

**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

Application of )  
 )  
**ExteNet Systems, Inc.** )  
 ) Docket No. \_\_\_\_\_  
For a Certificate of Public Convenience and )  
Necessity to Provide Resold and )  
Facilities-Based Local Exchange and )  
Interexchange Services within the State of Utah )

**APPLICATION**

ExteNet Systems, Inc. (“ExteNet” or “Applicant”), by its undersigned counsel and pursuant to Chapter 8b of Title 54 of the Utah Code; the Commission’s Rules of Practice and Procedure, Utah Admin. Code §§ 746-100 et seq.; and the federal Telecommunications Act of 1996, 47 U.S.C. §§ 151 et seq., hereby applies to the Utah Public Service Commission for a certificate of public convenience and necessity authorizing Applicant to operate as a provider of resold and facilities-based local exchange and interexchange telecommunications services in the State of Utah. In support of its application, ExteNet provides the following information pursuant to Utah Admin. Code R746-349:

**1. General information**

**(a) Corporate information**

Applicant’s legal name is ExteNet Systems, Inc. Applicant may be reached at its principal place of business:

ExteNet Systems, Inc.  
3030 Warrenville Road, Ste. 340,  
Lisle, IL 60532  
Telephone: (630) 505-3800

Facsimile: (630) 577-1332  
[www.Extenetsystems.com](http://www.Extenetsystems.com)

ExteNet was formed as a Delaware corporation on August 27, 2004, and its fifth amended certificate of incorporated in Delaware was filed on 09/06/2012. ExteNet's Articles of Incorporation and its Utah Certificate of Existence are attached as Exhibits A and B.

**(b) Contact information**

Correspondence or communications pertaining to this Application should be directed to:

Anita Taff-Rice, Counsel for ExteNet Systems, Inc.  
iCommLaw  
1547 Palos Verdes, #298  
Walnut Creek, CA 94597  
415-699-7885  
925-274-0988 (F)  
[anita@icommlaw.com](mailto:anita@icommlaw.com)

Questions concerning the ongoing operations of Applicant following certification should be directed to:

Brian S. Kirk  
Assistant General Counsel  
ExteNet Systems, Inc.  
3030 Warrenville Road, Ste. 340,  
Lisle, IL 60532  
Phone: (630) 245-6067  
Fax: (630) 577-1332  
[bkirk@extenetsystems.com](mailto:bkirk@extenetsystems.com)

Applicant's registered agent in the State of Utah is:

Corporation Services Company  
10 E. South Temple, Suite 850  
Salt Lake City, UT 84133

**(c) Customer service information**

ExteNet's toll-free number for customer inquiries is (866) 892-5327.

**2. R746-349-3(A)(2) Proof of bond – waiver request**

This bond is intended to provide security for customer deposits or other liabilities to the Company’s customers. Because ExteNet does not intend to collect customer deposits for telecommunications services, offer any pre-paid services and will not offer end user services, it respectfully requests that the Commission grant a waiver from the requirement to show proof of a bond.

**3. R746-349-3(A)(3) Facilities to be used**

ExteNet will provide non-switched dedicated Point-To-Point Private Virtual Circuit (PVC) Transport Service on a wholesale basis to other carriers via Distributed Antenna System (“DAS”) networks and other small cell networks. This service is offered to Wireless Services Providers (“WSPs”) so that they can improve their coverage by filling in “dead spots,” and/or increase their network capacity to provide services in certain geographic areas. ExteNet will provide its Point-to-Point PVC Transport Services on fiber optic cable through a combination of deploying its own network and facilities, and using services leased from a variety of existing carriers and other suppliers.

**Description of Network**

ExteNet’s DAS network offerings typically begin at the ExteNet Base Station, which contains the WSP’s circuit terminating equipment, known as a Base Transceiver Station, as well as ExteNet’s Radio Frequency to Optical conversion equipment and multiplexers. WSP customers are responsible for providing or obtaining circuits to connect their networks to the ExteNet Base Station. ExteNet’s equipment converts Wireless Carriers’ Radio Frequency signals into optical signals, and places those signals onto fiber optic facilities, which transport those signals to one or more remote locations, and then re-convert it back to an RF signal that is

transmitted from an antenna at the remote location. This network is bi-directional, and the same components input an RF signal from an antenna at the remote location, convert it to an optical signal, transport it on fiber optic facilities back to the Base Station, and then re-convert it back to an RF signal that is handed off to WSP equipment located at the Base Station. For some customers, ExteNet may only provide fiber optic cabling or other individual components used by WSPs to provide their network services.

