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# 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  
Brenda Salter, Assistant Director  
Abdinasir Abdulle, Utility Technical Consultant Supervisor  
Ron Slusher, Utility Technical Consultant

**Date:** March 7, 2023

**Re:** **Docket No. 23-2640-01**, In the Matter of the Application of CNS Networks, 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 CNS Networks, LLC (“CNS”) 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 CNS 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.

Division of Public Utilities

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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 February 23, 2023, CNS filed an application for a CPCN. The Division reviewed the application and found the following:

CNS is a registered Delaware corporation; with its corporate headquarters located at 2595 Canyon Blvd., Suite 400, Boulder, CO 80302.

The Applicant seeks authority to provide its proposed services to and from all points in Utah where demand for its services arises. CNS does not seek authority to provide local exchange service as defined in Utah Code § 54-8b-2(11) or other circuit-switched services within any local exchange that has fewer than 5,000 lines and that is owned or controlled by an incumbent telephone corporation with fewer than 30,000 access lines in the state.

CNS proposes to build a fiber-based network in Utah. Applicant will primarily provide point-to-point telecommunications services such as Private Line and other similar services. The Applicant will provide services primarily using its own facilities and facilities leased from other carriers, but also seeks authority to provide service via resale arrangements.

The Applicant does not currently own property in the state and does not plan to construct any facilities in the state. The Applicant intends to use the local loops and other existing network facilities where prudent of the local exchange incumbent provider.

CNS anticipates offering services in Utah as soon as reasonably practicable after it obtains approval of its application for a CPCN and completes the construction of its network.

Applicant does not plan to furnish switched voice services or dial tone at this time, and therefore the requirements to provide access to directory assistance, directory listings, operator services and emergency services do not apply.

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 Bill Beans, Jr., President, CEO, and Co-Founder, CNS Networks, LLC, the Applicant has a positive net worth and has ample working capital. The Applicant will rely on the financial resources of its parent, Congruex LLC.

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 Colorado, Minnesota, Nevada, New Mexico, Ohio, Oregon, 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.

The Applicant states that approval of its application will “enhance competition in the provision of telecommunications services within Utah. By enhancing competition, Applicant will bring significant benefits to telecommunications users within Utah by providing: (a) lower-priced and better-quality service; (b) innovative telecommunications services; (c) efficient use of communications resources; and (d) increased diversification and reliability in the supply of communications services”.

## **Conclusion**

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

cc: Adam E. Weinacker, Attorney for CNS Networks, LLC  
Bill Bean, Jr., President, CEO, and Co-Founder, CNS Networks, LLC  
Patricia Schmid, Assistant Attorney General, State of Utah  
Patrick Grecu, Assistant Attorney General, State of Utah  
Office of Consumer Services, State of Utah