



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: March 15, 2017

Re: In the Matter of the Application of Prestige Broadband, LLC for a Certificate of Public Convenience and Necessity to Provide Switched and Dedicated, Facilities-Based Local Exchange and Facilities-Based Interexchange Services within the State of Utah, Docket No. 17-2595-01.

RECOMMENDATION (Approve):

The Division of Public Utilities (“Division”) has reviewed the technical, managerial, and financial abilities of the Prestige Broadband, 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 public interest will be promoted by the Commission granting Prestige Broadband, LLC a Certificate of Public Convenience and Necessity (“CPCN”) as requested under the same terms and conditions allowed in other CPCNs.

Prior to or concurrent with the filing of any tariff provision relating to the collection of customer deposits, Prestige will file proof of a bond in the amount of \$100,000 in order to protect customer deposits and other liabilities.

The Division expects that based on history, a filing of this type and with the information submitted by the company will generate no objections or opposition to this recommendation. Therefore, the Division requests that this docket be adjudicated informally in accordance with R746-110-1.

EXPLANATION:

On or about February 17, 2017, Prestige Broadband, LLC (“Prestige or Applicant”) filed an application for a CPCN. The Division reviewed the application and found the following:

Prestige Broadband, LLC is a registered corporation within the State of Utah; with its corporate headquarters located at 224 South Main Street, Suite 535, Springville, UT 84663.

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 and residential customers in the incumbent, CenturyLink, exchanges statewide in Utah, consistent with the exchange maps CenturyLink has on file with the Commission.

Prestige will construct its own switching and transmission facilities as market conditions warrant. Prestige will also use this license to become a regulated utility thereby granting Applicant access to municipal rights of way and utility poles to deploy fiber optic networks as market demand allows.

Prestige is a start-up fixed wireless internet service provider currently providing broadband internet access to customers in Springville, Utah. As such, Prestige already operates a fully operational telecommunications company. Prestige manages a network operations center with customer support, along with standard functions such as billing, sales, and marketing.

Once voice services are initiated, Prestige will provide access to standard intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services such as 911 and E911 either through its own operations or by purchasing those services from underlying carriers.

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 Michael Lingwall, Managing Member, of Prestige Broadband, LLC the Applicant has a positive net worth and has ample working capital.

Prestige will not request customer deposits for the provision of local and/or interexchange service. Prior to or concurrent with the filing of any tariff provision relating to the collection of customer deposits, Prestige will file proof of a bond in the amount of \$100,000 in order to protect customer deposits and other liabilities.

The Applicant is not currently a certified to provide telephone services in any state.

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 by creating greater competition in the local exchange marketplace, and the high-speed data market in particular. Prestige's fiber optic network will be capable of providing broadband internet with symmetrical speeds of one gigabit/second. The public convenience and necessity, therefore, will be served by the issuance of a Certificate of Public Convenience and Necessity to Applicant authorizing it to provide the services described in this application.

cc: Michael Lingwall, Managing Member, Prestige Broadband, LLC.
Justin Jetter, Assistant Attorney General, State of Utah
Cheryl Murray, Utility Analyst, Office of Consumer Services, State of Utah