



September 11, 2017

Chairman, Tennessee Public Utility Commission
c/o Sharla Dillon, Dockets and Records Manager
502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243
Email: sharla.dillon@tn.gov

Re: Docket No. 17-00065, Application of Monster Broadband, Inc. for a
Certificate to Provide Competing Local Telecommunications Services in
Tennessee

Dear Ms. Dillon:

Please accept the enclosed response of Monster Broadband, Inc. to the PUC's request for additional information dated July 14, 2017. Enclosed for filing are an original and four (4) copies of the Response of Monster Broadband and an electronic copy is being submitted via email.

Please contact me should you have any questions or need additional information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kristopher E. Twomey', is written over the typed name.

Kristopher E. Twomey
Counsel to Monster Broadband, Inc.

**Docket No. 17-00065, Application of Monster
Broadband, Inc. for a Certificate to Provide
Competing Local Telecommunications
Services in Tennessee**

Response of Monster Broadband, Inc. to the PUC's July 14, 2017 Data Request

1. Monster Broadband, Inc. ("Monster") has begun marketing and offers VoIP services to 110 customers. Monster does not offer any traditional, circuit-switched voice services.
2. Please see attached charter as Exhibit 1.
3. Please see attached financial documents as Exhibit 2.
4. Please see attached projected annual income for the next three years as Exhibit 3.
5. Please see attached capital expenditures for the first fiber project and proof of the line of credit as Exhibit 4.
6. Please see the attached surety bond as Exhibit 5.
7. There have been no complaints filed against Monster by the FCC. There was one complaint filed at the Better Business Bureau and it was resolved. Monster currently maintains an A+ rating with the Better Business Bureau. Please see proof of the A+ rating attached as Exhibit 6.

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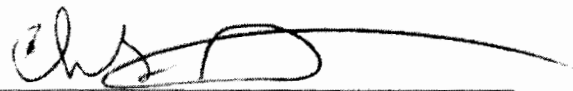
Exhibit 1

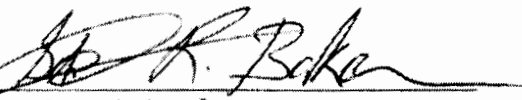
Charter of Monster Broadband

CHARTER
OF
MONSTER BROADBAND, INC.

1. The name of the corporation is Monster Broadband, Inc.
2. The Corporation is formed as a for-profit corporation pursuant to the provisions of *Tenn. Code Ann. § 48-11-101 et. seq.*, better known as the Tennessee Business Corporation Act.
3. The Registered Agent for the corporation is Charles S. Johnston, 927 Galloway Lane, Winchester, Franklin County, Tennessee 37398-9009.
4. The names and address of each incorporator are as follows:
 - a. Charles S. Johnston, 927 Galloway Lane, Winchester, Tennessee 37398-9009.
 - b. Steven Baker, 3616 Hilltop Circle, Rockwall TX 75087
5. The principle office for the corporation shall be located at 1105 Dinah Shore Blvd., Winchester, Tennessee 37398-1105.
6. The corporation is authorized to issue one thousand (1,000) shares of common stock, having no par value. These shares together shall have unlimited voting rights and full and equal rights to share in the profits of the corporation and its net assets upon dissolution.
7. The following individuals shall serve as directors for the corporation:
 - a. Charles S. Johnston, 927 Galloway Lane, Winchester, Tennessee 37398-9009
 - b. Steven Baker, 3616 Hilltop Circle, Rockwall TX 75087

ADOPTED this 30th day of April, 2009.

