# THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:

Mark Sievers, Chairman

Thomas E. Wright Shari Feist Albrecht

In the Matter of the Application of ExteNet	)	
Systems, Inc. for a Certificate of Convenience	)	Docket No. 13-ENST-617-COC (CLEC)
and Authority to Provide Local Exchange and	)	
Exchange Access Services Within the State of	)	
Kansas.	)	

# ORDER GRANTING CERTIFICATE OF CONVENIENCE AND AUTHORITY TO PROVIDE LOCAL EXCHANGE AND EXCHANGE ACCESS SERVICES WITHIN THE STATE OF KANSAS

NOW, the above-captioned matter comes before the State Corporation Commission of the State of Kansas ("Commission") for consideration and decision. Having reviewed its files and records and being duly advised in the premises, the Commission makes the following findings:

- 1. On April 5, 2013, ExteNet Systems, Inc. ("ExteNet") filed an Application for a Certificate of Convenience and Authority to engage in the business of a Competitive Local Service Provider (CLEC) by providing local exchange and exchange access services within the State of Kansas. ExteNet seeks authority to offer non-switched dedicated point-to-point Permanent Virtual Circuit (PVC) Transport Service on its Distributed Antenna Systems (DASs) on a wholesale basis to Wireless Service Providers (WSPs).
- 2. K.S.A. 66-131 states: "No common carrier or public utility... shall transact business in the state of Kansas until it shall have obtained a certificate from the corporation commission that public convenience will be promoted by the transaction of said business and

permitting said applicants to transact the business of a common carrier or public utility in this state."

#### 3. K.S.A. 66-2005(w) states in part:

[T]elecommunications carriers that were not authorized to provide switched local exchange telecommunications services in this state as of July 1, 1996, including cable television operators who have not previously offered telecommunications services, must receive a certificate of convenience based upon a demonstration of technical, managerial and financial viability and the ability to meet quality of service standards established by the commission. Any telecommunications carrier or other entity seeking such certificate shall file a statement, which shall be subject to the commission's approval, specifying with particularity the areas in which it will offer service, the manner in which it will provide the service in such areas and whether it will serve both business customers and residential customers in such areas...

4. Commission Staff ("Staff") submitted a Report and Recommendation in regards to the Application on July 10, 2013, attached hereto and made a part hereof by reference. Staff found that ExteNet is a Delaware Corporation properly registered as a Foreign for Profit Corporation with the Kansas Secretary of State's Office, and is currently "active and in good standing" with the same. Staff found that ExteNet proposes to serve only business customers, namely WSPs. Staff found that ExteNet's DASs provide WSPs with several benefits, including more efficient use of its available spectrum and lower power utilization. Furthermore, utilizing ExteNet's DASs will allow WSPs to extend wireless coverage to areas where it is often difficult or undesirable to build a traditional cell tower. Staff found that components of ExteNet's network can be shared completely or partially with other WSPs depending on the WSPs' specific requirements, and that the DASs are built using a negotiated Network License Agreement (NLA) that develops the specific network configuration. Staff found that the information provided in ExteNet's Application supports the provider's technical, managerial and financial abilities to provide local exchange and exchange access services. Finally, Staff found that ExteNet will

utilize its own bill for customers requesting a bill, which meets the Commission's Billing Practice Standards Order in Docket No. 06-GIMT-187-GIT. Staff recommends approval of ExteNet's Application, as well as ExteNet's proposed local exchange and exchange access tariffs included with its Application.

5. The Commission finds Staff's findings and recommendations to be reasonable and hereby adopts the same.

#### IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

- A. ExteNet's Application for a Certificate of Convenience and Authority to provide local exchange and exchange access services within the State of Kansas is approved.
- B. ExteNet's local exchange and exchange access tariffs filed with its Application are approved.
- C. ExteNet shall file timely annual reports, maintain current registration with the Kansas Secretary of State's Office, pay all Commission and Kansas Universal Service Fund assessments in a timely manner, follow the Telecommunications Carrier Code of Conduct, and report revenues to GVNW Consultants for assessment purposes. Failure to meet these requirements could result in the revocation of the Certificate of Convenience and Authority.
- D. The parties have fifteen (15) days, plus three (3) days if service of this order is by mail, from the date this order was served in which to petition the Commission for reconsideration of any issue or issues decided herein. K.S.A. 66-118b; K.S.A. 77-529(a)(1).
- E. The Commission retains jurisdiction over the subject matter and parties for the purpose of issuing such further order, or orders, as it may deem necessary.

## BY THE COMMISSION IT IS SO ORDERED.

Sievers, Chmn.; Wright, Com.; Albrecht, Com.

