

HEARING

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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In the Matter of Comtech )  
Telecommunications Corp's ) Docket No.  
Notice of Acquisition of ) 16-2507-01  
TeleCommunication Systems, )  
Inc., and its Wholly-Owned ) Administrative Law  
Subsidiary NextGen ) Judge Jennie Jonsson  
Communications, Inc. )  
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)  
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Heber M. Wells Building  
160 East 300 South, Room 451  
Salt Lake City, Utah

9:00 - 9:07 a.m.

Thursday, April 28, 2016

Reported by: Jennifer E. Garner, RPR  
Notary Public in and for the State of Utah  
Job No.: 299404

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Witness for the Division of Public Utilities:

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1 PROCEEDINGS

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3 JUDGE JONSSON: Today is Thursday,  
4 April 28, 2016. It is 9:00 in the morning. This is  
5 the date and time set for the hearing in the matter  
6 of Comtech Telecommunications Corporation's Notice of  
7 Acquisition of TeleCommunications Systems, Inc. and  
8 its Wholly-Owned Subsidiary NextGen Communications.  
9 This is docket number 16-2507-01.

10 So let's go ahead and put the appearances  
11 on the record. Appearing telephonically for Comtech,  
12 go ahead.

13 MR. ROWLAND: Tom -- Thomas Rowland of the  
14 law firm of Rowland & Moore, 200 West Superior  
15 Street, Suite 400, Chicago, Illinois 60654. And also  
16 on the phone we have Kim Scovill.

17 JUDGE JONSSON: And, Ms. Scovill, what's  
18 your position with Comtech?

19 MR. SCOVILL: Hi, Kim Scovill --

20 JUDGE JONSSON: Or Mr. Scovill. Excuse  
21 me.

22 MR. SCOVILL: -- of Comtech. I'm vice  
23 president of legal and regulatory affairs.

24 JUDGE JONSSON: Okay. I apologize.

25 All right. And for the Division of Public

1 Utilities?

2 MR. JETTER: And I'm Justin Jetter  
3 representing the Utah Division of Public Utilities,  
4 and with me here in the hearing room today is Ron  
5 Slusher, also with the Utah Division of Public  
6 Utilities.

7 JUDGE JONSSON: Thank you. So, briefly,  
8 the notice to the Commission is as to an agreement  
9 and plan of merger. Comtech is going to be merging  
10 with Telecommunications Systems, Inc. and, thereby,  
11 taking control of the wholly-owned subsidiary,  
12 NextGen Communications. Have I stated that  
13 correctly?

14 MR. ROWLAND: Yes, your Honor.

15 JUDGE JONSSON: Okay. Very good. Well,  
16 then, Mr. Rowland, this is Comcast's (sic) notice so  
17 you have the floor. Do you want to have Mr. Scovill  
18 sworn? Are you going to ask him questions?

19 MR. ROWLAND: It would be -- it's really a  
20 matter of whether the Commission has any questions.  
21 We're more than willing to make Mr. Scovill  
22 available.

23 JUDGE JONSSON: Okay.

24 MR. ROWLAND: If you would like to go  
25 ahead, we can do that.

1 JUDGE JONSSON: All right. So,  
2 Mr. Scovill, I just need you to affirm that you are  
3 going to tell the truth today.

4 MR. SCOVILL: Yes.

5 JUDGE JONSSON: Very good.

6 Does the Division have any questions?

7 MR. JETTER: No. No questions from the  
8 Division.

9 JUDGE JONSSON: The only thing that I  
10 wanted to clarify is what role, if any, the FCC has.  
11 Sometimes when we get these acquisition and merger  
12 plans, we see information about what has been filed  
13 with the FCC and when the FCC approval is  
14 anticipated. Is this the type of transaction that is  
15 not required to undergo FCC review?

16 MR. ROWLAND: I can answer that, your  
17 Honor. That is correct.

18 JUDGE JONSSON: Okay.

19 MR. ROWLAND: Neither TCS nor NextGen is  
20 registered or licensed in a way with the Federal  
21 Communications Commission that would require review  
22 of this transaction.

23 JUDGE JONSSON: Okay. Great. Does the  
24 Division have any witnesses today?

25 MR. JETTER: Yes, your Honor. The

1 Division would like to have sworn in Ron Slusher.

2 JUDGE JONSSON: Mr. Slusher, do you swear  
3 to tell the truth?

4 MR. SLUSHER: Yes.

5 JUDGE JONSSON: All right. Go ahead.

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EXAMINATION

8 BY MR. JETTER:

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

11 A. My name is Ron Slusher, S, as in Sam,  
12 L-U-S-H-E-R. I'm a utility technical consultant for  
13 the Division of Public Utilities.

