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## UTAH DEPARTMENT OF COMMERCE

### Division of Public Utilities

MARGARET W. BUSSE  
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*Division Director*

## 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:** April 19, 2024

**Re:** **Docket No. 24-2648-01**, In the Matter of the Application of Stratus Networks, Inc. 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 Stratus Networks, Inc. (“Stratus” or the “Applicant”) 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 Stratus 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.<sup>1</sup>

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.

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<sup>1</sup> Utah Admin. Code R746-349-3(1)(b)(iii)

Therefore, the Division requests that this docket be adjudicated informally in accordance with Utah Admin. Code R746-110-1.

## **Discussion**

On or about April 04, 2024, Stratus filed an application for a CPCN. The Division reviewed the application and found the following:

Stratus is a registered foreign corporation within the State of Utah; with its corporate headquarters located at 4700 North Prospect Road, Suite 8, Peoria, IL 61625.

It seeks statewide authority, so that it may offer local exchange services to areas that are currently open or will become open to competition within the state.

The Applicant intends to offer its services to business and other non-residential Customers including wireless carriers and other service providers, the hospitality industry, large-scale sports and entertainment venues, college campuses, self-driving vehicle providers, remote weather monitoring stations, rural communities, and healthcare facilities.

Stratus states that it does not currently own property in the State of Utah but will acquire or construct any facilities in the state as necessary in order to provide its services. Services will be provided using a combination of fixed lines and microwave links to ensure resiliency.

The Applicant intends to commence negotiations with CenturyLink for an interconnection/commercial agreement immediately upon receiving approval from the Commission to operate as a local exchange telecommunications service provider in the State of Utah.

Applicant will provide access to ordinary interLATA and intraLATA message toll calling, operator services, directory assistance, directory listings, and emergency services such as 911 and E911 through resale services purchased directly from the applicable 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 Christina Doan, Controller, of Stratus Networks, Inc. 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.

Stratus is currently in the process of obtaining authority to operate or register in all fifty states, and the District of Columbia. The Applicant states it will update the Commission with a list of jurisdictions in which it is licensed or registered to operate upon request.

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 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**

The Division has reviewed the filing by Stratus Networks, Inc. for the issuance of a CPCN and although the Company filed its application citing the outdated Utah Admin. Code R746-349-3 we conclude that the application appears to meet the requirements under the Amended Utah Admin. Code R746-349-3 dated November 21, 2022, and that the public interest will be promoted by the Commission approving Stratus Networks, Inc. application.

cc: Tyler Evens, VP Operations, Stratus Networks, Inc.  
Michael P. Donahue, Counsel to Stratus Networks, Inc.  
Patricia Schmid, Assistant Attorney General, State of Utah  
Patrick Greco, Assistant Attorney General, State of Utah  
Office of Consumer Services, State of Utah