# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

| In the Matter of the Application of | )         |  |
|-------------------------------------|-----------|--|
| WANRack, LLC                        | )         |  |
| for Certificates of Service         | )         |  |
| Authority to Provide Interexchange  | ) Case No |  |
| And Non-Switched Local Exchange     |           |  |
| Telecommunications Services in      | )         |  |
| the State of Missouri.              | )         |  |

# APPLICATION FOR CERTIFICATE OF SERVICE AUTHORITY TO PROVIDE INTEREXCHANGE AND NON-SWITCHED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES IN MISSOURI

Comes now WANRack, LLC ("WANRack" or "Company"), pursuant to Section 392.361, 392.410, 392.420, 392.430, 392.450 and 392.470, R.S.Mo, and 4 C.S.R. 240-2.060 and 240-3.510, and in support of its Application for a certificate of service authority as an interexchange and non-switched local exchange telecommunications service carrier to provide telecommunications services in the State of Missouri and to classify said services as competitive, states to the Missouri Public Service Commission ("Commission") as follows:

1. Applicant WANRack is a limited liability company duly organized and existing under and by virtue of the laws of the State of Kansas. Its headquarters and principal place of business are located at: 25656 W. 97th Street, Lenexa, KS 66227. A true and correct copy of a Certificate of Good Standing from the Kansas Secretary of State is attached as **Appendix A**. A true and correct copy of WANRack's Certificate to Transact Business in Missouri is attached as **Appendix B**. The legal name and principal office or place of business of WANRack are:

WANRack, LLC 25656 W. 97th Street Lenexa, KS 66227 Mailing address:

WANRack, LLC P.O. Box 860082 Shawnee Mission, KS 66286

2. All inquiries, correspondence, communications, pleadings, notices, orders and decisions relating to the case should be addressed to:

Mr. Darren Bonawitz Vice President WANRack, LLC P.O. Box860082 Shawnee Mission, KS 66286 (913) 530-0500 darren.bonawitz@wanrack.com

With a copy to:

Rose Mulvany Henry Bradley Arant Boult Cummings, LLP 1600 Division Street, Suite 700 Nashville, TN 37203 (615) 252-4634 (phone) (615) 252-4713 (fax) rhenry@babc.com

- 3. WANRack proposes to construct and deploy high capacity fiber-optic communications networks and to lease such networks to government, education, and enterprise customers on a turnkey basis. Additionally, WANRack may provide dedicated private line services over a portion of those high capacity fiber-optic communications networks.
- 4. WANRack seeks Commission certification to provide telecommunications service in Missouri. Specifically, WANRack seeks authority as an interexchange and non-switched local exchange telecommunications service carrier to offer and provide telecommunications services, pursuant to Sections 392.430, 392.440, and 392.470, RSMo.
  - 5. The Commission may grant WANRack a certificate of service authority as an

interexchange and non-switched local exchange telecommunications service carrier to provide telecommunications services if the Commission finds such authority to be in the public interest. Approval of this Application will serve the public interest because WANRack's proposed Services are consistent with the public interest and with the legislative goals set forth in the federal Telecommunications Act of 1996 and Chapter 392 RSMo. Approval of this Application will expand the availability of innovative, high quality, and reliable telecommunications services within the State of Missouri.

- 6. WANRack seeks classification of itself and its services as competitive. The Company submits that the services it provides are subject to sufficient competition to justify competitive classification and promote the public interest. See Section 392.361. Expeditious grant of this Application will further competition and allow WANRack to compete with other companies, consistent with the Commission's policies and the legislative goals set forth in the federal Telecommunications Act of 1996 and Chapter 392 RSMo. The Company submits that the public interest will be served by Commission approval of this application because the Company's proposed services will create and enhance competition and expand customer service options. Approval will also expand the availability of innovative, high quality, and reliable telecommunications services within the state of Missouri. Accordingly, all the services by which WANRack proposes to provide should be designated as competitive, and WANRack should be designated as a competitive telecommunications company.
- 7. WANRack will not unjustly discriminate among its customers as is prohibited by Section 392.200 RSMo. Applicant is willing to comply with all applicable Commission rules, except those which are specifically waived by the Commission. Consistent with the Commission's treatment of other certificated interexchange telecommunications carriers, WANRack requests that the following statues and regulations be waived for the Company with

respect to its interexchange service offerings, pursuant to Sections 392.361.5 and 392.420,