14 Q. Thank you. And, in the course of your  
15 employment, have you had the opportunity to review  
16 the application in this docket?

17 A. Yes.

18 Q. And did you file -- create and file with  
19 the Commission a memorandum dated March 21, 2016?

20 A. I did.

21 Q. And does that memorandum accurately  
22 reflect the opinion of the Division on this matter?

23 A. It does.

24 Q. And to make sure it's clear on the record,  
25 does the Division recommend approval of the

1 application?

2 A. Yes, we do.

3 Q. Are you aware of any opposition to this  
4 application?

5 A. I have not heard or seen any opposition to  
6 this application.

7 Q. And do you believe that approval of this  
8 application would be just, reasonable, and in the  
9 public interest?

10 A. Yes.

11 MR. JETTER: I have no further questions,  
12 and Mr. Slusher is available for any  
13 cross-examination.

14 JUDGE JONSSON: Mr. Rowland, any questions  
15 from you for the Division?

16 MR. ROWLAND: I have no questions of the  
17 Division. Thank you, your Honor.

18 JUDGE JONSSON: Okay. And has there been  
19 any opposition that the companies have seen or heard?

20 MR. SCOVILL: Not that I'm aware of, your  
21 Honor.

22 JUDGE JONSSON: Okay. Well, I believe  
23 that I have what I need.

24 The order form that we use includes a  
25 statement that orders, in this case, Comtech to

1 notify the Commission if any of these transactions  
2 affect a certificate of public convenience and  
3 necessity that has been issued, whether a name change  
4 or a cancellation or anything like that.

5 It doesn't look to me like anything is  
6 affected in this one, but I just wanted to make you  
7 aware that -- that you do need to keep that CPCN  
8 updated if any of -- if these transactions affect it  
9 in any way.

10 MR. ROWLAND: We understand. Yes, your  
11 Honor.

12 JUDGE JONSSON: Okay. Very good. Well,  
13 then, I think I have what I need. I thank everybody  
14 for being here today and we can close this hearing.

15 MR. ROWLAND: Thank you, your Honor.

16 JUDGE JONSSON: Thank you.

17 MR. SCOVILL: Thanks, your Honor.

18 MR. ROWLAND: Thanks, everyone.

19 MR. JETTER: Thank you.

20 JUDGE JONSSON: Okay.

21 (The hearing ended at 9:07 a.m.)

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REPORTER'S HEARING CERTIFICATE

STATE OF UTAH )  
 ) ss.  
COUNTY OF SALT LAKE )

I, Jennifer Garner, Registered Professional Reporter and Notary Public in and for the State of Utah, do hereby certify:

That prior to being examined, the witnesses were duly sworn to tell the truth, the whole truth, and nothing but the truth;

That said proceeding was taken down by me in stenotype on April 28, 2016, at the place therein named, and was thereafter transcribed, and that a true and correct transcription of said testimony is set forth in the preceding pages;

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

WITNESS MY HAND AND OFFICIAL SEAL this 6th day of May, 2016.