ExteNet will not furnish switched voice services or dial tone, and will not provide service to any end user customer. Instead, it will provide service only to other carriers on a wholesale basis. ExteNet's services are subject to availability of equipment and technical/economic feasibility of constructing or leasing necessary facilities. ExteNet installs its equipment on or in existing infrastructure such as utility poles and conduit wherever possible, but it does place its own infrastructure if there are no commercially reasonable options using existing infrastructure. It is therefore necessary for ExteNet to have a CPCN so that it may have access to the public rights of way. In addition, if no options are available for ExteNet to lease facilities from other CLECs through commercial agreements, or place its own, it may be necessary to enter into an interconnection agreement ("ICA") with the incumbent local exchange carrier ("ILEC") in order to access facilities as unbundled network elements ("UNEs"). ExteNet understands that the ILEC in Utah will not enter into an ICA unless ExteNet has a CPCN.

**4. R746-349-3(A)(4). Services to be offered**

**(a) R746-349-3(A)(4)(a) Classes of customers**

The Applicant's customer base will be Wireless Services Providers ("WSPs") that will be able to improve their network coverage by filling in "dead spots," or increase their network capacity to provide services in certain geographic areas. Through such arrangements, ExteNet's

wholesale customers will be empowered to provide telephony to their retail end user subscribers without expensive and time-consuming installation of telecommunications equipment. These wholesale customers will be responsible for determining the actual configuration and combination of services for their retail end user customers.

**(b) R746-349-3(A)(4)(b) Location of service.**

ExteNet will provide service to and from all points in Utah where demand for its services arises.

**(c) R746-349-3(A)(4)(c). Types of services to be offered**

ExteNet proposes to operate in Utah as a wholesale provider offering non-switched dedicated Point-To-Point Private Virtual Circuit (PVC) Transport Service to wireless carriers on a competitive basis. ExteNet's communications services will be available on a full-time basis, twenty-four (24) hours a day, seven (7) days a week.

**5. R746-349-3(A)(4)(c) Access to standard services**

It will be the responsibility of ExteNet's wholesale customers to provide end user services such as directory assistance, directory listings, operator services and 911 either through their own operations or by making arrangements for those services from underlying carriers.

**6. R746-349-3(A)(6) Implementation schedule**

ExteNet anticipates offering services to other providers on a wholesale basis after the approval of its Application for a CPCN sometime in the first quarter of 2016. The Company will not offer service to end users.

**7. – 8. R746-349-3(A)(7) Professional experience and education of managerial personnel**

Descriptions of the extensive telecommunications and managerial experience of ExteNet's key management personnel and officers are attached as **Exhibit C**. Responsibility

for Utah operations will be handled by Applicant’s current management team from its headquarters in Lisle, Illinois.

<b>Title</b>	<b>Officer’s Name</b>
CEO/President	Ross Manire
EVP/COO	Oliver Valente
EVP/CTO	Tormod Larsen
EVP, Business Development and Strategy	Eric Lekacz
EVP/CFO	Dan Timm
VP, Strategic Business Initiatives	Terry Ray
VP, General Counsel and Corporate Secretary	George Vinyard
SVP Sales and Marketing	Andrew Chavez
VP Global Services	Tim Ayers

ExteNet’s Utah operations will be directed by its management team located at its headquarters in Lisle, Illinois. In lieu of an organizational chart, ExteNet offers the biographies of its key personnel set forth in Exhibit B to satisfy R746-349-3(A)(7). Although ExteNet’s management team will be based in Illinois, it will utilize local labor and other local services and equipment to construct and maintain networks in Utah.

**9. R746-349-3(A)(9) Chart of accounts**

Request for a chart of accounts is typically necessary with an entity using regulated rate base or rate of return methodology so that authorities can be confident of the proper

classification of revenue and expenses for end user pricing calculations. As ExteNet's customers will not be end users, the Applicant requests a waiver from providing a Chart of Accounts.

**10. R746-349-3(A)(10) Financial statements** ExteNet is financially qualified to provide facilities-based and resold local exchange and interexchange telecommunications services in Utah. In particular, ExteNet has access to the financing and capital necessary to conduct its telecommunications operations as specified in this application. ExteNet's most recent financial statements, prepared in accordance with GAAP (including balance sheet, statement of operation and statement of cash flows) are provided in **Confidential Exhibit D**.