### RSMo:

#### Statutes:

- 392.210.2 Accounting requirements (system of accounts)
- 392.240.1 Reasonableness of rates
- 392.270 Accounting requirements (valuation of property)
- 392.280 Accounting requirements (depreciation rates/accounts)
- 392.290 Issuance of stocks, bonds and other indebtedness
- 392.300 Transfer of property and ownership of stock
- 392.310 Approval of issuing stocks, bonds and other indebtedness
- 392.320 Certificate of Commission to be recorded-stock dividends
- 392.330 Accounting requirements (proceeds of sales of stock, bonds, notes, etc.)
- 392.340 Company reorganization

#### Rules:

- 4 CSR 240-3.520 Applications to sell or transfer assets
- 4 CSR 240-3.525 Applications to merge or consolidate
- 4 CSR 240-3.530 Applications to issue stocks, obtain loans
- 4 CSR 240-3.535 Applications to acquire stock
- 4 CSR 240-3.545(8)(C) Listing of Waivers in Tariff
- 4 CSR 240-3.550 Telco Records and Reports (except (5)(B), (D) and (E))
- 4 CSR 240-3.555 Residential Customer Inquiries
- 4 CSR 240-3.560 Procedure for Ceasing Operations
- 4 CSR 240-10.020 Depreciation Records
- 4 CSR 240-30.020 Residential Telephone Underground Systems
- 4 CSR 240-30.040 Uniform System of Accounts
- 4 CSR 240-32.010 General Provisions
- 4 CSR 240-32.040 Metering, Inspections and Tests
- 4 CSR 240-32.050 Customer Services
- 4 CSR 240-32.060 Engineering and Maintenance
- 4 CSR 240-32.070 Quality of Service
- 4 CSR 240-32.080 Service objectives and surveillance levels
- 4 CSR 240-32.090 Connection of equipment and Inside Wiring
- 4 CSR 240-32.100 Provision of Basic Local and Interexchange Services
- 4 CSR 240-32.130-170 Prepaid Calling Cards (except 32.140 and 32.150(1))
- 4 CSR 240-32.180-190 Caller ID blocking requirements
- 4 CSR 240-33.010 Service and Billing Practice General Provisions
- 4 CSR 240-33.040 Billing and Payment standards
- 4 CSR 240-33.045 Clear identification and placement of charges on bills
- 4 CSR 240-33.050 Deposits
- 4 CSR 240-33.060 Residential Customer Inquiries
- 4 CSR 240-33.070 Discontinuance of service
- 4 CSR 240-33.080 Disputes by Residential Customers

- 4 CSR 240-33.090 Settlement agreements with residential customers
- 4 CSR 240-33.130 Operator service requirements
- 4 CSR 240-33.140 Payphone requirements (except (2))
- 4 CSR 240-33.150 "Anti-slamming" requirements
- 4 CSR 240-33.160 Customer Proprietary Network Information
- 8. WANRack does not have any pending action or final unsatisfied judgment or decisions against it from any state or federal agency or court which involves customer service or rates, which action, judgment, or decision has occurred within three (3) years of the date of application.
- 9. WANRack does not have any overdue annual reports or assessment fees due to the Missouri Public Service Commission.
- 10. WANRack is fully qualified to provide the services requested through this Application and possesses the technical and managerial expertise and experience necessary to provide the services it proposes. Descriptions of the backgrounds of WANRack's key management personnel, which demonstrate the applicable experience and expertise, are attached hereto and incorporated by reference as **Appendix C**.
- 11. WANRack possesses the necessary financial resources to provide the requested services. The Company's financial statements are attached as <u>Highly Confidential Appendix</u> <u>D</u>.
- 12. WANRack's dedicated private line service offerings shall be made available via its website at: http://wanrack.com/.
- 13. Company states that it will undertake all necessary measures to ensure its contracts with other companies and carriers do not contain provisions preventing delivery of traffic to any telephone exchange area, and that such measures include but are not limited to:
  - Prevention of call blocking and/or call gapping based on the cost of traffic termination.
  - Preventing the alteration or stripping of Calling Party Number Identification.

