



STATE OF CONNECTICUT

**PUBLIC UTILITIES REGULATORY AUTHORITY
TEN FRANKLIN SQUARE
NEW BRITAIN, CT 06051**

**DOCKET NO. 19-06-02 APPLICATION OF WANRACK, LLC FOR A CERTIFICATE
OF PUBLIC CONVENIENCE AND NECESSITY TO
PROVIDE FACILITIES-BASED TELECOMMUNICATIONS
SERVICES IN CONNECTICUT**

August 14, 2019

By the following Commissioners:

Michael A. Caron
John W. Betkoski, III
Marissa P. Gillett

Lead Staff: R. Skarzynski
Legal Advisor: Z. Alexander

DECISION

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I. INTRODUCTION

A. SUMMARY

By application dated May 31, 2019, WANRack, LLC filed a request for a Certificate of Public Convenience and Necessity to operate as a facilities-based provider of telecommunications services in Connecticut. The Public Utilities Regulatory Authority finds that WANRack LLC, meets the managerial, financial, and technical criteria to operate as a facilities-based service provider. In addition, the Public Utilities Regulatory Authority determines the Company's proposal is in the public interest and grants the certificate. The Authority reviewed all of the information in the record pursuant to § 16-247g of the General Statutes of Connecticut and § 16-247c-3 of the Regulations of Connecticut State Agencies. The Authority finds that WANRack, LLC has satisfied all of the application requirements, possesses the technical, financial and managerial capability to operate as a facilities-based provider of dark fiber services in Connecticut, and that the proposal is in the public interest and, therefore, grants WANRack, LLC a Certificate of Public Convenience and Necessity.

B. BACKGROUND OF THE PROCEEDING

By application received on May 31, 2019 (Application), filed pursuant to § 16-247g of the General Statutes of Connecticut (Conn. Gen. Stat.) and § 16-247c-3 of the Regulations of Connecticut State Agencies (Conn. Agencies Regs.), WANRack, LLC (WanRack or Company) requested the approval of the Public Utilities Regulatory Authority (Authority or PURA) for a Certificate of Public Convenience and Necessity (CPCN) to provide facilities-based intrastate telecommunications services within the state.

C. CONDUCT OF THE PROCEEDING

Upon review of the Application, the Authority determined that a hearing in this docket was not necessary and none was held.

D. PARTIES AND INTERVENORS OR PARTICIPANTS

The Authority designated WANRack LLC, 904 West Ave. Suite 107, Austin TX 78701, the Office of Consumer Counsel (OCC), Ten Franklin Square, New Britain, CT 06051 and the Commissioner of the Department of Energy and Environmental Protection (DEEP Commissioner), 79 Elm Street, Hartford, CT 06106 as Participants to this proceeding.

II. AUTHORITY ANALYSIS

Pursuant to Conn. Gen. Stat. § 16-247g, an applicant must obtain a CPCN to offer and provide intrastate telecommunications services. To grant a CPCN, the Authority must find that the Company “possesses and demonstrates adequate financial resources, managerial ability and technical competency to provide the proposed service.” Conn. Gen. Stat. § 16-247g(c).

The Company is seeking the Authority’s approval to offer facilities-based telecommunications services within the state. Specifically, WanRack will provision dark fiber in order to deliver fiber optic wide area networks to school districts. WanRack is a privately-held limited liability company, organized in Delaware on November 28, 2017. The Company’s principal offices are located in Lenexa, Kansas. WanRack registered with the Connecticut Secretary of State on May 8, 2019. The Company stated that it is not currently under investigation and has never been fined, sanctioned, or penalized in any state for violation of any consumer protection law or regulation. Application, Exhibits A-1, A-10, A-11 and A-13.

The Company provided evidence of the technical and managerial qualifications of its principals. The Company’s founder and chief executive office has thirty years of experience in telecommunications and has managed the financial, sales, and operations disciplines related to the provisioning of private networks. The Company’s construction manager has forty years of experience in construction design and engineering telecommunications networks. WANRack’s business development manager has experience managing and developing enterprise accounts and is responsible for developing market strategies to promote brand awareness of WANRack’s offerings. Finally, WANRack’s project manager has experience and is responsible for managing the overall development, timeliness, and workflow of projects across all phases of development. Application, Exhibit D-1.

