

In the Matter Of:

In Re: SummitIG Utah, LLC - CPCN

HEARING PROCEEDINGS DOCKET NO. 16-2591-01

November 29, 2016

Job Number: 347819

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the)	
Application of SummitIG)	
Utah, LLC, for a)	
Certificate of Public)	Docket No.
Convenience and Necessity)	16-2591-01
to Provide)	
Facilities-Based and)	HEARING
Resold Local Exchange,)	
Access, and Interexchange)	
Telecommunications)	
Services in the State of)	
Utah)	

November 29, 2016
9:00 a.m.

Location: Public Service Commission
160 East 300 South, 4th Floor
Salt Lake City, UT 84111
(801) 530-6769

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

Job Number: 347819

A P P E A R A N C E S

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Presiding Officer: Jennie T. Jonsson

For SummitIG: William J. Evans
 PARSONS BEHLE & LATIMER
 201 S. Main Street, Suite 1800
 Salt Lake City, UT 84111
 (801) 532-1234
 (801) 536-6111 Fax
 bevans@parsonsbehle.com

For the Division of Public Utilities: Justin C. Jetter
 Assistant Attorney General
 160 East 300 South, 5th Floor
 P.O. Box 140857
 Salt Lake City, UT 84114-0857
 (801) 366-0353
 jjetter@utah.gov

I N D E X

Witness	Page
WILLIAM COOK	
Direct Examination by Mr. Evans	5
RON SLUSHER	
Direct Examination by Mr. Jetter	10

1 November 29, 2016

9:00 a.m.

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

3 JUDGE JONSSON: Today is Tuesday, November
4 29th, 2016. It's almost nine o'clock in the morning.
5 We're being proactive this morning. And this is the
6 date and time set for the hearing in the Matter of the
7 Application of SummitIG Utah, LLC, for Certificate of
8 Public Convenience and Necessity to Provide
9 Facilities-based and Resold Local Exchange, Access and
10 Interexchange Telecommunication Services in the State of
11 Utah.

12 This is Docket No. 16-2591-01. Let's get
13 appearances for the parties on the record. For SummitIG
14 we have?

15 MR. EVANS: I am William Evans of Parsons
16 Behle and Latimer for the applicant, SummitIG Utah, LLC.

17 JUDGE JONSSON: Thank you. And your witness
18 is on the phone.

19 MR. EVANS: Yes. It's William Cook, and we
20 will have him introduce himself in a minute.

21 JUDGE JONSSON: Thank you. And for the
22 division.

23 MR. JETTER: Good morning. I am Justin Jetter
24 with the -- representing the Utah Division of Public
25 Utilities, and with me at counsel table is Ron Slusher,

1 a utility technical consultant for the Utah Division of
2 Public Utilities.

3 JUDGE JONSSON: Thank you. All right.
4 Mr. Evans, this is your client's application. So I am
5 going to let you take charge and go forward.

6 MR. EVANS: Okay. Thank you. As you said,
7 this is a request for the commission to issue a
8 certificate of convenience and necessity to SummitIG.
9 We have on the phone Mr. William Cook, who will offer
10 testimony. May I call the witness?

11 JUDGE JONSSON: You may. Mr. Cook, can you
12 hear?

13 THE WITNESS: Yes.

14 JUDGE JONSSON: Can you hear --

15 THE WITNESS: Just -- I can barely hear
16 Mr. Evans.

17 JUDGE JONSSON: All right.

18 MR. EVANS: I will try to speak up. Is that
19 better?

20 THE WITNESS: Perfect, excuse me. There we
21 go. Okay. That's better. Thank you.

22 JUDGE JONSSON: Thank you. And Mr. Cook, do
23 you swear to tell the truth today?

24 THE WITNESS: Yes.

25 JUDGE JONSSON: Thank you. Go ahead,

1 Mr. Evans.

2 WILLIAM COOK,
3 called as a witness at the instance of the applicant,
4 having been first duly sworn, was examined and testified
5 as follows:

6 DIRECT EXAMINATION

7 BY MR. EVANS:

8 Q. Good morning, Mr. Cook. For the record, would
9 you please state your name, business address, and your
10 position with SummitIG please.

