

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Application of eNetworks, LLC for a Certificate of Public Convenience and Necessity to Provide Facilities-Based Public Telecommunications Services within the State of Utah	<u>DOCKET NO. 25-2654-01</u>
	<u>ORDER</u>

ISSUED: March 18, 2025

SYNOPSIS

The Public Service Commission (PSC) approves the application of eNetworks, LLC (“eNetworks”) for a Certificate of Public Convenience and Necessity (“CPCN”) and authorizes eNetworks to provide telecommunications services within Utah as described herein.

PROCEDURAL HISTORY

On January 3, 2025, eNetworks filed an application seeking a CPCN for authority to operate as a provider of facilities-based intrastate public telecommunications services within Utah (the “Application”). eNetworks requested informal adjudication of the Application. On January 7, 2025, a Notice of Filing and Comment Period was issued by the PSC which advised that comments on the Application, or in opposition to eNetworks’ request for informal adjudication of the Application, would be received until February 6, 2025 (“Notice of Filing”).

On January 3, 2025, the PSC issued an action request to the Division of Public Utilities (DPU) seeking DPU’s review and recommendation concerning the Application. On January 24, 2025, eNetworks also filed the verified direct testimony of Lindon Hayes, Co-CEO of eNetworks, in support of the Application and in compliance with

Utah Admin. Code R746-349-3. DPU filed comments on January 30, 2025, and February 4, 2025 (“DPU’s Comments”), stating the Application appeared to meet the requirements of Utah Admin. Code R746-349-3 and recommended the Application be informally adjudicated and approved by the PSC.

The Notice of Filing provided a deadline for opposition to the request for informal adjudication by February 6, 2025, and advised that if no opposition was filed by that date the PSC would consider adjudicating the Application informally. The Utah Rural Telecom Association (URTA) filed comments on February 6, 2025. URTA requested that if this docket is adjudicated informally that eNetworks’ CPCN, if issued, specifically include language excluding the small rural exchanges; alternatively, if such language is not included in the CPCN, URTA requested that this matter be adjudicated formally so that it could formally intervene as incumbent telephone corporations pursuant to Utah Code § 54-8b-2.1(3). eNetworks did not respond to URTA’s filing, and no reply comments or opposition were submitted by the reply comment deadline, February 21, 2025.

DISCUSSION

DPU’s Comments state that DPU reviewed the technical, managerial, and financial abilities of eNetworks and found eNetworks provided the necessary information to fulfill the requirements under the PSC’s rules. DPU further states granting a CPCN to eNetworks as requested and under the same terms and conditions

granted in other CPCN dockets will promote the public interest. DPU recommends the \$100,000 bond be waived because eNetworks will not require customer deposits or prepayments of any kind.¹ In making its approval recommendation, DPU relied on various representations made by eNetworks, including:

1. eNetworks seeks statewide authority except within exchange areas with fewer 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. § 54-8b-2.1(3) and (4).
2. eNetworks will primarily provide services to wholesale customers and enterprise customers. eNetworks states that it will primarily provide business-to-business point-to-point telecommunications services such as private line and other similar services.
3. eNetworks does not currently own property in the state but proposes to build a fiber-based network in support of carrier and enterprise customers in Utah.
4. eNetworks does not plan to furnish switched voice services or dial tone currently, and therefore requirements to provide access to directory assistance, directory listings, operator services, and emergency services do not apply.
5. Summaries of professional experience and education of eNetworks' managerial personnel demonstrate that eNetworks has considerable experience in the telecommunications industry.

¹ See DPU Comments dated January 30, 2025, at 1.

6. eNetworks attests to the accuracy, objectivity, and integrity of its financial statements, which show that it has a positive net worth and ample working capital.

7. eNetworks will not require customer deposits or prepayments of any kind.