\_\_\_\_\_  
Jennifer Garner, RPR  
Notary Public  
Residing in Summit County

<p><b>1</b></p> <p><b>16-2507-01</b> 3:9</p> <hr/> <p><b>2</b></p> <p><b>200</b> 3:14  <b>2016</b> 3:4 6:19  <b>21</b> 6:19  <b>28</b> 3:4</p> <hr/> <p><b>4</b></p> <p><b>400</b> 3:15</p> <hr/> <p><b>6</b></p> <p><b>60654</b> 3:15</p> <hr/> <p><b>9</b></p> <p><b>9:00</b> 3:4  <b>9:07</b> 8:21</p> <hr/> <p><b>A</b></p> <p><b>a.m.</b> 8:21  <b>accurately</b> 6:21  <b>acquisition</b> 3:7 5:11  <b>affairs</b> 3:23  <b>affect</b> 8:2,8  <b>affected</b> 8:6  <b>affirm</b> 5:2  <b>agreement</b> 4:8  <b>ahead</b> 3:10,12 4:25 6:5  <b>All</b> 3:25 5:1 6:5  <b>also</b> 3:15 4:5  <b>anticipated</b> 5:14  <b>anything</b> 8:4,5  <b>apologize</b> 3:24  <b>appearances</b> 3:10</p>	<p><b>Appearing</b> 3:11  <b>application</b> 6:16 7:1,4,6,8  <b>approval</b> 5:13 6:25 7:7  <b>April</b> 3:4  <b>available</b> 4:22 7:12  <b>aware</b> 7:3,20 8:7</p> <hr/> <p><b>B</b></p> <p><b>being</b> 8:14  <b>believe</b> 7:7,22  <b>briefly</b> 4:7</p> <hr/> <p><b>C</b></p> <p><b>cancellation</b> 8:4  <b>case</b> 7:25  <b>certificate</b> 8:2  <b>change</b> 8:3  <b>Chicago</b> 3:15  <b>clarify</b> 5:10  <b>clear</b> 6:24  <b>close</b> 8:14  <b>Comcast's</b> 4:16  <b>Commission</b> 4:8,20 5:21 6:19 8:1  <b>Communicatio ns</b> 3:8 4:12 5:21  <b>companies</b> 7:19  <b>Comtech</b> 3:6, 11,18,22 4:9 7:25  <b>consultant</b> 6:12  <b>control</b> 4:11</p>	<p><b>convenience</b> 8:2  <b>Corporation's</b> 3:6  <b>correct</b> 5:17  <b>correctly</b> 4:13  <b>course</b> 6:14  <b>CPCN</b> 8:7  <b>create</b> 6:18  <b>cross-examination</b> 7:13</p> <hr/> <p><b>D</b></p> <p><b>date</b> 3:5  <b>dated</b> 6:19  <b>Division</b> 3:25 4:3,5 5:6,8,24 6:1,13,22,25 7:15,17  <b>docket</b> 3:9 6:16</p> <hr/> <p><b>E</b></p> <p><b>employment</b> 6:15  <b>ended</b> 8:21  <b>everybody</b> 8:13  <b>everyone</b> 8:18  <b>EXAMINATION</b> 6:7  <b>Excuse</b> 3:20</p> <hr/> <p><b>F</b></p> <p><b>FCC</b> 5:10,13,15  <b>Federal</b> 5:20  <b>file</b> 6:18  <b>filed</b> 5:12  <b>firm</b> 3:14  <b>floor</b> 4:17  <b>form</b> 7:24</p>	<p><b>further</b> 7:11</p> <hr/> <p><b>G</b></p> <p><b>good</b> 4:15 5:5 8:12  <b>Great</b> 5:23</p> <hr/> <p><b>H</b></p> <p><b>heard</b> 7:5,19  <b>hearing</b> 3:5 4:4 8:14,21  <b>here</b> 4:4 8:14  <b>Honor</b> 4:14 5:17,25 7:17, 21 8:11,15,17</p> <hr/> <p><b>I</b></p> <p><b>Illinois</b> 3:15  <b>includes</b> 7:24  <b>information</b> 5:12  <b>interest</b> 7:9  <b>issued</b> 8:3</p> <hr/> <p><b>J</b></p> <p><b>Jetter</b> 4:2 5:7, 25 6:8 7:11 8:19  <b>JONSSON</b> 3:3, 17,20,24 4:7, 15,23 5:1,5,9, 18,23 6:2,5 7:14,18,22 8:12,16,20  <b>JUDGE</b> 3:3,17, 20,24 4:7,15, 23 5:1,5,9,18, 23 6:2,5 7:14, 18,22 8:12,16, 20  <b>Justin</b> 4:2</p>	<p><b>K</b></p> <p><b>keep</b> 8:7  <b>Kim</b> 3:16,19</p> <hr/> <p><b>L</b></p> <p><b>L-u-s-h-e-r</b> 6:12  <b>law</b> 3:14  <b>legal</b> 3:23  <b>licensed</b> 5:20  <b>like</b> 4:24 6:1 8:4,5</p> <hr/> <p><b>M</b></p> <p><b>make</b> 4:21 6:24 8:6  <b>March</b> 6:19  <b>matter</b> 3:5 4:20 6:22  <b>memorandum</b> 6:19,21  <b>merger</b> 4:9 5:11  <b>merging</b> 4:9  <b>Moore</b> 3:14  <b>more</b> 4:21  <b>morning</b> 3:4</p> <hr/> <p><b>N</b></p> <p><b>name</b> 6:10,11 8:3  <b>necessity</b> 8:3  <b>need</b> 5:2 7:23 8:7,13  <b>Neither</b> 5:19  <b>Nextgen</b> 3:8 4:12 5:19  <b>notice</b> 3:6 4:8, 16  <b>notify</b> 8:1  <b>number</b> 3:9</p>
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