11 A. I am William Cook. My business address is
12 22375 Broderick Drive, Suite 165, Dulles, Virginia,
13 20166. And I am the chief executive officer of SummitIG
14 Utah.

15 Q. Mr. Cook, have you reviewed the application of
16 SummitIG for a certificate of public convenience and
17 necessity that's been filed in this docket?

18 A. Yes.

19 Q. Do you have a copy of the application in front
20 of you?

21 A. Yes.

22 Q. Do you have knowledge of the contents
23 presented in the application?

24 A. Yes.

25 Q. And I see that the verification to the

1 application was signed by Lee Grant, listed as vice
2 president and general counsel for SummitIG. Is that
3 correct?

4 A. That's right.

5 Q. But you have been designated to serve as the
6 witness for them in this hearing?

7 A. Yes.

8 Q. And so for the purposes of your testimony in
9 this matter today, do you adopt as your own the
10 statements made in SummitIG's application?

11 A. Yes.

12 Q. And are those statements true and correct to
13 the best of your knowledge?

14 A. Yes.

15 Q. Are there any changes or corrections that
16 should be made to the application?

17 A. Just one update. The application states, I
18 believe at page 4, that SummitIG Utah, LLC, intends to
19 acquire facilities in the state of Utah in order to
20 provide services to the public. I can now report to the
21 commission that as of yesterday we have closed the
22 transaction and accomplished acquisition of those
23 facilities which are depicted in confidential Exhibit B
24 to the application.

25 Q. Does SummitIG have any affiliated companies

1 **that are operating as competitive local exchange**
2 **carriers in other states?**

3 A. Summit Infrastructure Group, LLC, and
4 SummitIG, LLC, both hold certificates to provide local
5 exchange and interexchange services only in the
6 Commonwealth of Virginia at present. SummitIG Utah,
7 LLC, which is a subsidiary of Summit Infrastructure
8 Group, Inc., represents our first step in expanding our
9 operations into other states.

10 **Q. And does SummitIG Utah intend to offer**
11 **facilities-based services in Utah?**

12 A. Yes. We, we plan to acquire certain network
13 infrastructure facilities in Utah and to construct
14 additional facilities that will -- that we'll use to
15 provide fiber connectivity to customers in Utah.

16 **Q. Does SummitIG intend to initially use those**
17 **facilities to begin offering local exchange service?**

18 A. We will initially offer fiber services to
19 support business subscribers, wireless and wire line
20 carriers, government facilities and data centers.
21 Eventually as we expand the network, we plan to also
22 expand our range of services to include facilities-based
23 and resold local exchange services, access and
24 interexchange services.

25 **Q. Does the application at page 7, I think,**

1 address the managerial qualifications of the team that
2 be -- that will be responsible for the operation of
3 SummitIG Utah, LLC?

4 A. Yes. That, that is right.

5 Q. And are the biographies of the key management
6 personnel described in Exhibit C to the application?

7 A. Yes. That exhibit contains a summary of the
8 experience of the people who will oversee SummitIG's
9 operation in Utah. All of them are very capable people
10 who have held positions with SummitIG and in other
11 telecommunications companies. They have extensive
12 experience in managing operations and financial and
13 technical aspects of telecommunication businesses. We
14 expect that they will be a very effective management
15 team.

16 Q. Are there any changes or corrections that you
17 know of that should be made to the biographies of these
18 people?

19 A. No.

20 Q. Has there been any opposition to SummitIG's
21 application for a CPCN that you are aware of?

22 A. No.

23 Q. Can you please describe why you believe it
24 would be in the public interest for the commission to
25 issue a certificate to SummitIG?

1 A. Well, the issuance of a CPCN will allow
2 SummitIG to offer quality telecom services initially to
3 certain enterprises, but ultimately we hope to all
4 customers within the service area covered by the
5 certificate. It will enable SummitIG to deploy new
6 infrastructure in Utah that will expand access to high
7 quality, cost effective telecommunication services.

8 It will promote more vigorous competition
9 which will drive prices lower, increase efficiency in
10 the delivery of services, and it will stimulate
11 innovation and development of new services.