8. eNetworks is authorized to provide intrastate telecommunications services in the following states: Alabama, Arkansas, California, Florida, Georgia, Hawaii, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Minnesota, Missouri, Mississippi, Nevada, North Carolina, New Jersey, Ohio, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Virginia, Washington, Wisconsin, and West Virginia and it currently has an application for a CPCN before the Arizona Commission.²

9. eNetworks claims that it has never had any complaints, nor has any investigation been undertaken against it or any of its affiliates involving unauthorized switching, i.e., “slamming,” or any other illegal activities.

10. eNetworks states it will comply with all applicable laws and regulations to prevent the unauthorized switching of local service customers by eNetworks, its employees, or agents.

11. eNetworks asserts that approval of the Application will serve the public interest by creating and enhancing competition and expanding customer service

² See DPU Comments dated February 4, 2025, at 3.

options. Additionally, approval will expand the availability of innovative, high quality, reliable, and competitively priced telecommunications services in the State of Utah.

Based on our review of the Application, eNetworks' representations therein and its verified written testimony, the comments of URTA, and DPU's Comments and recommendations, the PSC enters the following Findings of Fact, Conclusions of Law, and Order.

FINDINGS OF FACT

1. The limitations URTA seeks regarding the scope of the CPCN are unnecessary because they are requested in the Application and reflected in Exhibit A hereto.³ Consequently, the Application is unopposed and will be informally adjudicated under Utah Admin. Code R746-1-104(1).

2. eNetworks filed documentation containing sufficient information to support the Application.

3. eNetworks demonstrated it is qualified to do business in Utah.

4. eNetworks will use its managerial expertise to support its Utah operations.

5. eNetworks has sufficient technical resources and abilities to provide the regulated telecommunications services it proposes to offer.

³ See Application at 4 and 12.

6. eNetworks reports a positive net worth and access to sufficient working capital for its Utah operations.

CONCLUSIONS OF LAW

1. eNetworks meets the statutory requirements of Utah Code Ann. § 54-8b-2.1 and related rules for the requested CPCN.

2. Issuance of the requested CPCN to provide public telecommunications services as described in the Application is consistent with the legislative policy set forth in Utah Code Ann. § 54-8b-1.1 and in the public interest.

3. Given that eNetworks will not require customer deposits and has demonstrated that it has access to sufficient capital, adequate provisions exist to protect customers and state fund liabilities under Utah Admin. Code R746-349-3(1)(b).

ORDER

Based on the above Findings and Conclusions, the PSC Orders:

1. eNetworks is granted the CPCN attached as Exhibit A, incorporated by reference into this Order.

2. eNetworks' CPCN is subject to the limitations stated therein.

3. The requirement stated in Utah Admin. Code R746-349-3(1)(b) that an applicant submits proof of a bond in the amount of \$100,000 is waived.

Any person may protest this Order within 20 days from the date of the Order. If the PSC finds the protest to be meritorious, the PSC will suspend the effective date of

this Order, pending further proceedings. This Order otherwise takes effect 20 days from the date below.

DATED at Salt Lake City, Utah, March 18, 2025.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph.D., Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#338848

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

EXHIBIT A

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Application of eNetworks, LLC for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange, Access, and Interexchange Telecommunications Services in the State of Utah	<u>DOCKET NO. 25-2654-01</u> <u>CERTIFICATE 2654</u>
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ISSUED: March 18, 2025

The Public Service Commission of Utah, pursuant to Utah Code Ann. § 54-8b-2.1, issues a Certificate of Public Convenience and Necessity authorizing eNetworks, LLC to provide public telecommunications services within the PSC's jurisdiction in the State of Utah. eNetworks, LLC may not provide local exchange service in any area with fewer than 5,000 access lines that is served by an incumbent local exchange carrier that has fewer than 30,000 total access lines.

DATED at Salt Lake City, Utah, March 18, 2025.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph.D., Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary

CERTIFICATE OF SERVICE

I CERTIFY that on March 18, 2025, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

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