BY: 
Charles S. Johnston, Incorporator

BY: 
Steve Baker, Incorporator

**Docket No. 17-00065, Application of Monster
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Exhibit 2

Financial Documents

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Accrual Basis

Monster Broadband Inc.
Profit & Loss
January through December 2016

Jan - Dec 16

Ordinary Income/Expense	
Income	
*service Sales	1,223,321.72
Exempt income	
credit refund	1,914.02
Rebate (exempt income)	699.08
Exempt income - Other	6,000.00
Total Exempt income	8,613.10
exempt income Transferred from o	30,000.00
Total Income	1,261,934.82
Expense	
Advertising and Promotion	9,587.81
Automobile Expense	
Cleaning	353.50
Fuel	19,340.73
repairs	7,061.90
Automobile Expense - Other	2,321.66
Total Automobile Expense	29,077.79
Bad Check return	827.70
Bank Service Charges	3.11
Broadband Service charge	16,420.98
Casual Labor	1,305.00
Computer and Internet Expenses	
ATT Server fees	33,902.13
computer software	5,062.50
Networking fees	7,312.56
Website fees	719.09
Computer and Internet Expenses - Other	21,465.79
Total Computer and Internet Expenses	68,462.07
Contract labor	1,097.51
Credit Card fees	10,709.79
Credit Check Fees	0.00
customer relations	125.00
dues and subscriptions	1,692.41
Employee Advance	2,350.00
Employee Relations	187.86
Employer IRA Contribution	8,297.68
Equipment purchase	
Radios	33,219.56
Equipment purchase - Other	38,121.74

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02/27/17

Accrual Basis

Monster Broadband Inc.
Profit & Loss
 January through December 2016

	Jan - Dec 16
Total Equipment purchase	71,341.30
Equipment Rental	1,042.33
Exempt Expenses	
Advancement in pay	1,600.00
Transfer of money	30,450.00
Exempt Expenses - Other	6,372.01
Total Exempt Expenses	38,422.01
Insurance Expense	
Business Liability	6,199.00
Cyber Insurance	141.00
Health	16,514.60
Life	4,313.00
Property	7,168.00
Truck/Auto	4,484.00
Workers Comp	4,671.00
Total Insurance Expense	43,490.60
Interest Expense	79.45
internet service	18,002.34
Licenses & Fees	110.85
Loan Payments	25,758.43
Materials and Supplies	239,201.31
Meals and Entertainment	4,008.31
Office Supplies	
Operating Supplies	1,887.96
Office Supplies - Other	2,016.44
Total Office Supplies	3,904.40
Payroll Expenses	
Sub- Contractor	2,171.00
Payroll Expenses - Other	520,504.43
Total Payroll Expenses	522,675.43
Postage and Delivery	1,169.39
Professional Fees	
Legal Fees	8,000.00
Professional Fees - Other	5,755.00
Total Professional Fees	13,755.00
Refunds and Allowances	3,426.02
Rent Expense	38,964.53
Repairs and Maintenance	

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02/27/17

Accrual Basis

Monster Broadband Inc.
Profit & Loss
 January through December 2016

	Jan - Dec 16
Lawn Care	865.00
Repairs and Maintenance - Other	715.00
Total Repairs and Maintenance	1,580.00
Rubbage Removal	740.99
supplies	12,155.87
Taxes	
940	611.79
941	141,416.96
Business Tax	88.00
Francise and Excise	707.00
Professional Lic.	0.00
Property	487.00
Sales Tax	7,542.92
tags	155.05
Unemployment	76.87
Total Taxes	151,085.59
tools	178.76
Training Seminars	2,270.29
Travel Expense	
Airline Tickets	1,581.56
Parking Fees	41.01
Travel Expense - Other	6,338.40
Total Travel Expense	7,960.97
Uniforms	2,801.80
Utilities	
Cable	6,533.82
Cell phone	5,423.47
Telephone Expense	10,331.58
Utilities - Other	11,547.51
Total Utilities	33,836.38
Web Hosting	4,748.24
Total Expense	1,392,855.30
Net Ordinary Income	-130,920.48
Net Income	-130,920.48

**Docket No. 17-00065, Application of Monster
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Exhibit 3

Projected Annual Income



Monthly income current, past 2 and next 3 years

Year	Monthly	Total Gross sales
2015	Jan - Dec	\$980,945
2016	Jan - Dec	\$1,216,857
YTD 2016	Jan - Aug	\$741,722
YTD2017	Jan - Aug	\$891,655
2017	Projected	\$1,460,228
2018	Projected	\$1,752,274
2019	Projected	\$2,102,729
2020	Projected	\$2,523,275

