLC.
 Justin Jetter, Assistant Attorney General, State of Utah
 Cheryl Murray, Utility Analyst, Office of Consumer Services, State of Utah