12 The entry of SummitIG in the Utah market will
13 serve the public interest by providing continuing
14 incentives for carriers for reduce costs while
15 increasing the availability and reliability of high
16 quality telecommunications services in the state, not
17 only from SummitIG but also from other providers of
18 telecommunication services.

19 MR. EVANS: Thank you. Mr. Cook is available
20 for cross-examination.

21 JUDGE JONSSON: Mr. Jetter, any questions?

22 MR. JETTER: I have no questions. Thank you.

23 JUDGE JONSSON: All right. Thank you. Go
24 ahead.

25 MR. JETTER: I'd like to have sworn in Mr. Ron

1 Slusher.

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

4 THE WITNESS: Yes.

5 JUDGE JONSSON: Go ahead.

6 WILLIAM COOK,
7 called as a witness at the instance of the Division,
8 having been first duly sworn, was examined and testified
9 as follows:

10 DIRECT EXAMINATION

11 BY MR. JETTER:

12 Q. Good morning, Mr. Slusher. Would you please
13 state your name and occupation for the record.

14 A. My name is Ron Slusher, S-L-U-S-H-E-R. I am a
15 utility -- utility technical consultant for the Division
16 of Public Utilities.

17 Q. Thank you. And in the course of your
18 employment with the Division of Public Utilities, have
19 you had the opportunity to review the application filed
20 by SummitIG in this docket along with the exhibits?

21 A. Yes, I have.

22 Q. And did you create and cause to be filed with
23 the commission comments from the Division of Public
24 Utilities, along with an affidavit dated Sep -- excuse
25 me, November 7th, 2016?

1 A. I did.

2 Q. Do you have any corrections or changes you
3 would like to make to that?

4 A. I do not.

5 Q. And does a recommendation for approval
6 contained in those comments still reflect your opinion
7 on the application?

8 A. Yes, it does.

9 Q. Are you aware of any objections to this
10 application?

11 A. I have not heard or seen of any objections.

12 Q. And finally, do you believe that approval of
13 this application would be just, reasonable and in the
14 public interest?

15 A. Yes.

16 Q. Thank you.

17 MR. JETTER: I have no further questions.

18 JUDGE JONSSON: Thank you. Mr. Cook, any
19 questions for Mr. Slusher?

20 MR. COOK: None.

21 MR. EVANS: No, no questions here. Thank you.

22 JUDGE JONSSON: Sorry. Mr. Evans. You are
23 both Williams, I'm sorry. Let's just address the bond
24 briefly. SummitIG has requested that it be waived, and
25 the division has suggested that that would be

1 appropriate. Can we just put on the record that
2 SummitIG will not at this time be requiring prepayments
3 or customer deposits?

4 MR. EVANS: We will ask Mr. Cook to answer
5 that question. Will SummitIG be requiring advance
6 payments or deposits from its customers initially?

7 MR. COOK: No.

8 JUDGE JONSSON: Okay. Then I think I have
9 what I need. Unless there's anything either party would
10 like to put on the record, I think we can close this
11 hearing.

12 MR. EVANS: Nothing from us. Thank you.

13 JUDGE JONSSON: Thank you very much.

14 MR. COOK: Okay. Thank you.

15 JUDGE JONSSON: Thank you.

16

17 (The hearing concluded at 9:12 a.m.)

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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 12 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 2nd day of December, 2016.