Dated: JUL 1 8 2013

ORDER MAILED JUL 1 9 2013

Kim Christiansen
Executive Director

MRN



Kansas
Corporation Commission

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Sam Brownback, Governor

Mark Sievers, Chairman Thomas E. Wright, Commissioner Shari Feist Albrecht, Commissioner

# REPORT AND RECOMMENDATION UTILITIES DIVISION

TO:

Chairman Mark Sievers

Commissioner Thomas E. Wright Commissioner Shari Feist Albrecht

FROM:

Hal Baumhardt, Senior Telecommunications Analyst

Christine Aarnes, Chief of Telecommunications

Jeff McClanahan, Director of Utilities

DATE:

July 10, 2013

DATE SUBMITTED TO LEGAL:	7/16/13	
DATE SUBMITTED TO COMMISSIONERS: _	1-16-13	

RE:

Docket No. 13-ENST-617-COC (CLEC)

In the Matter of the Application of ExteNet Systems, Inc. for a Certificate of Convenience and Authority to Provide Local Exchange and Exchange Access

Services Within the State of Kansas.

#### **EXECUTIVE SUMMARY:**

ExteNet Systems, Inc. (ExteNet) filed an Application for authority to provide local exchange and exchange access telecommunications services in the state of Kansas. Staff has researched the Application as part of its normal approval process. ExteNet has addressed Staff's concerns and Staff recommends the Application for Approval.

#### **BACKGROUND:**

On April 5, 2013, Anne Callenbach, at the Law Office of Polsinelli Shughart PC, filed this Application on behalf of ExteNet. With this filing ExteNet is requesting authority to engage in the business of a Competitive Local Service Provider (CLEC) within selected areas of the State of Kansas. ExteNet currently operates in seventeen states and Canada providing Distributed Antenna Systems (DAS) to Wireless Service Providers (WSPs). The Applicant's initial focus for service is in the Overland Park and Leawood service areas allowing theWSP to expand its wireless coverage.

#### **ANALYSIS:**

The Applicant seeks authority to offer non-switched dedicated point-to-point Permanent Virual Circuits (PVC) Transport Service using the Company's DAS system on a wholesale basis specifically to WSPs. The DAS's allow WSPs to improve their coverage by filling in "dead spots" or to increase their capacity to provide service in certain geographical areas.

ExteNet is providing fiber transport between the antenna and the base station through its DAS network. A DAS network functions similar to any other antenna/cell site. The DAS provides the WSP with several benefits, including significantly more efficient use of its available spectrum and lower power requirements on the handset and antenna. Another significant benefit in utilizing a DAS system in specific topographical areas is that it is often difficult or undesirable to build a traditional cell tower due to certain environmentally sensitive areas, historic locations, high-end residential areas or dense urban areas. The use of DAS systems provides the WSP the ability to supplement the traditional tower configuration. Recent deployment of ExteNet's DAS system involved Metro PCS in the states of Massachusetts and Michigan and Verizon in the state of Michigan.

Lastly, the components of the network can be shared completely or partially or not at all by another WSP depending on the WPS's specific requirements. The DAS networks are built using a negotiated Network License Agreement (NLA) that develops the specific network configuration.

ExteNet will utilize its own billing (sample provided) for customers requesting a bill, which meets the Kansas Corporation Commission (KCC) Billing Practice Standards order in Docket No. 06-GIMT-187-GIT, and also meets the requirements for itemization of charges. The Company will not collect customer deposits.

Staff has reviewed this application, and the information supports the provider's technical, managerial and financial capabilities to provide local exchange and access services.

ExteNet System, Inc. is a Delaware Corporation and is properly registered as a Foreign for Profit Corporation with the Kansas Secretary of State's Office. It is active and in good standing with that office.

#### **RECOMMENDATION:**

Staff recommends the Commission grant this application authorizing ExteNet Systems, Inc. to provide local exchange and exchange access services within the State of Kansas. Staff has reviewed the local and access exchange tariffs, included with this Application, which will be filed upon approval of this Certificate of Convenience allowing ExteNet to offer local exchange and exchange access telecommunications services.

Upon approval, ExteNet Systems, Inc. is required to file annual reports, remain current with the Kansas Secretary of State's office, pay all Commission and KUSF assessments, follow the Telecommunications Carrier Code of Conduct, and report revenues to GNVW Consultants for assessment purposes. Failure to meet these requirements could result in the revocation of the Certificate.

## PLEASE FORWARD THE ATTACHED DOCUMENT (S) ISSUED IN THE ABOVE-REFERENCED DOCKET TO THE FOLLOWING:

NO. CERT. COPIES NO. PLAIN COPIES

NAME AND ADDRESS

MICHAEL NEELEY, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604-4027 \*\*\*Hand Delivered\*\*\*

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## ORDER MAILED JUL 1 9 2013