BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF MATRIX TELECOM,)
INC. AND TNCI OPERATING COMPANY,) CASE NOS. MAT-T-07-01
LLC'S APPLICATION TO: (1) AMEND) TOC-T-13-01
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY NO. 468 TO REFLECT)
THAT MATRIX TELECOM, INC. HAS)
CONVERTED TO AN LLC; (2) TRANSFER)
TNCI OPERATING COMPANY, LLC'S)
CUSTOMERS TO MATRIX TELECOM, LLC;)
AND (3) CANCEL TNCI OPERATING)
COMPANY, LLC'S CERTIFICATE OF) ORDER NO. 33517
PUBLIC CONVENIENCE AND NECESSITY)
NO. 515)

On March 24, 2016, Matrix Telecom, Inc. and TNCI Operating Company, LLC ("TNCI OpCo") filed an Application asking the Commission to: (1) amend and reissue the Certificate of Public Convenience and Necessity (CPCN) for Matrix Telecom, Inc. to reflect that Matrix Telecom, Inc. has changed its name to Matrix Telecom, LLC; (2) transfer the customers of TNCI OpCo to Matrix Telecom LLC; and (3) cancel TNCI OpCo's CPCN.

Having reviewed the record, we find the Application is consistent with the public interest, and we approve it as further explained below.

BACKGROUND

In May 2007, the Commission issued Order No. 30312, which granted Matrix Telecom, Inc. CPCN No. 468 and enabled it to provide local exchange and interexchange services in Idaho. In October 2008, the Commission issued Order No. 30648 amending Matrix Telecom Inc. CPCN to include its new business acquisitions. Specifically, Matrix Telecom, Inc. had requested that the CPCN be amended to reflect that Matrix Telecom, Inc. had changed its name to Matrix Telecom, Inc. dba Matrix Business Technologies dba Trinsic Communications.

In June 2013, the Commission issued Order No. 32836, which granted TNCI OpCo CPCN No. 515 and enabled it to provide resold and facilities-based local exchange telecommunications services within Idaho.

THE APPLICATION

Matrix Telecom, Inc. and TNCI OpCo are wholly owned subsidiaries of TNCI Impact LLC. Matrix Telecom, Inc. is a Texas corporation with its principal office located in Irving,

Texas, and TNCI OpCo is a Delaware Limited Liability Company with its principal office located in Santa Barbara, California. The Companies request Commission approval of the following items.

- 1. Amend CPCN 468 to Reflect Matrix Telecom, Inc.'s Name Change. On December 28, 2015, Matrix Telecom, Inc. converted from Matrix Telecom, Inc. to Matrix Telecom, LLC. The Idaho Secretary of State approved the Certificate of Registration reflecting the name change on February 22, 2016. The Application thus asked the Commission to amend CPCN No. 468 to reflect that the name of the certificate holder, Matrix Telecom, Inc., is now Matrix Telecom, LLC.
- 2. <u>Transfer of TNCI OpCo's Customers</u>. TNCI OpCo's customers will be transferred to Matrix Telecom, LLC upon Commission approval. Matrix Telecom, LLC will revise its tariffs to incorporate the applicable transferred services upon completion of the transfer. TNCI OpCo will cease to operate in Idaho after that point.

The Applicants explained the proposed customer transfer is a part of an internal corporate re-organization among TNCI Impact, LLC's subsidiaries. Further, they explained the proposal is consistent with the public interest because it will reduce costs and enhance operational and economic efficiencies for Matrix Telecom, LLC, and the resulting savings will provide greater opportunities to improve the services available to customers.

The Applicants represent that the proposed transfer is transparent; that TNCI OpCo's customers have been notified about the proposed transfer; that the transfer will not change their rates, terms or conditions of service; and that they may choose a different service provider with no penalty. Further, there will be no interruption in service.

3. <u>Cancel TNCI OpCo's CPCN</u>. As TNCI OpCo is asking to transfer its customers to Matrix Telecom, LLC and plans to cease operating in Idaho, the Applicants also asked the Commission to cancel TNCI OpCo's CPCN No. 515.

STAFF RECOMMENDATION

Staff reviewed the Application and its supporting documentation. Staff has also confirmed with the Applicants that Matrix Telecom, LLC will file an appropriate Title 62 price list once the Commission approves the Application. Accordingly, based on its review, Staff recommended that the Commission find the Application is consistent with public interest and: (1) amend CPCN No. 468 to change the name of the certificate holder from Matrix Telecom, Inc.

to Matrix Telecom, LLC; (2) transfer TNCI OpCo's customers to Matrix Telecom, LLC; and (3) cancel TCNI OpCo's CPCN No. 515.

COMMISSION FINDINGS

Based on our review of the Application, including the Applicants' representation that their proposal will not increase customer charges or interrupt their service, and that customers may select another service provider without penalty if they so choose, the Commission finds it appropriate and in furtherance of public convenience and necessity to: (1) amend CPCN No. 468 to reflect that Matrix Telecom, Inc.'s new name is Matrix Telecom, LLC; (2) transfer TNCI OpCo's customers to Matrix Telecom, LLC; and (3) cancel TNCI OpCo's CPCN No. 515.

ORDER

IT IS HEREBY ORDERED that the Application is granted. Matrix Telecom, Inc.'s CPCN No. 468 is amended to change the name of the CPCN holder from Matrix Telecom, Inc. to Matrix Telecom, LLC.

IT IS FURTHER ORDERED that TNCI OpCo's customers are transferred to Matrix Telecom, LLC. If they wish, customers shall be allowed to select another service provider without incurring a penalty from TNCI OpCo or Matrix Telecom, LLC.

IT IS FURTHER ORDERED that TNCI OpCo's CPCN No. 515 is no longer in effect, and TNCI OpCo is no longer authorized to provide telecommunications services in the State of Idaho.

THIS IS A FINAL ORDER. Any person interested in this Order or in interlocutory Orders previously issued in this case may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this case. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* §§ 62-619 and 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 3^{rd} day of May 2016.

PAUL KJELLANDER, PRESIDENT

KRISTINE RAPER, COMMISSIONER

ERIC ANDERSON, COMMISSIONER

ATTEST:

Jean D. Jewell / Commission Secretary

bls/O:MAT-T-07-01_Name Change_TOC-T-13-01_Cancel