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

My commission expires:
January 19, 2019

<p>1</p> <hr/> <p>16-2591-01 3:12</p> <p>165 5:12</p> <hr/> <p>2</p> <hr/> <p>2016 3:1,4</p> <p>20166 5:13</p> <p>22375 5:12</p> <p>29 3:1</p> <p>29th 3:4</p> <hr/> <p>4</p> <hr/> <p>4 6:18</p> <hr/> <p>7</p> <hr/> <p>7 7:25</p> <hr/> <p>9</p> <hr/> <p>9:00 3:1</p> <hr/> <p>A</p> <hr/> <p>a.m. 3:1</p> <p>access 3:9 7:23</p> <p>accomplished 6:22</p> <p>acquire 6:19 7:12</p>	<p>acquisition 6:22</p> <p>additional 7:14</p> <p>address 5:9,11 8:1</p> <p>adopt 6:9</p> <p>affiliated 6:25</p> <p>ahead 4:25</p> <p>All 4:3,17 8:9</p> <p>almost 3:4</p> <p>also 7:21</p> <p>appearances 3:13</p> <p>applicant 3:16 5:3</p> <p>application 3:7 4:4 5:15,19,23 6:1,10,16,17, 24 7:25 8:6,21</p> <p>aspects 8:13</p> <p>aware 8:21</p> <hr/> <p>B</p> <hr/> <p>barely 4:15</p> <p>begin 7:17</p> <p>Behle 3:16</p> <p>being 3:5</p> <p>believe 6:18 8:23</p> <p>best 6:13</p> <p>better 4:19,21</p> <p>biographies 8:5,17</p>	<p>both 7:4</p> <p>Broderick 5:12</p> <p>business 5:9, 11 7:19</p> <p>businesses 8:13</p> <hr/> <p>C</p> <hr/> <p>call 4:10</p> <p>called 5:3</p> <p>capable 8:9</p> <p>carriers 7:2,20</p> <p>centers 7:20</p> <p>certain 7:12</p> <p>certificate 3:7 4:8 5:16 8:25</p> <p>certificates 7:4</p> <p>changes 6:15 8:16</p> <p>charge 4:5</p> <p>chief 5:13</p> <p>client's 4:4</p> <p>closed 6:21</p> <p>commission 4:7 6:21 8:24</p> <p>Commonwealt h 7:6</p> <p>companies 6:25 8:11</p> <p>competitive 7:1</p> <p>confidential 6:23</p>	<p>connectivity 7:15</p> <p>construct 7:13</p> <p>consultant 4:1</p> <p>contains 8:7</p> <p>contents 5:22</p> <p>convenience 3:8 4:8 5:16</p> <p>Cook 3:19 4:9, 11,22 5:2,8,11, 15</p> <p>copy 5:19</p> <p>correct 6:3,12</p> <p>corrections 6:15 8:16</p> <p>counsel 3:25 6:2</p> <p>CPCN 8:21</p> <p>customers 7:15</p> <hr/> <p>D</p> <hr/> <p>data 7:20</p> <p>date 3:6</p> <p>depicted 6:23</p> <p>describe 8:23</p> <p>described 8:6</p> <p>designated 6:5</p> <p>DIRECT 5:6</p> <p>division 3:22, 24 4:1</p> <p>docket 3:12 5:17</p>	<p>Drive 5:12</p> <p>Dulles 5:12</p> <p>duly 5:4</p> <hr/> <p>E</p> <hr/> <p>effective 8:14</p> <p>Evans 3:15,19 4:4,6,16,18 5:1,7</p> <p>Eventually 7:21</p> <p>EXAMINATION 5:6</p> <p>examined 5:4</p> <p>exchange 3:9 7:1,5,17,23</p> <p>excuse 4:20</p> <p>executive 5:13</p> <p>exhibit 6:23 8:6,7</p> <p>expand 7:21, 22</p> <p>expanding 7:8</p> <p>expect 8:14</p> <p>experience 8:8,12</p> <p>extensive 8:11</p> <hr/> <p>F</p> <hr/> <p>facilities 6:19, 23 7:13,14,17, 20</p> <p>facilities-based 3:9 7:11,22</p>
---	--	---	--	---