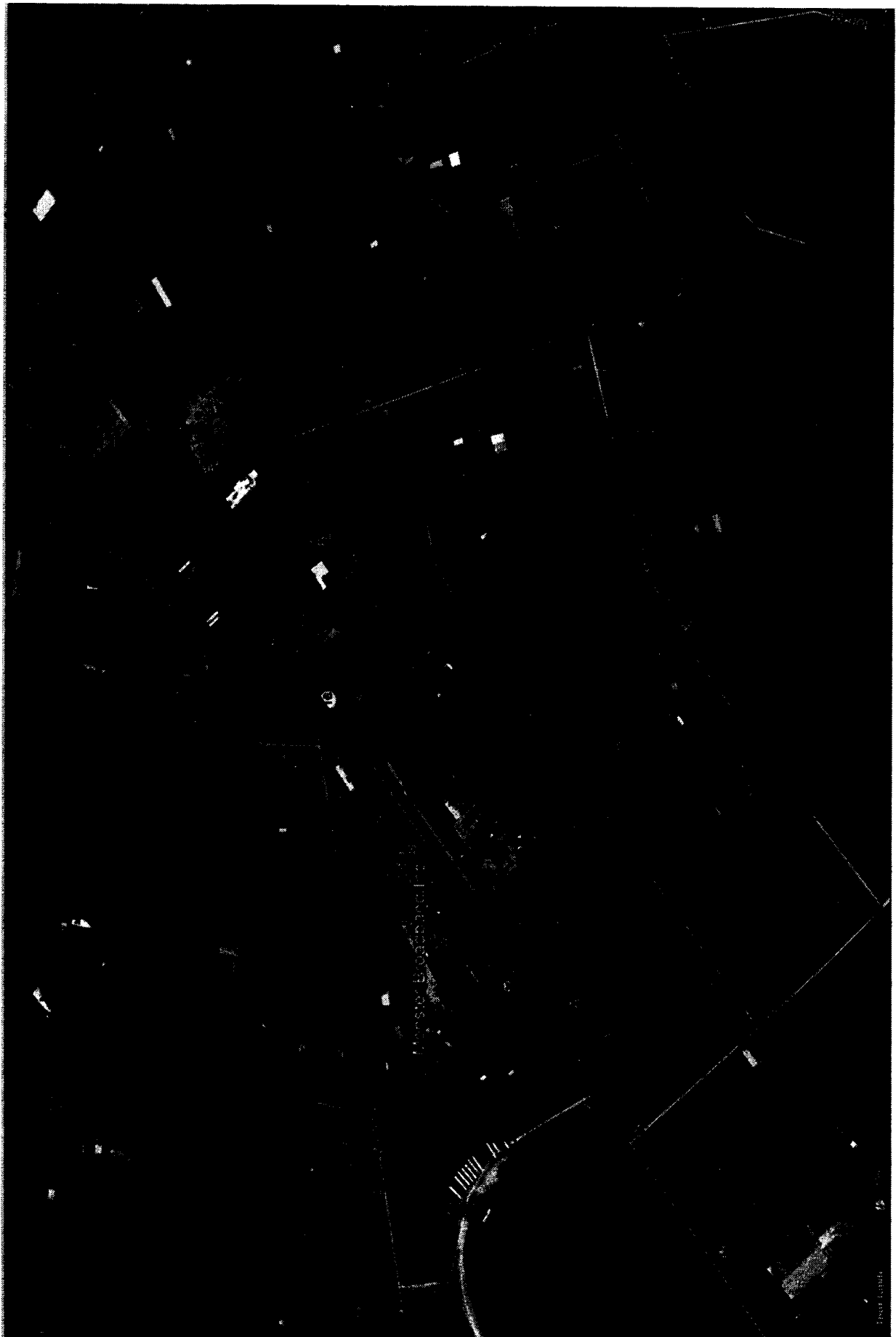
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Exhibit 4

Capital Expenditures for the First Fiber Project
and Proof of the Line of Credit

Assembly	Description	Amount	Cost Per Foot		
BFO12IR	12 Count Fiber - In Placed Duct	400	\$0.30		\$120.00
BFO24IR	24 Count Fiber - In Placed Duct	2721	\$0.32		\$870.72
BHF(10X18HDPE)	10" x 18" Flowerpot Handhole	100	\$45.00		\$4,500.00
BHF(10X24HDPE)	10" x 24" Flowerpot Handhole	15	\$87.00		\$1,305.00
BM60(1x1.25"SD R13.5)	Bore - 1 1.25" SDR 13.5 Orange Duct	9547	\$7.81		\$74,562.07
HBFO	Dome Splice Closure	7	\$275.00		\$1,925.00
BFO144IR	144 Fiber - In Placed Duct	4701	\$1.05		\$4,936.05
BFO2IR	2 Count Drop Fiber	19322	\$0.13		\$2,511.86
BHF(24X36X24HDPE)	24"x 36"x24" Handhole	12	\$330.00		\$3,960.00
Conduit Couplers 1"	Conduit Coupler Box of 50	55	\$5.00		\$275.00
DSP	1x32 splitters	7	\$50.00		\$350.00
NID	Side of Home Splice Point	200	\$31.00		\$6,200.00
800giga	801g ONT	200	\$81.25		\$16,250.00
E7	E7 OLT Chassis - 512 Subscriber @ 1x32 split	1	\$700		\$700.00
e7-2	E7-2 GPON-8 Card - 256 Subscriber	2	\$9,100		\$18,200.00
OIM 10GE	10GE Transceiver	1	\$350		\$350.00
OIM GPON	GPON Transceiver	8	\$630		\$5,040.00
FIBPATCH	Fiber Patch Panel - 144 port, SC, 4U	4	\$900		\$3,600.00
			Total for 2 miles		\$145,655.70

