

**Docket Number:** TC16-050  
**Subject Matter:** Third Data Request  
**Request to:** eNetworks, LLC (eNetworks or Company)  
**Request from:** South Dakota Public Utilities Commission Staff (Staff)  
**Date of Request:** January 27, 2016  
**Responses Due:** February 10, 2016

3-1. Following up on data request 2-4., will the fiber and node locations be extended to end points within the existing service area boundaries of any rural telephone companies in SD? If yes, explain how this is consistent with the prior amendment of eNetwork's application limiting their request for authority to CenturyLink service areas.

**Answer:**

eNetworks will not extend any endpoints within the existing service area boundaries of rural telephone companies. They will initially focus on services that only are within the CenturyLink footprint. The company will request additional authorization from the Commission should they encounter a potential situation where they would cross boundaries into rural telephone company service territories.

3-2. Provide a reason why eNetworks, Telecom Strategies Consultants, LLC or Project Management and Design Services, LLC do not have financial information available?

**Answer:**

eNetworks does not yet have financial statements because projects have not been awarded yet, therefore work has not yet been performed and revenue has not yet been generated by the company.

Project Management and Design Services as well as Telecommunications Strategy Consultants are management companies that only work for Essentia. The revenue comes from Essentia through monthly management service. The revenue of these two companies are recorded as expenses on the books of Essentia. Since both of the companies have common ownership this revenue/expense flow through to the owners personally and net.

3-3. How is Essentia considered eNetworks' parent company? Please provide documentation.

**Answer:**

Essentia is an affiliated company of eNetworks. Enetworks is owned by Telecommunications Strategy Consultants, LLC (which is owned by Baxter M. Hayes, III) and Project Management and Design Services, LLC (which is owned by Jarrod Hayes). Individually, Jarrod Hayes and Baxter M. Hayes, III own Essentia.

Stated another way, Jarrod Hayes owns 100% of Project Management and Design Services, LLC (which owns 50% of eNetworks). Jarrod Hayes also owns 50% of Essentia individually. Baxter M Hayes, III owns 100% of Telecommunications Strategy Consultants, LLC (which owns 50% of eNetworks). Baxter M. Hayes, III also owns 50% of Essentia individually.