fiber 7:15,18	intend 7:10,16	local 3:9 7:1,4, 17,23	only 7:5	
filed 5:17	intends 6:18		operating 7:1	Q
financial 8:12	interest 8:24	M	operation 8:2,9	qualifications 8:1
first 5:4 7:8	interexchange 3:10 7:5,24		operations 7:9 8:12	
follows 5:5	into 7:9	made 6:10,16 8:17	opposition 8:20	R
forward 4:5	introduce 3:20	management 8:5,14	order 6:19	range 7:22
front 5:19	issue 4:7 8:25	managerial 8:1	oversee 8:8	record 3:13 5:8
G	J	managing 8:12	own 6:9	report 6:20
general 6:2	Jetter 3:23	matter 3:6 6:9	P	representing 3:24
Good 3:23 5:8	JONSSON 3:3, 17,21 4:3,11, 14,17,22,25	may 4:10,11	Parsons 3:15	represents 7:8
government 7:20	JUDGE 3:3,17, 21 4:3,11,14, 17,22,25	minute 3:20	parties 3:13	request 4:7
Grant 6:1	Justin 3:23	morning 3:4,5, 23 5:8	people 8:8,9, 18	resold 3:9 7:23
Group 7:3,8	K	N	Perfect 4:20	responsible 8:2
H	key 8:5	name 5:9	personnel 8:6	reviewed 5:15
having 5:4	knowledge 5:22 6:13	necessity 3:8 4:8 5:17	phone 3:18 4:9	Ron 3:25
hear 4:12,14, 15	L	network 7:12, 21	plan 7:12,21	S
hearing 3:6 6:6	Latimer 3:16	nine 3:4	position 5:10	said 4:6
held 8:10	Lee 6:1	November 3:1, 3	positions 8:10	serve 6:5
himself 3:20	let 4:5	O	present 7:6	service 7:17
hold 7:4	line 7:19	offer 4:9 7:10, 18	presented 5:23	services 3:10 6:20 7:5,11,18, 22,23,24
I	listed 6:1	offering 7:17	president 6:2	set 3:6
include 7:22	LLC 3:7,16 6:18 7:3,4,7 8:3	officer 5:13	proactive 3:5	should 6:16 8:17
infrastructure 7:3,7,13		one 6:17	provide 3:8 6:20 7:4,15	signed 6:1
initially 7:16,18			public 3:8,24 4:2 5:16 6:20 8:24	Slusher 3:25
instance 5:3			purposes 6:8	speak 4:18

<p>state 3:10 5:9 6:19</p> <p>statements 6:10,12</p> <p>states 6:17 7:2, 9</p> <p>step 7:8</p> <p>subscribers 7:19</p> <p>subsidiary 7:7</p> <p>Suite 5:12</p> <p>summary 8:7</p> <p>Summit 7:3,7</p> <p>Summitig 3:7, 13,16 4:8 5:10, 13,16 6:2,18, 25 7:4,6,10,16 8:3,10,25</p> <p>Summitig's 6:10 8:8,20</p> <p>support 7:19</p> <p>swear 4:23</p> <p>sworn 5:4</p> <hr/> <p style="text-align: center;">T</p> <hr/> <p>table 3:25</p> <p>take 4:5</p> <p>team 8:1,15</p> <p>technical 4:1 8:13</p> <p>telecommunica tion 3:10 8:13</p> <p>telecommunica tions 8:11</p>	<p>testified 5:4</p> <p>testimony 4:10 6:8</p> <p>time 3:6</p> <p>today 3:3 4:23 6:9</p> <p>transaction 6:22</p> <p>true 6:12</p> <p>truth 4:23</p> <p>try 4:18</p> <p>Tuesday 3:3</p> <hr/> <p style="text-align: center;">U</p> <hr/> <p>update 6:17</p> <p>use 7:14,16</p> <p>Utah 3:7,11,16, 24 4:1 5:14 6:18,19 7:6,10, 11,13,15 8:3,9</p> <p>Utilities 3:25 4:2</p> <p>utility 4:1</p> <hr/> <p style="text-align: center;">V</p> <hr/> <p>verification 5:25</p> <p>vice 6:1</p> <p>Virginia 5:12 7:6</p> <hr/> <p style="text-align: center;">W</p> <hr/> <p>will 3:20 4:9,18</p>	<p>7:14,18 8:2,8, 14</p> <p>William 3:15, 19 4:9 5:2,11</p> <p>wire 7:19</p> <p>wireless 7:19</p> <p>witness 3:17 4:10,13,15,20, 24 5:3 6:6</p> <hr/> <p style="text-align: center;">Y</p> <hr/> <p>yesterday 6:21</p>	
---	---	--	--