

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Application of SCC )	
Communications Corp. for a Certificate of )	<u>DOCKET NO. 01-2366-01</u>
Public Convenience and Necessity to )	
Provide Switched and Dedicated Resold )	<u>REPORT AND ORDER</u>
Facilities-Based Local Exchange and )	
Facilities-Based Interexchange Services )	
Within the State )	

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ISSUED: June 18, 2002

SYNOPSIS

By this Report and Order, the Public Service Commission of Utah (the ACommission@) grants the request of Intrado Communications, Inc, formerly known as SCC Communications Corp. ("Applicant"), for a Certificate of Public Convenience and Necessity (ACertificate@) authorizing Applicant to provide public telecommunications services within the State of Utah subject to certain limitations. The Commission, having considered the record in this proceeding and the applicable law, hereby makes, adopts, and enters the following Report and Order.

By the Commission:

PROCEDURAL HISTORY

Intrado Communications, Inc., formerly known as SCC Communications Corp. (AApplicant@) filed its Second Amended Application on April 25, 2001, pursuant to Utah Code Annotated ' 54-8b-1.1 *et. seq.*, and Title 63, Chapter 46b of the Utah Administrative Procedures Act. Incumbent Local Exchange Carriers (AILECs@) have been notified of the Application. The Utah Rural Telecom Association ("URTA") and Applicant entered into a Stipulation wherein Applicant agreed to certain limitations being placed on its certificate, and the URTA stated that it did not oppose Applicant's amended application herein. The Division of Public Utilities also investigated this application and recommended approval consistent with the stipulation, and waiver of the bond requirement because Applicant will not require customer deposits or prepayments.

Since there appears to be no meritorious opposition, and Applicant has made out its *prima facie* case in support of the application, there appears to be no reason to convene an evidentiary hearing on the matter. Accordingly, the Commission, having been fully advised in the premises, enters the following Report, containing proposed Findings of Fact, Conclusions of Law, and the Order based thereon.

FINDINGS OF FACT

1. Applicant is qualified to do business in Utah.
2. Applicant has requested that the Commission grant a Certificate of Public Convenience and Necessity authorizing it to provide public telecommunications services within the State of Utah, subject to certain limitations contained in the stipulation with the URTA.
3. Applicant is proposing to provide facilities-based services and resold services.
4. Applicant will utilize its managerial and technical expertise to support its Utah operations.

5. Applicant has sufficient technical resources and abilities to provide the public telecommunications services for which it has applied for a Certificate.
6. Applicant has sufficient managerial resources and abilities to provide the public telecommunications services for which it has applied for a Certificate.
7. Applicant has a secure and sufficient source of funding for its Utah operations that will enable it to meet projected capital and operating expenses and to implement its business plans.
8. Applicant has sufficient financial resources and abilities to provide the public telecommunications services for which it has applied for a Certificate.
9. In its provision of intrastate services, Applicant will be subject to competition from other certified telecommunications services providers.
10. Applicant's service offerings will provide customers with a wider range of choices in meeting their telecommunications needs and will support the development of competition.
11. The issuance of a Certificate to Applicant to provide public telecommunications services is in the public interest.
12. The reporting requirements in Exhibit B attached hereto are in the public interest and should be binding upon Applicant until modified by the Commission.
13. Applicant has applied for exemptions from the requirements of various procedures of the Utah Code and the Commission's Rules and Regulations.
14. The grant of exemptions from the provisions of the Utah Code and the Commission's Rules and Regulations, as set forth in Exhibit B, is in the public interest.

#### CONCLUSIONS OF LAW

1. It is in the public interest to convert this matter to an informal proceeding, pursuant to ' 63-46b-4(3), UCA 1953, as amended.
2. Applicant meets each of the statutory requirements (" 54-8b-2.1, *et. seq.* UCA 1953, as amended) for issuance of a Certificate as a telecommunications corporation.
3. Applicant meets each of the statutory requirements (" 54-8b-2.1, *et. seq.*, UCA 1953, as amended) for authorization to provide the public telecommunications services for which it seeks a Certificate.
4. The issuance of a Certificate to Applicant to provide the telecommunications services for which it has applied is in accord with the legislative policy declarations set forth in Utah Code ' 54-8b-1.1.

#### ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

! This matter be, and it is, converted to an informal proceeding pursuant to ' 63-46b-4(3), UCA 1953, as amended.

! The Commission hereby grants Applicant the Certificate that is attached hereto as Exhibit A and by this reference made a part of this Report and Order.

! Applicant shall provide reports to the Commission and to the Division of Public Utilities, Utah Department of Commerce, as set forth in Exhibit B and by this reference made part of this Report and Order.

! Applicant is exempt from certain provisions of the Utah Code and the Commission's Rules and Regulations, as set forth in Exhibit B.

! As Applicant does not propose to take customer deposits nor provide pre-paid services, the Commission's bond requirement is waived.

DATED at Salt Lake City, Utah, this 18<sup>th</sup> day of June 2002.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary

G#29796

EXHIBIT A

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In the Matter of the Application of SCC )  
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Within the State )

DOCKET NO. 01-2366-01

CERTIFICATE

ISSUED: June 18, 2002

By the Commission:

The Public Service Commission of Utah, pursuant to the Utah Code Ann. " 54-8b-2.1, *et. seq.*, hereby issues a Certificate of Public Convenience and Necessity authorizing Intrado Communications, Inc. (AGrantee@) to provide public telecommunications services within the State of Utah. This Certificate is subject to the limitations and agreements contained in the Stipulation between Grantee and the Utah Rural Telecom Association, dated April 1, 2002, a copy of which is attached hereto and incorporated herein.

DATED at Salt Lake City, Utah, this 18<sup>th</sup> day of June, 2002.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Richard M. Campbell, Commissioner

Attest:

/s/ Julie Orchard  
Commission Secretary

**BEFORE THE  
UTAH PUBLIC SERVICE COMMISSION**

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Provide Switched and Dedicated Resold	)	<u>DOCKET NO. 01-2366-01</u>
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Facilities-Based Interexchange Services	)	
Within the State of Utah	)	

**STIPULATION**

The Utah Rural Telecom Association ("URTA") (see Attachment A hereto for list of URTA members) and Intrado Communications Inc. ("ICI") (collectively, "Parties") hereby enter into the following Stipulation. As a consequence of these stipulations and conditions, URTA does not oppose ICI's amended application filed in the above-captioned proceeding on or about August 15, 2001.

1. URTA will not intervene to oppose the granting of a statewide Certificate of Public Convenience and Necessity to ICI, provided that the Utah Public Service Commission ("Commission") makes the necessary findings to justify granting such a certificate, and provided that the conditions set forth herein are satisfied.
2. ICI stipulates and agrees that any certificate that may be granted with respect to local exchange dial tone service will authorize ICI to provide such service only to customers located in service areas not served by URTA members, except as provided herein.
3. Nothing in this Stipulation shall prohibit ICI from aggregating and transporting voice and/or data emergency calls on behalf of a telecommunications carrier, a telematics service provider, a private branch exchange, or a public agency.
4. ICI stipulates and agrees that it will not provide any local dial tone service (i.e., originating and terminating non-emergency local calls), by its own facilities or otherwise, to any customer located in a service area served by an URTA member, unless and until ICI provides such URTA member and the Commission with written notice of ICI's intent to do so at least thirty (30) days prior to the date of the intended service. During such notice period, the URTA member may petition the Commission to exercise all rights afforded the URTA member under federal and/or state law.
5. ICI stipulates and agrees that if ICI notifies an URTA member pursuant to paragraph 4 herein and the Commission receives a petition from the URTA member to exercise its rights under federal and/or state law pursuant to paragraph 4 herein, ICI will not provide local dial tone service to any customer located in the service area in question without Commission approval.
6. The Parties stipulate and agree that should ICI request interconnection with the network of an URTA member, access to network elements of an URTA member, and/or collocation at an URTA member's facilities, the terms and conditions of such interconnection, access, and/or collocation shall be negotiated in good faith, provided that ICI shall be treated in a manner comparable to other telecommunications carriers.
7. The Parties stipulate and agree that all rights under federal and state law are reserved to URTA and ICI, and this Stipulation in no way suspends or adversely affects such rights, including any exemptions, suspensions, or modifications to which URTA or ICI may be entitled, and including the right to hereafter assert noncompliance with any applicable statute or rule.
8. ICI shall amend, in a timely manner, its application and testimony in the above-captioned docket to the extent necessary to conform with the terms and conditions of this Stipulation.

