

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request) Docket Nos.
to Amend the Certificate of) 16-2431-01 and
Public Convenience and) 16-2452-01
Necessity of Matrix Telecom,)
Inc.; the Petition for Leave)
to Transfer Customers of) HEARING
TNCI Operating Company, LLC,)
to Matrix Telecom, LLC; and)
the Petition to Cancel the)
Certificate of Public)
Convenience and Necessity of)
TNCI Operating Company, LLC.)

April 25, 2016
2:00 p.m.

Location: Public Service Commission
160 East 300 South, 4th Floor
Salt Lake City, UT 84111
(801) 530-6769
Job No: 303263

Reporter: Teri Hansen Cronenwett
Certified Realtime Reporter, Registered Merit Reporter

A P P E A R A N C E S

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1 March 17, 2016

2:00 p.m.

2 P R O C E E D I N G S

3 JUDGE JOHNSON: Mr. Forte, are you ready to
4 begin?

5 MR. FORTE: Yes.

6 JUDGE JONSSON: Okay. Very good. For the
7 record, today is Monday, April 25th, 2016. It is 2:00
8 o'clock in the afternoon. This is the date and time set
9 for the hearing in Docket Nos. 16-2431-01 and
10 16-2452-01.

11 This docket brings forward three different
12 requests. The first request is to amend the certificate
13 of public convenience and necessity of Matrix Telecom,
14 Inc. The certificate was issued to the entity as a
15 corporation, and it has restructured now and is
16 operating as a limited liability company.

17 Second, there is a petition for leave to
18 transfer the customers of TNCI Operating Company, LLC,
19 to Matrix Telecom, LLC. And finally, there's a petition
20 to cancel the certificate of public convenience and
21 necessity of TNCI Operating Company, LLC.

22 Let's go ahead and get appearances on the
23 record. For the division.

24 MR. JETTER: Thank you, your Honor. For the
25 division, I am Justin Jetter, and I represent the Utah

1 Division of Public Utilities. With me at counsel table
2 is Bill Duncan, manager of the water and
3 telecommunications section within the Division of Public
4 Utilities.

5 JUDGE JONSSON: Thank you. And Mr. Forte, are
6 you representing both Matrix and TNCI?

7 MR. FORTE: Yes, I am. I'm a consultant to
8 both companies.

9 JUDGE JONSSON: A consultant to both
10 companies. All right.

11 COURT REPORTER: Sir, could you speak up a
12 little bit?

13 MR. FORTE: Yes. Can we go off the record? I
14 have an air conditioning duct above my head, and it may
15 sound like I am not talking loud. That's why. I was
16 going to go on speaker, but I can't. But I will try
17 harder.

18 JUDGE JONSSON: Okay. And I'm going to push a
19 microphone right sort of down onto the telephone, and
20 then maybe that will help as well.

21 All right. The division has filed a
22 memorandum in this docket recommending approval. So
23 let's go ahead and go to the division. Do you have a
24 witness today?

25 MR. JETTER: Yes. Division would like to call

1 and have sworn in Mr. William Duncan.

2 WILLIAM DUNCAN,

3 called as a witness at the instance of the Division,

4 having been first duly sworn, was examined and testified

5 as follows:

6 DIRECT EXAMINATION

7 BY MR. JETTER:

8 Q. Mr. Duncan, would you please state your name
9 and occupation for the record?

10 A. Yes. My name is William Duncan. I'm manager
11 of the telecommunications and water section at the
12 Division of Public Utilities.

13 Q. Thank you. And in the course of your
14 employment with the Division of Public Utilities, have
15 you had the opportunity to review the application filed
16 by the joint applicants in this docket?

17 A. Yes.

18 Q. And are you familiar with a filing titled
19 memorandum filed by the Division of Public Utilities
20 dated April 13th, 2016?

21 A. Yes.

22 Q. Is everything that is contained in that
23 memorandum still correct today?

24 A. Yes, it is.

25 Q. Is there anything you would like to change or

1 amend?

