# DEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Application of	)	
X5 OpCo LLC for	)	
Certificate of Service Authority to Provide	)	
Interexchange and Non-Switched Local	)	Case No. XA-2016-0111
Exchange Telecommunications Services	)	
in the State of Missouri and to Classify Said	)	
Services and the Company as Competitive	)	

## **APPLICATION**

COMES NOW X5 OpCo LLC ("Applicant" or "X5 OpCo"), by its undersigned counsel, and pursuant to Sections 392.245.5(8), 392.361, 392.410, 392.420, 392.430, 392.440, and 392.450, RSMo., the Federal Telecommunications Act of 1996, 4 CSR 240-3.510 and 4 CSR 240-2.060, hereby applies to the Public Service Commission of Missouri ("Commission") for a Certificate of Service Authority to provide interexchange and non-switched local exchange telecommunications services within the State of Missouri. Applicant further applies to be classified as a competitive telecommunications carrier, subject to the waiver or suspension of certain Commission rules and statutory obligations, requested herein, pursuant to Sections 392.420 and 392.440. In support of its request, Applicant provides the following information:

## A. Identification of Applicant; Secretary of State Authorization

1. X5 OpCo LLC is a privately-held limited liability corporation duly organized and existing under and by virtue of the laws of the State of Delaware and is duly authorized to conduct business in Missouri. The nature of Applicant's business is telecommunications. Applicant's principal place of business and contact numbers are:

X5 OpCo LLC 1008 Western Avenue, Suite 400 Seattle, WA 98104

Telephone: 206.973.5800 Facsimile: 206.973.5899

Toll-Free Customer Service Number: 888.588.1501

Website: www.x5solutions.com

Pursuant to 4 CSR 240-2.060(1)(C), a Certificate of Registration, issued by the Missouri Secretary of State, is attached hereto as **Exhibit A**.

2. Applicant's agent for Service of Process in the State of Missouri is:

CSC-Lawyers Incorporating Service Company 221 Bolivar Street Jefferson City, MO 65101

# B. Communications Regarding this Application

3. All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

William D. Steinmeier
WILLIAM D. STEINMEIER, P.C.
2031 Tower Drive
P.O. Box 104595
Jefferson City, MO 65110-4595
Telephone: 573.659.8672
E-mail: wds@wdspc.com

With a copy to:

Dan Horton X5 OpCo LLC

1008 Western Avenue, Suite 400

Seattle, WA 98104

Telephone: 206.973.5800 Facsimile: 206.973.5899

E-mail: dhorton@X5solutions.com

#### And to:

Barbara Meyer Controller X5 OpCo LLC

1008 Western Ave., Suite 400

Seattle, WA 98104

Telephone: 206.973.5865

E-mail: regulatory@x5solutions.com

#### And to:

Andrew O. Isar Miller Isar, Inc.

4423 Point Fosdick Drive NW

Suite 306

Gig Harbor, WA 98335 Telephone: 253.851.6700

E-mail: aisar@millerisar.com

# C. Description of Applicant and Proposed Services

4. By this Application, X5 OpCo requests a certificate of service authority to provide competitive intrastate interexchange and non-switched local exchange (dedicated private line) telecommunications services within and throughout the state of Missouri, in conjunction with its interstate services.

## D. Applicant's Proposed Service Offerings

5. Applicant initially proposes to provide intraLATA and interLATA interexchange voice and data services, operator assisted calling exclusively to subscribers of record, and directory assistance, to mid-sized and enterprise subscribers, as set forth in the Company's tariff. Applicant will not offer alternative operator services to the transient

public.

Services will be available to subscribers twenty-four hours per day, seven days per week, at rates, terms and conditions established by Applicant, pursuant to its approved tariff.

Applicant currently maintains authority to provide local and interexchange telecommunications service in the States of: Oregon, Utah, and Washington. In no instance has Applicant been denied operating authority.

6. Applicant shall maintain a publicly accessible website identifying retail prices for its services. That website is: www.x5solutions.com.

# E. Statement of Technical Managerial Resources and Abilities

7. Applicant possesses the technical and managerial resources and abilities necessary to provide the proposed services. Description of backgrounds of Applicant's senior management team, which demonstrate Applicant's extensive management and technical experience, are attached hereto at **Exhibit B.** Applicant will not construct its own network. Applicant will use a combination of switching equipment and leased transport facilities, as well as resale to provide services. Applicant's technical ability to provide services is supported by an experienced engineering staff and on the technical capabilities and network services of its underlying carriers that have been certified and deemed technically and managerially capable of providing telecommunications services in Missouri.