The Company will maintain separate books and records for its Connecticut operations. Application, Exhibit C-5. The Company provided its financial information, one year capital construction plan, and budget and agreed to provide proof of a bond if granted a CPCN to provide facilities-based local exchange service. Application, Exhibits C-1, C-2, C-3, C-4 and C-8.

WANRack provided its illustrative tariff and a sample contract. The Company stated that it plans to provide service to school districts through a competitive bidding process and, therefore, its customer contracts will vary per individual customer. The Company stated that the rates offered by contract will be at or above costs. Application, Exhibit B-1; Responses to Interrogatories RA-1 and RA-3.

The Authority reviewed all of the information in the record pursuant to Conn. Gen. Stat. § 16-247g and Conn Agencies Regs. § 16-247c-3. The Authority finds that the Company has satisfied all of the application requirements and possesses the technical,

financial and managerial capability to operate as a facilities-based provider of dark fiber services and that approval of the CPCN is in the public interest.

III. FINDINGS OF FACT

1. WanRack will provision dark fiber in order to deliver fiber optic wide area networks to school districts.
2. WanRack is a privately-held limited liability company, organized in Delaware on November 28, 2017.
3. The Company will maintain separate books and records for its Connecticut operations.
4. The Company will provide service to school districts through a competitive bidding process and, therefore, its customer contracts will vary per individual customer.
5. The Company stated that the rates offered by contract will be at or above costs.

IV. ORDERS FOR APPLICANT

A. ORDERS

For the following Orders, the Company shall submit one original of the required documentation to the Executive Secretary, 10 Franklin Square, New Britain, Connecticut 06051 and file an electronic version through the Authority's website at www.ct.gov/pura. Submissions filed in compliance with the Authority's Orders must be identified by all three of the following: Docket Number, Title and Order Number. Compliance with orders shall commence and continue as indicated in each specific Order or until the Company requests and the Authority approves that the Company's compliance is no longer required after a certain date.

1. No later than two weeks after the final Decision, the Company shall file with the Authority final tariffs consistent with this Decision. The effective date of the Company's tariffs shall be the date of the final Decision.
2. As set forth in the Authority's March 15, 1995 Decision in Docket No. 94-07-03, the Company shall file with the Authority annual reports on its Connecticut operations on or before April 30th of each year starting in 2020. Such annual reports shall describe the status of its Connecticut operations and shall include at a minimum the following information:
 - a. the number of customers for each certified service;
 - b. number of lines subscribed;
 - c. total intrastate revenues;

- d. intrastate minutes of use on a total service basis;
 - e. a description of physical changes in or additions to existing facilities expected for the next fiscal year and any changed uses of those facilities;
 - f. copies of the Form 10-K and any other informational filings at the time filed the Securities and Exchange Commission;
 - g. a copy of the Company's annual report, annual return or a summary financial statement; and
 - h. any changes in the information, which was filed with the Authority in this certification proceeding.
3. No later than 15 days prior to doing business, the Company offering facilities-based, telecommunications services shall procure a \$25,000 surety bond and shall file the bond or evidence that it has obtained the bond with the Authority.
 4. The Company shall participate in the Lifeline Credit and TRS funding program as described in the Decision dated May 3, 1995, in Docket No. 94-07-09, DPUC Exploration of the Lifeline Program Policy Issues.
 5. No later than 90 days prior to constructing facilities in the public right of way, the Company shall file with the PURA its proposed construction plan pursuant to Conn. Agencies Regs. § 16-247c-5.

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This Decision is adopted by the following Commissioners:

Michael A. Caron

John W. Betkoski, III

Marissa P. Gillett

CERTIFICATE OF SERVICE

The foregoing is a true and correct copy of the Decision issued by the Public Utilities Regulatory Authority, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.



Jeffrey R. Gaudiosi, Esq.
Executive Secretary
Public Utilities Regulatory Authority

August 13, 2019

Date