



State of Utah
Department of Commerce
Division of Public Utilities

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MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Bill Duncan, Telecommunications / Water Manager
Ron Slusher, Utility Technical Consultant

Date: April 08, 2016

Re: In the Matter of the Application for a Certificate of Public Convenience and Necessity to Provide Facilities-Based, Resold Local Exchange and Access Telecommunications Services in the State of Utah on behalf of XYN Communications of Utah, LLC, Docket No. 16-2588-01.

RECOMMENDATION (Approve):

The Division of Public Utilities (“Division”) has reviewed the technical, managerial, and financial abilities of the XYN Communications of Utah, 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 approve XYN Communications of Utah, LLC a Certificate of Public Convenience and Necessity (“CPCN”) as requested under the same terms and conditions allowed in other CPCNs.

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 March 17, 2016, XYN Communications of Utah, LLC (“XYN Com. or Applicant”) filed an application for a CPCN. The Division reviewed the application and found the following:

XYN Communications of Utah, LLC is a registered limited liability corporation within the State of Utah; with its corporate headquarters located at 8275 South Eastern Avenue, Suite 200, Las Vegas, NV 89123.

The Applicant seeks authority as a reseller local exchange services in the service areas of CenturyLink Communications, Inc. and any other existing or future LECs providing service in Utah. XYN Com. does not intend to provide service within exchange areas with less than 5,000 access lines that are owned or controlled by an ILEC with fewer than 30,000 total access lines in accordance with Utah Code Ann. 5 54-8b-2.1 (3) and (4).

The Applicant intends to provide a full range of telecommunications services to business customers in the incumbent, CenturyLink, exchanges statewide in Utah, consistent with the exchange maps CenturyLink has on file with the Commission.

XYN will use a combination of its own facilities and those of other carriers to provision its service. The type and location of facilities in Utah will be determined at a later date depending on the number of customers in Utah.

The Applicant intends begin the process of obtaining numbering resources within the State of Utah once this Application is approved by the Commission.

In accordance with R746-349-3(5) XYN intends to provide directory assistance, directory listings and emergency 911 and E911 service either directly or through their underlying carrier(s).

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 James Chrisman, Manager, of XYN Communications of Utah, 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 require customer deposits or prepayments of any kind.

The Applicant is currently authorized to provide local exchange telecommunications services in Washington.

The Applicant states that they have applications pending in following States, Arizona, Colorado, South Dakota, Nebraska, Oklahoma, and Nevada.

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 also states that it has implemented policies and procedures concerning solicitation of new customers. These policies require that customers sign a contract authorizing the Applicant to provide telecommunications services.

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.

cc: Leon Nowalsky, Counsel for XYN Communications of Utah, LLC.
Justin Jetter, Assistant Attorney General, State of Utah
Cheryl Murray, Utility Analyst, Office of Consumer Services, State of Utah