ExteNet is a privately held company and its financial information is not publicly available. ExteNet takes all reasonable steps to protect the privacy of its financial information. In situations where ExteNet must provide its financial information to other public utilities commissions or governmental entities, it does so under seal and requests confidential treatment. Therefore, the information provided in **Exhibit D** is proprietary and has been attached in a sealed envelope marked "**Confidential – Subject to Public Service Commission of Utah Rule R746-100-16.**" As it contains sensitive information regarding ExteNet's business operations, ExteNet respectfully requests that this information be treated confidentially and not be released to any member of the public absent ExteNet's prior written permission.

(a) **R746-349-3(A)(9)(a) Balance sheet, income statement and cash flow statement.** The Company's financials are reported on a consolidated basis with its parent company, ExteNet Holdings, Inc. A Balance Sheet and Income Statement for ExteNet Holdings, Inc. are attached hereto as **Confidential Exhibit D**. ExteNet respectfully requests that this exhibit be treated as Confidential Information subject to 746-100-16.

**(b) R746-349-3(A)(9)(b) Letter from management**

**Confidential Exhibit D** includes a verification attesting to the accuracy of the financial statements and that the statements were prepared according to GAAP.

**(c) R746-349-3(A)(9)(c) Start-up Company Balance Sheet**

ExteNet is not a start-up company.

**(d) R746-349-3(A)(9)(d) Financial Statements of Parent Corporation.**

ExteNet Systems, Inc. is wholly owned by ExteNet Holdings, Inc. An audited financial statement for ExteNet Holdings, Inc. is attached as **Confidential**

**Exhibit D.**

**11. R746-349-3(A)(11) Financial statements to demonstrate sufficient financial ability on the part of the Applicant's statements.**

**(a) R746-349-3(A)(11)(a) Positive Net Worth**

See **Confidential Exhibit D.**

**(b) R746-349-3(A)(11)(b) Sufficient projected and verifiable cash flow to meet cash needs as shown in a five-year projection of expected operations.**

See **Confidential Exhibit E** for Applicant's projections for operations in Utah. The information provided in **Confidential Exhibit E** is proprietary and has been attached in a sealed envelope marked "**Confidential – Subject to Public Service Commission of Utah Rule R746-100-16.**"

As it contains sensitive information regarding ExteNet's business operations, ExteNet respectfully requests that this information be treated confidentially and not be released to any member of the public absent ExteNet's prior written permission.

**(c) R746-349-3(A)(10)(c) Proof of bond – waiver requested**

ExteNet respectfully requests that the Commission grant a waiver from the requirement



to show proof of a bond in order to protect customer deposits or other liabilities. ExteNet does not intend to collect customer deposits for telecommunications services or offer any pre-paid services.

**12. R746-349-3(A)(11).**

**(a) R746-349-3(A)(11)(a) Pro-forma income and cash flow statements.**

See **Confidential Exhibit D** for financial status.

**(b) R746-349-3(A)(11)(b) Types of technology to be deployed.**

ExteNet will deploy the technology specified above in Section 3 of this Application. ExteNet does not have facilities in Utah, and currently does not know where they might construct such facilities.

**(c) R746-349(A)(11)(c) Maps of facilities locations.**

The location of future facilities and descriptions of the specific facilities to be deployed will be determined based on facilities leased or purchased from ILECs and customer demand.

**13. R746-349-3(A)(13) Implementation schedule** ExteNet intends to begin offering its services during the first quarter of 2016 after it receives certification.

**14. R746-349-3(14) Technical and managerial abilities**

ExteNet's officers have the necessary managerial and technical resources and qualifications necessary to execute its business plan, to provide its proposed telecommunications services, and to operate and maintain ExteNet's facilities over which such services will be deployed. ExteNet's management team has extensive experience in the telecommunications industry. Biographies of ExteNet's key personnel are attached hereto as **Exhibit C. R746-349-3(14)(a) Proof of certification in other jurisdictions see Exhibit F.**

**(a) R746-349-3(14)(b) 2 years of recent experience providing telecom service**

During the last two years, ExteNet has provided its point to point transport services to wholesale customers in California, Nevada, Texas, New York, Pennsylvania, Illinois, Massachusetts, Michigan and Florida.