2 A. No.

3 Q. And would you adopt that as your testimony
4 today?

5 A. Yes.

6 Q. And finally, just to make the record clear, is
7 it accurate that the division recommends acknowledgement
8 of the name change of Matrix Telecom, LLC?

9 A. Yes.

10 Q. Allow the transfer of control?

11 A. Yes.

12 Q. And approval of the cancellation of the CPCN
13 for TNCI Operating Company?

14 A. Yes.

15 Q. And finally, are you aware of any opposition
16 to this transaction or approval of any of the three
17 requested items?

18 A. No.

19 Q. Do you believe that approval would be just,
20 reasonable and in the public interest?

21 A. Yes.

22 MR. JETTER: I have no further questions for
23 Mr. Duncan?

24 JUDGE JONSSON: Mr. Forte, do you have any
25 questions for the division?

1 MR. FORTE: No, I do not.

2 JUDGE JONSSON: And Mr. Forte, will you be
3 testifying today, or do you have a witness that you are
4 going to call?

5 MR. FORTE: I will be testifying on behalf of
6 the company.

7 JUDGE JONSSON: And do you swear to tell the
8 truth?

9 MR. FORTE: Yes, I do.

10 THOMAS FORTE,
11 called as a witness at the instance of the Matrix and
12 TNCI, having been first duly sworn, was examined and
13 testified as follows:

14 JUDGE JONSSON: All right. Go ahead and put
15 on the record whatever it is you would like the
16 commission to consider.

17 MR. FORTE: Yes. Matrix Telecom has made a
18 nationwide conversion from an incorporated company to an
19 LLC. As part of that conversion and subsequent to that
20 conversion, they are also transferring the customers of
21 assisted company, TNCI Operating Company, LLC, into
22 Matrix Telecom, LLC, and then canceling all the
23 certificates of TNCI Operating Company across the
24 company. This is just one in the step of all the states
25 that we are filing for.

1 JUDGE JONSSON: Mr. Jetter, do you have any
2 questions for Mr. Forte?

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

5 JUDGE JONSSON: I just wanted to verify a
6 couple of things, Mr. Forte. Sometimes when we see
7 these transfers, we also have documents showing that
8 there's been a filing with the FCC. Is this transfer
9 not one that requires FCC approval or notice?

10 MR. FORTE: It does not require approval. It
11 was -- there was a notice provided to the FCC.

12 JUDGE JONSSON: Okay.

13 MR. FORTE: This was a pro forma, internal
14 transfer.

15 JUDGE JONSSON: Okay. Okay. Thank you. And
16 then I just also wanted to verify on the record that
17 TNCI will no longer be engaging in any public
18 telecommunications operations. Is that correct?

19 MR. FORTE: That is correct.

20 JUDGE JONSSON: Okay. Then I think I have
21 what I need. If there's nothing else from either party,
22 I think we can close this hearing. From the division,
23 are you good?

24 MR. JETTER: Nothing else.

25 JUDGE JONSSON: Mr. Forte, anything else from

1 you?

2 MR. FORTE: No, no, thank you.

3 JUDGE JONSSON: All right. I do have an order
4 predrafted, and so it should issue pretty promptly. And
5 with that, I thank you all, and we'll close the hearing.

6 MR. JETTER: Thank you.

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8 (The hearing concluded at 2:06 p.m.)

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C E R T I F I C A T E

STATE OF UTAH)
COUNTY OF SALT LAKE)

THIS IS TO CERTIFY that the foregoing proceedings were taken before me, Teri Hansen Cronenwett, Certified Realtime Reporter, Registered Merit Reporter and Notary Public in and for the State of Utah.

That the proceedings were reported by me in Stenotype, and thereafter transcribed by computer under my supervision, and that a full, true, and correct transcription is set forth in the foregoing pages, numbered 3 through 9 inclusive.

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.

WITNESS MY HAND and official seal at Salt Lake City, Utah, this 3rd day of May, 2016.



Teri Hansen Cronenwett, CRR, RMR
License No. 91-109812-7801

My commission expires:
January 19, 2019

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