

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

July 6, 2016

IN RE:

APPLICATION OF ENETWORKS, LLC FOR
CERTIFICATE TO PROVIDE COMPETING LOCAL
TELECOMMUNICATIONS SERVICES

)
)
) DOCKET NO.
) 16-00054
)

INITIAL ORDER GRANTING CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY

This matter came before the Hearing Officer of the Tennessee Regulatory Authority (the “Authority” or “TRA”) at a Hearing held on June 24, 2016 to consider the *Application of eNetworks, LLC. For Certificate To Provide Competing Local Telecommunications Services* (the “Application”) filed on May 9, 2016. In its *Application*, eNetworks, LLC (“eNetworks” or the “Company”) seeks a Certificate of Public Convenience and Necessity (“CCN”) for authority to provide competing local exchange and interexchange telecommunications services in Tennessee.

LEGAL STANDARD

Enetworks’ *Application* was made pursuant to and considered in light of the criteria for granting a CCN as set forth in Tenn. Code Ann. § 65-4-201 (2015), which provides, in pertinent part:

(a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator

thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate . . .

* * *

(c) After notice to the incumbent local exchange telephone company and other interested parties and following a hearing, the authority shall grant a certificate of convenience and necessity to a competing telecommunications service provider if after examining the evidence presented, the authority finds:

(1) The applicant has demonstrated that it will adhere to all applicable commission policies, rules and orders; and

(2) The applicant possesses sufficient managerial, financial, and technical abilities to provide the applied for services.

* * *

Furthermore, pursuant to Tenn. Code Ann. § 65-5-112 (2015), a competing telecommunications provider is required to file with the Authority: (1) a plan containing the provider's plan for purchasing goods and services from small and minority-owned telecommunications businesses; and (2) information on programs that might provide technical assistance to such businesses.

HEARING ON THE MERITS

Pursuant to Tenn. Code Ann. § 65-4-204 (2015), public notice of the Hearing in this matter was issued by the Hearing Officer on June 14, 2016. The Hearing was conducted on June 24, 2016. The witness for the *Applicant*, Mr. Baxter Lindon Hayes, III, Chief Executive Officer, provided testimony on behalf of the Company. No parties sought intervention prior to or during the Hearing.

I. ENETWORKS' QUALIFICATIONS

1. ENetworks is a corporation organized under the laws of the State of Delaware and was licensed to transact business in Tennessee by the Secretary of State on April 13, 2016.

2. The complete street address of the registered agent for eNetworks is Business

Filings, Inc., 800 South Gay Street, Suite 2021, Knoxville, Tennessee 37929-9710. The complete street address of eNetworks' corporate office is 11020 David Taylor Drive, Suite 103, Charlotte, North Carolina 28262-1103. The telephone number is (704) 658-3787.

3. The *Application* and information in the record indicate that eNetworks has the requisite technical and managerial ability to provide competitive access services and transport telecommunications services within the State of Tennessee. Specifically, the eNetworks senior management team possesses extensive business, technical, operational and regulatory experience.

4. ENetworks has the necessary capital and financial ability to provide the services it proposes to offer.

5. ENetworks has represented that it will adhere to all applicable statutes, policies, rules and orders of the Authority.

II. PROPOSED SERVICES

ENetworks seeks to operate in Tennessee as a wholesale provider offering non-switched dedicated point-to-point private circuit transport services to wireless and other carriers via owned and leased fiber optic cabling between nodes and data centers in their network within the state.¹ This service will be offered primarily to Wireless Service Providers so that they can improve their coverage area in Tennessee and increase their capacity to provide services in certain geographic areas.² The Company will provide its point-to-point transport services on fiber optic cable through a combination of its own deployed fiber optic network facilities and facilities leased from a variety of other suppliers, primarily data centers.³

The Applicant is requesting the ability to offer its services on a statewide basis in

¹ *Application*, p. 5 (May 9, 2016).

² *Id.* at 6.

³ *Id.*

locations where wholesale carrier customer demand arises.

III. PERMITTING COMPETITION TO SERVE THE PUBLIC CONVENIENCE AND NECESSITY

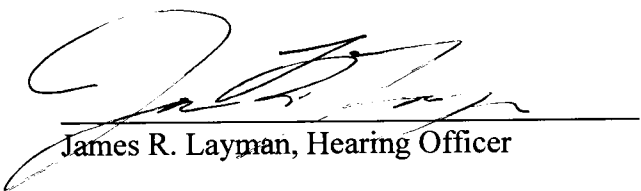
ENetworks' *Application* and its proposed services would inure to the benefit of the present and future public convenience by permitting competition in the telecommunications services markets in the State and fostering the development of an efficient, technologically advanced statewide system of telecommunications services.

IV. SMALL AND MINORITY-OWNED TELECOMMUNICATIONS BUSINESS PARTICIPATION PLAN AND BUSINESS ASSISTANCE PROGRAM

ENetworks has filed a satisfactory small and minority-owned telecommunications business participation plan, pursuant to Tenn. Code Ann. § 65-5-112 (2015) and the Authority's Rules.

IT IS THEREFORE ORDERED THAT:

1. The *Application of eNetworks, LLC. For Certificate To Provide Competing Local Telecommunications Services* filed on May 9, 2016 is approved.
2. Any party aggrieved by the Hearing Officer's decision in this matter may file a petition for reconsideration with the Authority within fifteen days from the date of this Order.
3. This Initial Order shall become a Final Order of the Tennessee Regulatory Authority, if no petition for reconsideration or appeal of this Order is filed prior to the expiration of the fifteen-day appeal period.


James R. Layman, Hearing Officer