**15. R746-349-3(A)(15). Public interest.**

Approval of ExteNet's application will serve the public interest and further the goals of the Utah Public Service Commission by creating greater competition in the local exchange marketplace and providing increased efficiencies and cost savings. ExteNet's presence in Utah will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Authorizing ExteNet to provide competitive telecommunications services will enhance materially the telecommunications infrastructure in the State of Utah and will facilitate economic development. In addition, ExteNet will use local labor, and local services and equipment to construct and maintain its networks in Utah.

Further, ExteNet's services will assist Wireless Services Providers to improve coverage in areas that have long been unserved or underserved due to challenging terrain, topology or other reasons. ExteNet's facilities and services will allow WSPs to provide robust cellular signals and consistent and clear wireless coverage. This additional coverage will benefit Utah wireless customers, and will help address concerns expressed by wireless services customers over deficient cellular coverage in some geographical areas. This additional coverage will also provide network enhancements that add capacity to meet localized needs and/or accommodate high-speed data applications and to enhance public safety by providing access to 911 services via wireless networks.

**16. R746-349-3(A)(16) Authority to conduct business in Utah**

Please see **Exhibit B**.

**17. R746-349-3(A)(17) Unauthorized switching, solicitation of new customers, and prevention of unauthorized switching.**

No complaints have been made nor has any investigation been undertaken against ExteNet for unauthorized switching (“slamming”) or any other illegal activities. ExteNet will not provide dial tone or have any interaction with end users’ telephone numbers.

**18. R746-349-3(A)(18) Applicant’s written solicitation policies**

The Applicant’s marketing plan, as discussed in this Application, will be limited in nature and focus on the provision of service to other providers. Therefore, the public’s exposure to unauthorized switching of customers related to ExteNet’s marketing practices will be non-existent. Nonetheless, should ExteNet’s wholesale services become subject to Utah law and/or the Federal Communications Commission’s (“FCC’s”) regulations regarding switching or solicitation of customers, ExteNet will comply with those laws and regulations.

WHEREFORE, ExteNet respectfully requests that the Utah Public Service Commission issue a Certificate of Public Convenience and Necessity authorizing ExteNet to provide resold and facilities-based local exchange and interexchange telecommunications services in the State of Utah.

Dated: January 4, 2016

Respectfully submitted,

/s/Anita Taff-Rice  
iCommLaw  
1547 Palos Verdes, #298  
Walnut Creek, CA 94597  
415-699-7885  
925-274-0988 (F)  
[anita@icommlaw.com](mailto:anita@icommlaw.com)  
Counsel for ExteNet Systems, Inc.

## CERTIFICATE OF SERVICE

I CERTIFY that on the 4 day of January 2016, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic Mail:

Anita Taff-Rice ([anita@icommlaw.com](mailto:anita@icommlaw.com))

Brian Kirk ([bkirk@extenetsystems.com](mailto:bkirk@extenetsystems.com))

Public Service Commission of Utah ([psc@utah.gov](mailto:psc@utah.gov))

By U.S. Mail:

Commission Secretary  
Public Service Commission of Utah  
Division of Public Utilities  
160 East 300 South, 4th Floor  
Salt Lake City, UT 84111

/s/ Inna Vinogradov

STATE: ILLINOIS

COUNTY: DuPAGE

**VERIFICATION**

I, Daniel Timm, declare:

I am CFO of ExteNet Systems, Inc. and make this Verification.


I have read the foregoing **APPLICATION OF EXTENET SYSTEMS, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY** and know the contents thereof. I herein attest that the facts are true of my own knowledge.

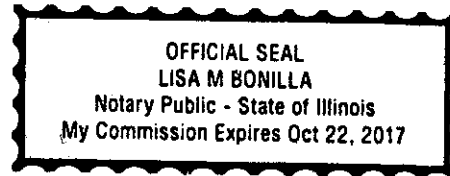
Pursuant to the laws of the State of California, I declare under penalty of perjury that the foregoing is true and correct.

Executed this 15 day of December, 2015 at Lisle, Illinois.

  
\_\_\_\_\_  
Daniel Timm, CFO  
ExteNet Systems, Inc.

SWORN TO AND SUBSCRIBED before me on the 15 day of December, 2015.

  
\_\_\_\_\_  
Notary Public



My commission expires: October 22, 2017

DOCKET NO. \_\_\_\_\_