AGREED AND STIPULATED to this 1<sup>st</sup> day of April 2002.

/s/ David A. Huberman  
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Attorney for the Utah Rural  
Telecom Association

## EXHIBIT B

### **I. Annual Report**

Grantee shall file an Annual Report, on or before March 31 of each year, unless said grantee requests and obtains an extension. The Annual Report shall contain the following:

**A. Annual Revenues** from operations attributable to the State of Utah by major service categories. Such information would be provided on a "Total Utah" and "Utah Intrastate" basis. "Total Utah" will consist of the total of interstate and intrastate revenues. "Utah Intrastate" will reflect only revenues derived from intrastate tariffs, price lists, or contracts. Both Total Utah and Intrastate Utah revenues shall be reported according to at least the following classes of service:

- (1) private line and special access,
- (2) business local exchange,
- (3) residential local exchange,
- (4) measured interexchange, and
- (5) vertical services.

Business local exchange, residential local exchange and vertical service revenue will be reported by geographic area, to the extent feasible.

**B. Annual Expenses and Estimated Taxes** attributed to operations in the State of Utah.

**C. Year End Balances by Account for Property, Plant, Equipment, Annual Depreciation, and Accumulated Depreciation** for telecommunications investment in Utah. The Actual Depreciation Rates which were applied in developing annual and accumulated depreciation figures shall also be shown.

**D. Financial Statements** maintained in accordance with generally accepted accounting principles in the ordinary course of business. These financial statements shall at a minimum include an income statement, balance sheet and statement of cash flows.

**E. List of Services** offered to customers and the geographic areas in which those services are offered. This list shall be current and shall be updated whenever a new service is offered or a new area is served.

**F. Number of Access Lines in Service** by geographic area, segregated between business and residential customers.

**G. Number of Messages and Minutes of Services** for measured services billed to end users.

**H. List of Officers and Responsible Contact Personnel** updated annually.

**I. Chart of Accounts.** In addition to the foregoing, said grantee will provide its chart of accounts as existing and updated (no less than annually). Said Grantee will also work with the Division in good faith to develop a method of estimating intrastate expenses and investments.

## **II. Applicable Statutory Provisions and Exemptions from Statutes and Waiver of Regulations.**

Grantee shall be exempted from the following statutory provisions and regulations:

### **A. Exemptions from Title 54**

54-3-8, 54-3-19 -- Prohibitions of discrimination

54-7-12 -- Rate increases or decreases

54-4-21 -- Establishment of property values

54-4-24 -- Depreciation rates

54-4-26 -- Approval of expenditures

### **B. Waivers of Regulations**

R746-340-2(D) -- Uniform System of Accounts (47 C.F.R. 32)

R746-340-2(E)(1) -- Tariff filings required

R746-340-2(E)(2) -- Exchange Maps

R746-341 -- Lifeline<sup>(1)</sup>

R746-344 -- Rate case filing requirements

R746-401 -- Reporting of construction, acquisition and disposition of assets

R746-405 -- Tariff formats

R746-600 -- Accounting for post-retirement benefits

## **III. Obligations with Respect to Provision of Services.**

Grantee agrees to provide service within specified geographic areas upon reasonable request and subject to the following conditions:

A. Grantee's obligation to furnish service to customers is dependent upon the availability of suitable facilities on its own network and the networks of underlying carriers. Grantee will provide a map identifying the areas within the state of Utah where it is offering any services. The map will be updated as Grantee serves new areas and no less frequently than annually.

B. Grantee will only be responsible for the operation and maintenance of services that it provides.

## **IV. Modification**

It is anticipated that to the extent such requirements impact competitive entry or impact effective competition that they

will be subject to the rulemaking requirements of the Utah Code Ann. Section 54-8b-2.2 and that the provisions set forth herein shall be superseded by any such rule adopted by the Commission.