• Ensuring sufficient network capacity exists to process all traffic according to industry accepted practices.

WHEREFORE, applicant WANRack, LLC respectfully requests that the Commission grant it a certificate of service authority as an intrastate interexchange and non-switched local exchange telecommunications service carrier to provide telecommunications services as herein requested, grant competitive status to WANRack and WANRack's requested services, grant a waiver of the aforesaid statutes and regulations set forth in this Application, and grant such other relief as the Commission deems appropriate.

Respectfully submitted,

Gregory C. Lawhon Missouri Bar No. 34292

Scudder Law Firm, P.C.

222 West Gregory Boulevard, Suite 203

Gregory C. Lawhow

Kansas City, MO 64114

816-994-9940

glawhon@scudderlaw.com

Rose Mulvany-Henry, Esq.

Bradley Arant Boult Cummings LLP

1600 Division Street, Suite 700

Nashville, TN 37203

Telephone: (615) 252-4634

Email: rhenry@babc.com

Attorneys for WANRack, LLC

## VERIFICATION

| STATE OF KANSAS )  |  |
|--|--|
| COUNTY OF JOHNSON ) ss.  |  |
| I, Darren Bonawitz, state that I am Vicauthorized to make this Verification on beha Application was prepared under my direction and correct to the best of my knowledge, information and | supervision; and that the contents are true and  |
| Title  | e: Darren Bonawitz  Vice President   |
| Com  | pany: WANRack, LLC   |
| · · · · · · · · · · · · · · · · · · ·  |  |
| Subscribed and sworn to before me this off   | haron English Public Pu |
| My Commission Expires: 1/8/20  | SHARON E. METZGER Notary Public - State of Kanses Wy Appl. Expires   |

# APPENDIX A

# **Certificate of Good Standing**

(copy attached)

# STATE OF KANSAS OFFICE OF SECRETARY OF STATE KRIS W. KOBACH

I, KRIS W. KOBACH, Secretary of State of the state of Kansas, do hereby certify, that according to the records of this office.

Business Entity ID Number: 6891105

Entity Name: WANRACK, LLC

Entity Type: DOM: LTD LIABILITY COMPANY

State of Organization: KS

Resident Agent: ROB OYLER

Registered Office: 25656 W 97th St, LENEXA, KS 66227

was filed in this office on April 29, 2013, and is in good standing, having fully complied with all requirements of this office.

No information is available from this office regarding the financial condition, business activity or practices of this entity.

In testimony whereof I execute this certificate and affix the seal of the Secretary of State of the state of Kansas on this day of August 19, 2014

KRIS W. KOBACH SECRETARY OF STATE

Certificate ID: 614962 - To verify the validity of this certificate please visit https://www.kansas.gov/bess/flow/validate and enter the certificate ID number.

## APPENDIX B

# **Certificate of Authority to Transact Business in Missouri**

(copy attached)

STATE OF MISSOURI



# Jason Kander Secretary of State

CERTIFICATE OF REGISTRATION FOREIGN LIMITED LIABILITY COMPANY

WHEREAS,

WANRACK, LLC FL1392712

Using in Missouri the name

WANRACK, LLC

and existing under the laws of the State of Kansas has filed with this state its Application for Registration and whereas this Application for Registration conforms to the Missouri Limited Company Act.

