



State of Utah

Department of Commerce
Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Brenda Salter, Utility Technical Consultant Supervisor

Ron Slusher, Utility Technical Consultant

Date: April 14, 2021

Re: **Docket No. 21-2628-01**, In the Matter of the Application of ExteNet Asset Entity, LLC for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange Telecommunications Service within the State of Utah.

Recommendation (Approve)

The Division of Public Utilities (“Division”) has reviewed the technical, managerial, and financial abilities of the ExteNet Asset Entity, LLC (“ExteNet Asset”) and has found that it has 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 ExteNet Asset a Certificate of Public Convenience and Necessity (“CPCN”) as requested under the same terms and conditions allowed in other CPCNs.

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.

Discussion

On or about April 06, 2021, ExteNet Asset filed an application for a CPCN. The Division reviewed the application and found the following.

ExteNet Asset is a registered foreign corporation within the State of Utah; with its corporate headquarters located at 3030 Warrenville Road, Suite 340, Lisle, IL 60532. ExteNet Asset is an indirect subsidiary of ExteNet Systems, Inc. ExteNet Systems, Inc. was issued a CPCN on March 09, 2016 in Docket No.16-2586-01.

ExteNet Asset 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 of local exchange services in the service areas of CenturyLink Communications, Inc. and any other existing or future LECs providing service in Utah.

The Applicant's customer base will be wireless service providers 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 Asset'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. The Applicant will initially utilize the existing network infrastructure of ExteNet Systems, Inc. in Utah, which will be transferred to ExteNet Asset, but also seeks authority to provide service via resale arrangements. ExteNet Asset does not intend to furnish switched voice services or dial tone and has no immediate plans to provide service to residential customers or business customers at this time.

The Applicant anticipates offering services as soon as reasonably practicable after receiving approval of its Application for a CPCN.

The Applicant states that it will be the responsibility of its 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. When in the future, ExteNet Asset provides local exchange service to end users it will, at that time, explain how it proposes to provide access to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services.

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 H. Anthony Lehv, Senior Vice President and General Counsel, ExteNet Asset Entity, LLC the Applicant has a positive net worth and has ample working capital.

ExteNet Asset submitted proof of a bond in the amount of \$100,000 for customer deposits or other customer and state fund liabilities.

The Applicant is currently authorized to provide local exchange telecommunications services in the District of Columbia, Delaware, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Jersey, New York, Oklahoma, Pennsylvania, Rhode Island, Tennessee, Washington, and Wisconsin.

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. Applicant will not provide dial tone.

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.

Conclusion

Based on the Division's review of the filing, we conclude the public interest will be promoted by the Commission granting ExteNet Asset a CPCN and request the Commission approve the application.

Cc: William J. Evans, Attorney for ExteNet Asset Entity, LLC
H. Anthony Lehv, Senior Vice President and General Counsel, ExteNet Asset Entity, LLC.
Justin Jetter, Assistant Attorney General, State of Utah
Office of Consumer Services, State of Utah