See map on page two



American City



Amanda Tanner
Loan Administration

July 21st, 2017

Re: Monster Broadband, Inc.

To Whom It May Concern,

We are pleased to inform you that Monster Broadband, Inc. has a financial relationship with American City Bank. Monster Broadband, Inc. has a credit line in the amount of One Hundred Thousand dollars.

If you have further questions, please contact me directly 931.967.9967. Thank you for your time and attention.

Sincerely,

A handwritten signature in cursive script that reads "Amanda Tanner".

Amanda Tanner
Loan Administration

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Exhibit 5

Surety Bond

TENNESSEE REGULATORY AUTHORITY

TENNESSEE TELECOMMUNICATIONS SERVICE PROVIDER'S SURETY BOND

Bond #: LSM1020889

WHEREAS, Monster Broadband Inc (the "Principal"), has applied to the Tennessee Regulatory Authority for authority to provide telecommunications services in the State of Tennessee; and

WHEREAS, under the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated, as amended, the Principal is required to file this bond in order to obtain such authority and to secure the payment of any monetary sanction imposed in any enforcement proceeding brought under Title 65 of the Tennessee Code Annotated or the Consumer Telemarketing Act of 1990 by or on behalf of the Tennessee Regulatory Authority (the "TRA"); and

WHEREAS, RLI Insurance Company

(the "Surety"), a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated;

NOW THEREFORE, BE IT KNOWN, that we the Principal and the Surety are held and firmly bound to the STATE OF TENNESSEE, in accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 125(j), in the full amount of twenty thousand dollars (\$20,000.00) lawful money of the United States of America to be used for the full and prompt payment of any monetary sanction imposed against the Principal, its representatives, successors or assigns, in any enforcement proceeding brought under Title 65 of Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TRA, for which obligation we bind ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

This bond shall become effective on the 17th day of May, 2017, and shall be continuous; provided, however, that each annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force, the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed Twenty Thousand Dollars (\$20,000.00). The Surety may cancel this bond by giving thirty (30) days written notice of such cancellation to the TRA and Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may have accrued under this bond prior to the date of cancellation.

PRINCIPAL

Monster Broadband Inc.
Name of Company authorized by the TRA

Company ID # as assigned by TRA

SIGNATURE OF PRINCIPAL

Charles Johnston
Name: Charles Johnston
Title: Owner

SURETY

RLI Insurance Company
Name of Surety

102 E College St. Fayetteville, TN 37334
Address of Surety

SIGNATURE OF SURETY AGENT

Owen Bagley
Name: Owen Bagley
Title: Attorney in Fact

Address of Surety Agent:

Bagley & Bagley Insurance
102 E. College Street
Fayetteville TN 37334

THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 125, CHAPTER 4, TITLE 65 OF THE TENNESSEE CODE ANNOTATED AS AMENDED BY CHAPTER NO. 586, 2000 PUBLIC ACTS. SHOULD THERE BE ANY CONFLICT WITH THE TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER, THE STATUTE OR REGULATIONS SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)

ACKNOWLEDGMENT OF PRINCIPAL

STATE OF TENNESSEE

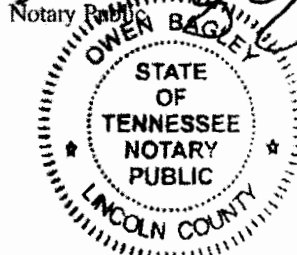
COUNTY OF Lincoln

Before me, a Notary Public of the State and County aforesaid, personally appeared Charles Johnston with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of Monster Broadband Inc., and he acknowledged to me that he executed the same.

WITNESS my hand and seal this 19 day of May, 2017.