NOW, THEREFORE, I, JASON KANDER, Secretary of State of the State of Missouri, by virtue of authority vested in me by law, do hereby certify and declare that on the 9th day of April, 2014, the above roreign Limited Liability Company is duly authorized to transact business in the State of Missouri and is entitled to any rights granted Limited Liability Companies.

N TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri.
Done at the City of Jefferson, this 9th day of April, 2014.





File Number: FL1392712

Date Filed: 04/09/2014

Jason Kander

Secretary of State



# State of Missouri

Jason Kander, Secretary of State

Corporations Division PO Box 778 / 600 W. Main St., Rm. 322 Jefferson City, MO 65102

## Application for Registration of a Foreign Limited Liability Company

(Submit with filing fee of \$105.00)-

| 13uonu win Jing Jee  |  |  | *   |   |
|--|--|--|---|---|
| The name of the foreign limited liability company is: WANRack, I   | LLC  |  |   |   |
| The name under which the foreign limited liability company will community the state of the state |  |  |   | 'limited company  |
|  | Kansas   | وسيدون المؤسسة والمساور والمام المستوسسي                         |   |   |
| The foreign limited liability company was formed under the laws of date of April 29, 2013  |  | (state or fi   | risdiction)                                   | on the  |
| (month/day/year)   |  |  |   |   |
| The purpose of the foreign limited liability company or the general  | character of the   | business it pro  | oposes to trans-                              | act in this state is  |
| Fiber optic communications networks  |  |  |   |   |
|  |  |  |   |   |
| The name and address of the limited liability company's registered street address):  | agent in Misson  | uri is (this line  | must be compl                                 | eted and include  |
|  |  | 100  | Clay  | ton, MO 63105   |
| C T Corporation System  120 South Central Av  Name  Address (PO Box may only be used in conjunct  e Secretary of State is appointed agent for service of process if the foreign limited lies  and the conjunction of the foreign limited lies.   | aion with a physical   |  |   | City/State/Zip  |
| Name  Address (PO Box may <u>only</u> be used in conjunct  Secretary of State is appointed agent for service of process if the foreign limited lie  suggestered agent constitutes grounds to cancel the registration of the foreign limited lie  | aion with a physical<br>ability company fails<br>ability company.  | to maintain a reg  | istored agent. Not                            | City/Stane/Zip<br>e: failure to mainsal                                     |
| Name Address (PO Box may only be used in conjunct escentary of State is appointed agent for service of process if the foreign limited has egistered agent constitutes grounds to cancel the registration of the foreign limited his The address of the registered office in the jurisdiction organized. I limited liability company is:  | aion with a physical<br>ability company fails<br>ability company.  | to maintain a reg  | istored agent. Not                            | City/Stane/Zip<br>e: failure to mainsal                                     |
| Name  Address (PO Box may only be used in conjunct  Secretary of State is appointed agent for service of process if the foreign limited has  registered agent constitutes grounds to cancel the registration of the foreign limited has  The address of the registered office in the jurisdiction organized. I   | aion with a physical ability company fails ability company.  If none required,   | to maintain a reg  | istored agent. Not                            | City/Stane/Zip<br>e: failure to mainsal                                     |
| Name  Address (PO Box may only be used in conjunct e. Secretary of State is appointed agent for service of process if the foreign limited ha egistered agent constitutes grounds to cancel the registration of the foreign limited in The address of the registered office in the jurisdiction organized. I limited liability company is:  25656 W 97th St., Lenexa, KS 66227  | ation with a physical ability company fails ability company. If none required, with a physical ylexistence from lendar days from | to maintain a reg then the princ street address) the secretary t | isterad agent. <u>Not</u><br>ipal office addi | City/State/Zip  g: failure to mainsain  ress of the foreign  City/State/Zip |
| Name  Address (PO Box may only be used in conjunct to secretary of State is appointed agent for service of process if the foreign limited has existered agent constitutes grounds to cancel the registration of the foreign limited in The address of the registered office in the jurisdiction organized. I limited liability company is:  25656 W 97th St., Lenexa, KS 66227  Address (PO Box may only be used in conjunct This application must include a current certificate of good standing the state of domicile. Such document should be dated within 60 cal   | ation with a physical ability company fails ability company. If none required, with a physical ylexistence from lendar days from | to maintain a reg then the princ street address) the secretary t | isterad agent. <u>Not</u><br>ipal office addi | City/State/Zip  g: failure to mainsain  ress of the foreign  City/State/Zip |
| Name  Address (PO Box may only be used in conjunct to Secretary of State is appointed agent for service of process if the foreign limited in suggestered agent constitutes grounds to cancel the registration of the foreign limited in The address of the registered office in the jurisdiction organized. I limited liability company is:  25656 W 97th St., Lenexa, KS 66227  Address (PO Box may only be used in conjunct This application must include a current certificate of good standing the state of domicile. Such document should be dated within 60 cal  (Please see not)  Name and address to return filed document;  | ation with a physical ability company fails ability company. If none required, with a physical ylexistence from lendar days from | to maintain a reg then the princ street address) the secretary t | isterad agent. <u>Not</u><br>ipal office addi | City/State/Zip  g: failure to mainsain  gess of the foreign  City/State/Zip |
| Name  Address (PO Box may only be used in conjunct e Secretary of State is appointed agent for service of process if the foreign limited in egistered agent constitutes grounds to cancel the registration of the foreign limited in The address of the registered office in the jurisdiction organized. I limited liability company is:  25656 W 97th St., Lenexa, KS 66227  Address (PO Box may only be used in conjunc This application must include a current certificate of good standing the state of domicile. Such document should be dated within 60 cal  | ation with a physical ability company fails ability company. If none required, with a physical ylexistence from lendar days from | to maintain a reg then the princ street address) the secretary t | isterad agent. <u>Not</u><br>ipal office addi | City/State/Zip  g: failure to mainsain  gess of the foreign  City/State/Zip |

