

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: November 07, 2016

Re: In the Matter of the Application of SummitIG Utah, LLC for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange, Access, and Interexchange Telecommunications Services in the State of Utah, Docket Number 16-2591-01.

RECOMMENDATION (Approve):

The Division of Public Utilities ("Division") has reviewed the technical, managerial, and financial abilities of the SummitIG 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 SummitIG 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 would be no objections or opposition to this recommendation. Therefore, the Division request that this docket be adjudicated informally in accordance with R746-110-1.



GARY HEBERT Governor SPENCER J. COX Lieutenant Governor

EXPLANATION:

On or about October 18, 2016, SummitIG Utah, LLC ("SummitIG or Applicant") filed an application for a CPCN. The Division reviewed the application and found the following:

SummitIG Utah, LLC is a registered foreign corporation within the State of Utah; with its corporate headquarters located at 22375 Broderick Drive, Suite 165, Dulles, VA 20166. SummitIG is a subsidiary of Summit Infrastructure Group, Inc.

The Applicant seeks statewide authority except 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). Specifically, 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.

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.

The Applicant does not currently own property in the state, but intends to acquire, lease and construct conduit, handholes, fiber optic cable and supporting equipment and facilities in the State of Utah in order to provide services to the public.

The Applicant intends to commence operations immediately upon receiving approval from the Commission to operate as a local exchange telecommunications service provider in the State of Utah.

SummitIG it will initially offer fiber services to business subscribers who may utilize the fiber for various communications needs. If in the future the Applicant offers a standard local exchange service offering, it would provide access to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services through interconnection and contractual arrangements with the underlying ILEC.

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 Lee Grant, Vice President & General Counsel, SummitIG 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.

SummitIG intends to operate only in the State of Utah and, therefore, has not received authority to conduct business in other states. However, they state that its affiliates, Summit Infrastructure

Group, LLC and SummitIG, LLC hold certificates to provide local exchange and interexchange telecommunications services in the Commonwealth of Virginia

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: Lee Grant, Vice President & General Counsel, SummitIG Utah, LLC Sharon Thomas, Consultant to SummitIG Utah, LLC
William J. Evans, Counsel for SummitIG Utah, LLC
Justin Jetter, Assistant Attorney General, State of Utah
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