My Commission Expires:

10/30/18



ACKNOWLEDGMENT OF SURETY

STATE OF TENNESSEE

COUNTY OF Lincoln

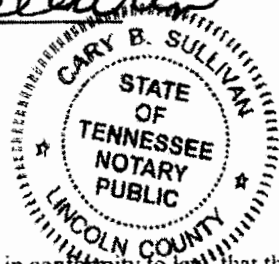
Before me, a Notary Public of the State and County aforesaid, personally appeared Owen Bagley with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of BLI Insurance, the within named Surety, a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so, executed the foregoing bond, by signing the name of the corporation by himself and as such individual.

WITNESS my hand and seal this 19 day of May, 2017

My Commission Expires:

3/2/2019

Cary B Sullivan
Notary Public



APPROVAL AND INDORSEMENT

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity with law, that the sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Regulatory Authority, State of Tennessee, this _____ day of _____.

Name:

Title:



RLI Insurance Company
P.O. Box 3967 Peoria IL 61612-3967
Phone: (309)692-1000 Fax: (309)683-1610

POWER OF ATTORNEY

RLI Insurance Company

Bond No. LSM1020889

Know All Men by These Presents:

That the RLI Insurance Company, a corporation organized and existing under the laws of the State of Illinois, and authorized and licensed to do business in all states and the District of Columbia does hereby make, constitute and appoint: Owen Bagley in the City of Fayetteville, State of Tennessee, as Attorney In Fact, with full power and authority hereby conferred upon him/her to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds, undertakings, and recognizances in an amount not to exceed Ten Million and 00/100 Dollars (\$10,000,000.00) for any single obligation, and specifically for the following described bond.

Principal: Monster Broadband Inc
Obligee: Tennessee Regulatory Authority
Type Bond: Telecommunications Service Providers
Bond Amount: \$ 20,000.00
Effective Date: May 17, 2017

The RLI Insurance Company further certifies that the following is a true and exact copy of a Resolution adopted by the Board of Directors of RLI Insurance Company, and now in force to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies, undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile."

IN WITNESS WHEREOF, the RLI Insurance Company has caused these presents to be executed by its Vice President with its corporate seal affixed this 18th day of May, 2017.

ATTEST:

Cherie L. Montgomery
Cherie L. Montgomery Assistant Secretary



RLI Insurance Company

Barton W. Davis
Barton W. Davis Vice President

On this 18th day of May, 2017 before me, a Notary Public, personally appeared Barton W. Davis and Cherie L. Montgomery, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as Vice President and Assistant Secretary, respectively, of the said RLI Insurance Company, and acknowledged said instrument to be the voluntary act and deed of said corporation.

Jacqueline M. Bockler
Jacqueline M. Bockler Notary Public



**Docket No. 17-00065, Application of Monster
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Exhibit 6

Better Business Bureau Website Report



Better Business Bureau®

[Contact Us](#) [Español](#) [Business Login](#) • [Nashville, TN, USA](#)



MENU

Find What are you looking for?

Near Nashville, TN

SEARCH

[Home](#) > [Accredited Business Directory](#) > [Internet Access Provider](#) > [Monster Broadband, Inc.](#)

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BBB ACCREDITED BUSINESS PROFILE

Is this your business? [Claim it now.](#) ?

Monster Broadband, Inc.

[Request a Quote](#)

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(800) 315-6444

Monster Broadband, Inc.

8 years in business

1105 Dinan Shore Blvd
Winchester, TN 37398-1105

[WEBSITE](#)

[See More Contact Options](#)

BBB File Opened: 10/01/2010

Business Started: 01/01/2009

Business Incorporated: 04/30/2009 in TN

Type of Entity

Corporation

Business Management

Reviews & Complaints

[View Customer Reviews \[1\]](#)

[View Customer Complaints \[1\]](#)

SORT BY: [Date](#) ▼

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10/12/15

James M.

Positive

Monster Broadband has provided my family with high speed internet for the past 3 years. Throughout that time the service has gotten consistently better year over year with increased speeds at a lower price. They have local technical support available 7 days a week, something I never experienced with any other local internet provider. I live in a very rural area and with speed around 10-14 Mbps with no threshold limits I am rivaling many of my friends who have DSL within the larger local towns and cities. The latency as well is very low allowing for internet supported phone and online gaming. They have been and continue to be a great company to do business with.



Monster Broadband, Inc.

BBB ACCREDITATION SINCE 10/06/2011



Customer Review Rating: 100%