| 8.   Series LLC (OPTIONAL) Pursuant to Section 347.18 in its operating agreement. The names of the series must been admitted to transact business in this state and are the                    | t include the full name of the l |  |                         |
|--|----------------------------------|--|-------------------------|
| New Series:  | wise has limbered linkiller      |  |                         |
| ☐ The limited liability company gives notice that the ser  | ries has numed habinty.          |  |                         |
| New Series:  |                                  |  |                         |
| ☐ The limited liability company gives notice that the se   | eries has limited liability.     |  | en ja                   |
| New Series:  ☐ The limited liability company gives notice that the se  | eries has limited liability.     |  |                         |
| (Each separate series must also file an Attachment Form LI<br>In Affirmation thereof, the facts stated above are true and of<br>(The undersigned understands that false statements made in the | orrect                           | ilties provided unde   | r Section 575.040, RSMo |
| Daven Donauer  | Darren Bonawitz                  |  | April 8, 2014           |
| Authorized Signantie   | Printed Name                     | and the second s | Date                    |
| Authorized Signature   | Printed Name                     |  | Date                    |
|  |                                  |  |                         |
| Authorized Signature   | Printed Name                     |  | Date                    |

# STATE OF KANSAS OFFICE OF SECRETARY OF STATE KRIS W. KOBACH

I, KRIS W. KOBACH, Secretary of State of the state of Kansas, do hereby certify, that according to the records of this office.

Business Entity ID Number: 6891105

Entity Name: WANRACK, LLC

Entity Type: DOM: LTD LIABILITY COMPANY

State of Organization: KS

Resident Agent: ROB OYLER

Registered Office: 25656 W 97th St, LENEXA, KS 66227

was filed in this office on April 29, 2013, and is in good standing, having fully complied with all requirements of this office.

