

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

May 3, 2018

IN RE:

**APPLICATION OF VERO FIBER
NETWORKS, LLC TO PROVIDE
COMPETING LOCAL TELECOMMUNICATIONS
SERVICES IN TENNESSEE**

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**DOCKET NO.
18-00008**

**INITIAL ORDER GRANTING CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY**

This matter came before the Hearing Officer of the Tennessee Public Utility Commission (the "Commission" or "TPUC") at a Hearing held on April 19, 2018 to consider the *Application of Vero Fiber Networks, LLC to Provide Competing Local Telecommunications Services Statewide* (the "*Application*") filed by Vero Fiber Networks, LLC ("Vero" or "Applicant") on January 11, 2018. In its *Application*, Vero seeks a Certificate of Public Convenience and Necessity ("CCN") for authority to provide competing local telecommunications services within the State of Tennessee.

LEGAL STANDARD

Vero's *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 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 commission, 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

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(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, a competing telecommunications provider is required to file with the Commission a small and minority-owned telecommunications business participation plan which provides a plan containing the provider's plan for purchasing goods and services from small and minority-owned telecommunications businesses and information on programs that might provide technical assistance to such businesses.

HEARING ON THE MERITS

Pursuant to Tenn. Code Ann. § 65-4-204, public notice of the Hearing in this matter was issued by the Hearing Officer on April 9, 2018. No persons sought intervention prior to or during the Hearing. Mr. Gregg Strumberger, Chief Legal Officer of Vero, appeared telephonically at the Hearing and provided testimony.

Thereafter, Mr. Strumberger participated in the Hearing, adopted the pre-filed testimony of Scott Beer, who was Executive Vice President of Business Development and Chief Legal

Officer of Vero at the time of the filing of the testimony but is no longer with the Company, and corrected the pre-filed testimony of Mr. Beer to update the identity of the Chief Legal Officer and the contact information for the Chief Legal Officer. Mr. Strumberger was then subject to examination by the Hearing Officer whereupon he provided updated information on pending applications to provide telecommunications services in other states, indicating that applications had been approved in Colorado, Georgia, Idaho, Illinois, Indiana, Michigan, New Mexico, Texas, Washington and Wisconsin. During the Hearing, Mr. Strumberger testified that the Company will provide essential broadband infrastructure to schools and libraries by connecting district locations. Further, Mr. Strumberger submitted financial statements and other exhibits to the *Application* as part of the record of this matter.

The Hearing Officer opened the floor for public comment, but no member of the public came forward to comment. Upon conclusion of the presentation of its proof, the Hearing Officer granted Vero's *Application* based upon the following findings of fact and conclusions of law:

I. VERO'S QUALIFICATIONS

1. Vero is a limited liability company organized under the laws of the State of Colorado, originally established on October 13, 2017 and authorized to transact business in Tennessee by the Secretary of State on January 18, 2018.

2. The complete street address of the registered agent for Vero, Incorp Services, Inc., is 2016 Centerview Dr. Ste. 317, Brentwood, Tennessee 37027. The complete street address of the corporate office of Vero is 1023 Walnut Street, Ste. 100, Boulder, CO, 80302. The telephone number is (303) 350-4060.

3. The *Application* and information in the record indicate that Vero has the requisite technical and managerial ability to provide competitive access services and transport

telecommunications services within the State of Tennessee. Specifically, Vero's management team possesses extensive business, technical, operational and regulatory experience.

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

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

II. PROPOSED SERVICES

Vero seeks a certificate of public convenience and necessity so that it may provide essential broadband infrastructure to schools and libraries by connecting district locations with fiber optic cable that provides reliable, scalable, and secure connectivity through the federal E-rate program. Vero will deliver an aggregation of technologies utilizing fiber optic cable depending on the customer's location and needs, including offer leasing of dedicated fiber optic strands to allow schools and libraries to create their own privately-operated fiber optic network, as well as offering lite fibers networks for schools and libraries seeking assistance with running existing networks and equipment. Vero seeks the Certificate in order to obtain interconnection agreements with incumbent local exchange carriers, franchise agreements, permitting agreements and pole attachment agreements.

III. PERMITTING COMPETITION TO SERVE THE PUBLIC CONVENIENCE AND NECESSITY

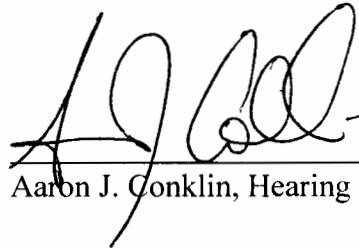
Vero's *Application* and its proposed services would inure to the benefit of the present and future public convenience by permitting competition in the telecommunications services markets in the State and fostering the development of an efficient, technologically advanced statewide system of telecommunications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

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

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

IT IS THEREFORE ORDERED THAT:

1. The *Application of Vero Fiber Networks, LLC to Provide Competing Local Telecommunications Services Statewide* is approved.
2. Any party aggrieved by the Hearing Officer's decision in this matter may file a petition for reconsideration within fifteen days from the date of this Order.
3. This Initial Order shall become a Final Order of the Tennessee Public Utility Commission, if no petition for reconsideration or appeal of this Order is filed prior to the expiration of the fifteen-day appeal period.

A handwritten signature in black ink, appearing to read 'AJ Conklin', is written over a horizontal line.

Aaron J. Conklin, Hearing Officer