## F. Statement of Financial Viability

8. Applicant has the financial viability to provide interexchange and non-switched local exchange telecommunications services in the State of Missouri. Applicant is a wholly owned subsidiary of X5 Holdings LLC ("X5 Holdings") which, in turn, is majority

owned and controlled by NewSpring Holdings LLC ("NewSpring"). NewSpring is a limited liability company organized under the laws of the State of Delaware. NewSpring is a private equity fund that seeks to partner with successful business owners and management teams to grow profitable businesses. Applicant does not plan to construct facilities, and will, therefore, require no additional capitalization or resource expenditure to expand its operations in Missouri. An officer's affidavit is attached to this Application as **Exhibit C** concerning the sufficiency of Applicant's technical, financial and managerial resources.

# G. Request for Competitive Telecommunications Company and Service Classifications

9. X5 OpCo seeks classification of itself and its services as competitive, with accompanying reduced regulation pursuant to Sections 392.361 and 392.245.5(8), RSMo and 4 CSR 240-3.510(1)(A). Applicant believes that its proposed services will be subject to sufficient competition to justify a lesser degree of regulation and that granting this request will allow greater price and service options for telephone users.

# H. Separate and Distinct Services; Equitable Access

10. X5 OpCo will offer interexchange telecommunications services as a separate and distinct service in accordance with applicable law. X5 OpCo will give consideration to equitable access for all Missourians, regardless of where they might reside or their income, to affordable telecommunications services in X5 OpCo's proposed service areas in accordance with applicable law.

# I. Willingness to Comply with PSC Regulations; Request for Waivers

11. Applicant is willing, and intends, to comply with all applicable Commission rules. Consistent with the Commission's treatment of other certificated competitive local exchange telecommunications companies, Applicant requests that the Commission grant

Staff's recommended waivers of statutes and regulations.

#### J. Tariff

12. Applicant shall maintain a publicly accessible website identifying retail prices for its services. That website is: www.x5solutions.com.

#### K. Public Interest Statement

13. Applicant submits that the public interest will be served by Commission approval of the instant Application because the proposed services will create and enhance competition and expand customer service options consistent with the legislative goals set forth in the Telecommunications Act of 1996 and Chapter 392, RSMo. Prompt approval of this Application also will further expand the availability of innovative, high quality and reliable telecommunications services within the State of Missouri.

### L. Pending Action or Unsatisfied Judgments Statement

14. X5 OpCo has no pending or final judgments or decisions against it from any state or federal agency or court that involves customer rates or service.

### M. Annual Report or Assessment Statement

15. X5 OpCo has no annual report or assessment fees that are overdue.

WHEREFORE, Applicant, X5 OpCo LLC, respectfully requests the Missouri Public Service Commission grant it Certificate of Service Authority to provide competitive interexchange and non-switched local exchange telecommunications services within the State of Missouri; an order classifying it as a competitive telecommunications company providing competitive services; and a waiver of all appropriate rules and statutory provisions as they relate to the regulation of the Applicant in the State of Missouri; and for such further orders as the Commission deems appropriate.

Respectfully submitted,

#### /s/ William D. Steinmeier

William D. Steinmeier MoBar #25689 WILLIAM D. STEINMEIER, P.C 2031 Tower Drive P.O. Box 104595 Jefferson City MO 65110-4595

Telephone: 573-659-8672 Facsimile: 573-636-2305 Email: wds@wdspc.com

ATTORNEY FOR APPLICANT X5 OpCo LLC

#### **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been served electronically on the Staff Counsel's office at staffcounselservice@psc.mo.gov, and the Office of Public Counsel at opcservice@ded.mo.gov, this 9<sup>th</sup> day of November 2015.

/s/ William D. Steinmeier

William D. Steinmeier

## VERIFICATION OF APPLICANT

STATE OF WASHINGTON	)
	) ss
COUNTY OF KING	)

I, Gregory Forrest, first being duly sworn upon oath, depose and say I am President and Chief Executive Officer of X5 OpCo LLC, that I have read the above and foregoing application by me subscribed and know the contents thereof; that said contents are true in substance and in fact, except to those matters stated upon information and belief, and as to those, I believe the same to be true. I also affirm that X5 OpCo LLC, its parent company, affiliates, or principals have not defaulted on any of their financial obligations within the last three (3) years. Further, I aver that X5 OpCo LLC, possesses and retains the financial viability to provide telecommunications services in the state of Missouri and support its ongoing Missouri operations on a sustained and uninterrupted basis in accordance with the financial standing requirements set forth in 4 CSR 240-3.510.

X5 OpCo LLC

By:

Gřegory Forrest

President and Chief Executive Officer

1008 Western Avenue, Suite 400

Seattle, WA 98104

Telephone: 206.973.5800

Subscribed and sworn to before me this 5 day of November, 2015.

My Commission Expires

5-24-2016

SEAL



# **X5 OPCO LLC**

# **EXHIBIT A**

Certificate of Registration from

Missouri Secretary of State

(Filed as a separate pdf document)

# **X5 OPCO LLC**

# **EXHIBIT B**

Profiles of Key Management Employees

(Filed as a separate pdf document)

# **X5 OPCO LLC**

# **EXHIBIT C**

Financial Affidavit

(Filed as a separate pdf document)