No information is available from this office regarding the financial condition, business activity or practices of this entity.

In testimony whereof I execute this certificate and affix the seal of the Secretary of State of the state of Kansas on this day of April 08, 2014

KRIS W. KOBACH SECRETARY OF STATE

Certificate ID: 604136 - To verify the validity of this certificate please visit <a href="https://www.kansas.gov/bess/flow/validate">https://www.kansas.gov/bess/flow/validate</a> and enter the certificate ID number.

### APPENDIX C

## **Background of Key Management**

## Robert Oyler, Chief Executive Officer

Mr. Oyler has spent a distinguished career in the telecommunications industry, spanning nearly 25 years, serving as Executive Vice President of Sales and Chief Marketing Officer, Senior Vice President, Business Development, Area Sales and Operations Director, Major Account Sales Director and Sale Executive. During his career, Mr. Oyler has been a leading sales and marketing executive for a number of national and regional companies, including: McCaw Cellular, Bell Atlantic Mobile, KMC Telecom and Unite Private Networks.

Mr. Oyler has maintained a long tenure at each company with which he has been associated. He has built national sales team organizations for various organizations and has broken sales records at every juncture in his career. Mr. Oyler was responsible for all sales channels for a company from its startup phase to its \$100M sale to a private equity firm. Mr. Oyler was the only non-owner participant to sit on the management committee for the sale of that company.

In addition to his sales expertise, Mr. Oyler has directed all facets of various companies' marketing strategies, including: development of websites; development of business cases; authored white papers; developed value proposition videos and convention display and materials; creation of marketing and advertising plans; creation of budgets for sales and marketing departments; and, operated all company social media segments nationwide.

Mr. Oyler is actively involved in charitable volunteer work in the Kansas City Metropolitan area and was a member of the United States Army Reserves.

## Darren Bonawitz, Vice President

With over 17 years of experience in the information technology, data center and telecommunications industries, Mr. Bonawitz has spent time as CEO, Vice President, Senior Consultant and Subject Matter Expert for companies including: 1102 GRAND, Birch Telecom and Lucent Technologies. Most recently, he was a key investor, serving as President and CEO of 1102 GRAND (www.1102GRAND.com), and successfully guided the company from startup to successful exit through the sale of the building and business assets to a large private equity group from New York.

Currently Mr. Bonawitz is founder and CEO of Third20 Group, LLC which is a private equity firm that makes angel investments between \$25k - \$150k in startups and early stage companies and seeks majority investment or buyout opportunities of growth oriented businesses with valuations of \$5 - \$25 Million. In addition, he serves as Vice President for WANRack, LLC which helps school districts around the country by building private fiber wide area networks, providing front line technical support through its EduHelpDesk platform, and offering cloud-based IT solutions.

Previously, Bonawitz founded and operated a computer and server systems integration company for which he was nominated as Kansas Young Entrepreneur of the Year, and he has consulted for several entities ranging from startups to Fortune 100 companies including global telecommunications carriers, internet service providers, webhosting companies, and manufacturing companies. Bonawitz has also served in national security advisory roles for several law enforcement and federal government agencies and is a co-founder of KCnext (The Technology Council of Kansas City) where he served on the Board of Directors along with some of Kansas City's most successful and influential technology leaders.

Mr. Bonawitz has sat on various speaking panels with other regional thought leaders including Mayor Sly James (Kansas City, MO) and former Kansas City, Kansas Mayor Joe Reardon. He was also invited by Missouri Governor Jay Nixon's office to provide feedback on Gov. Nixon's proposed State Economic Development Plan. Bonawitz has been interviewed on television, radio, and by a wide range of publications including various technological trade magazines/websites, The Kansas City Business Journal, The Los Angeles Times, and The New York Times.

# HIGHLY CONFIDENTIAL APPENDIX D

## **Financial Information**

(Highly Confidential Financial Information is filed under seal)