

**BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

Pierre, South Dakota 57501

_____)
Joint Application of)
)
Celerity Networks LLC and) Docket No. _____
Gallatin Wireless Internet LLC)
)
)
For Authority to Complete the Transfer of the)
Certificate of Authority to Provide Competitive Local)
Exchange Telecommunications Services of Celerity)
Networks LLC to Gallatin Wireless Internet LLC)
_____)

JOINT APPLICATION

Celerity Networks LLC ("Celerity Networks") and Gallatin Wireless Internet LLC ("Gallatin") (collectively, "Applicants"), through their undersigned counsel and pursuant to Sections 49-31-75 and 49-31-3 of the South Dakota Codified Laws, and Sections 20:10:32:08 and 20:10:32:03 of the Administrative Rules of South Dakota, request South Dakota Public Utilities Commission ("Commission") approval or such other authority as may be necessary or required for Applicants to complete the transfer of Celerity Networks' certificate of authority to provide local exchange telecommunications services in the State of South Dakota (the "SD COA") to Gallatin (the "Transaction"). As described further below, the Transaction constitutes the final step in Gallatin's purchase of substantially all of Celerity Networks' assets. The Transaction will have no adverse effects on Celerity Networks' customers, who were transferred to Gallatin, where they will continue to receive services at the same rates and on the same terms and conditions as offered by Celerity Networks.

In support of this filing, Applicants provide the following information:

I. INTRODUCTION

On May 9, 2022, Gallatin purchased substantially all of the assets of Celerity Networks and Celerity Broadband LLC (“Celerity Broadband”)¹ — collectively, the “Celerity entities” — including their Federal Communications Commission (“FCC”) licenses. At that time, however, Gallatin did not purchase the Celerity entities’ local exchange telecommunications service authorizations. To complete Gallatin’s acquisition of Celerity Networks, Applicants now seek Commission approval to transfer the SD COA from Celerity Networks to Gallatin.

Although Celerity Networks is authorized to provide local exchange telecommunications services, the company no longer has any existing telecommunications operations. Therefore, the Transaction, if approved, will not result in any service disruptions, and will enable Gallatin to expand its network and services to better serve its customers. Accordingly, Applicants submit that the public interest would be served by completing the transition of Celerity Networks’ business to Gallatin as quickly as possible, and therefore urge the Commission to approve the transfer of the SD COA as soon as possible.

II. DESCRIPTION OF THE APPLICANTS

A. Gallatin Wireless Internet LLC

Gallatin is a Montana limited liability company with its principal office located at 1601 South Park Drive, Cody, Wyoming 82414. Copies of Gallatin’s Certificate of Formation and authority to transact business in South Dakota from the Secretary of State are attached as **Exhibits A and B**, respectively.

Gallatin is a wholly-owned subsidiary of BHT Investment Holdings, LLC (“BHT”). Neil Schlenker, Kelly Fowler, and Colonnade Venture each own 30% of BHT, while LoLo Investments owns

¹ Celerity Broadband is authorized to provide local exchange telecommunications services in Wyoming. Celerity Networks and Celerity Broadband are both managed by Jesse Dupont, but the companies have no common ownership.

the remaining 10%. Gallatin's complete organizational chart is attached to this Application as **Exhibit C**.

Gallatin is currently authorized to provide telecommunications services in Montana as an Eligible Telecommunications Carrier ("ETC"). Gallatin received ETC designation on February 14, 2019 and has received annual recertification each year since, with the most recent ETC annual certification completed July 3, 2024. Gallatin also operates as an Internet service provider in Southern Montana and Northeastern Wyoming, where it offers residential and business customers with high speed broadband services. In South Dakota, the Applicants seek to transfer the SD COA to Gallatin. Gallatin is also applying for a certificate to provide competitive local exchange services in Wyoming. Gallatin also provides interstate telecommunications services and Gallatin holds licenses in the Broadband Radio Service, Private Operational Fixed Point-to-Point, Microwave Service, Millimeter Wave 70-80-90 GHz Service and 3.5 GHz Band Priority Access, as well as holding spectrum leases with licensees in the Educational Broadband Service.

Gallatin is managed by individuals with significant experience in the telecommunications industry and will share many of the same technical, operational and managerial personnel as Celerity Networks. Biographies of Gallatin's key personnel are attached as **Exhibit D**. Gallatin's financial statements are provided under seal as **Confidential Exhibit E**. As demonstrated by this information, Gallatin has the managerial, technical and financial qualifications to provide high quality telecommunications services to South Dakota customers.

B. Celerity Networks LLC

Celerity Networks is a South Dakota limited liability company with a principal business address at 909 Thompson Street, Whitewood, South Dakota 57793. Following the sale of substantially all of its assets to Gallatin, Celerity Networks is no longer in operation. As a result, Celerity has no customers or network infrastructure.

In South Dakota, Celerity Networks is authorized to provide resold and facilities-based local exchange telecommunications service pursuant to a certificate of authority granted in Docket No. TC21-125 on February 24, 2022. Celerity Networks is not authorized to provide intrastate telecommunications services in any other state, territory, or the District of Columbia. Celerity Networks is authorized by the FCC to provide interstate telecommunications services. Celerity Networks began offering consulting services to ISP's and WISPs in network design and best practices in 2011. In early 2012, the company began the deployment of WISP services in the Spearfish, South Dakota area. With its first tower deployed by the end of April 2012, Celerity Networks was able to begin servicing hundreds of rural residents with high-speed internet connectivity with performance equal to and, in some cases, better than DSL/cable service. As part of the sale of substantially all its assets to Gallatin, all of Celerity Networks' customer accounts were transferred to Gallatin.

III. DESIGNATED CONTACTS

Questions or any correspondence, orders, or other materials pertaining to this Joint Application should be directed to the following:

For Gallatin and Celerity Networks:

Michael P. Donahue
Michal J. Nowicki
Marashlian & Donahue, PLLC
1430 Spring Hill Road, Suite 310
McLean, VA 22102
Tel: (703) 714-1319
Fax: (703) 563-6222
mpd@commlawgroup.com;
mjn@commlawgroup.com

With a copy to:

Jesse Dupont
General Manager
Celerity Networks LLC
909 Thompson St
Whitewood, SD 57793
Tel: (605) 340-0641
regulatory@celerityinternet.com

IV. DESCRIPTION OF THE TRANSACTION

Pursuant to an Asset Purchase Agreement, dated as of May 9, 2022 (the "Agreement"), Gallatin acquired substantially all assets of Celerity Networks and Celerity Broadband. The Agreement excluded from the purchase "any CPCN issued by a PUC to Seller," including the SD COA, but contemplated a future transfer of the SD COA to Gallatin. Now, as contemplated by the Agreement, Gallatin will

acquire the Celerity Networks' SD COA and Celerity Broadband's Wyoming CPCN, following all required regulatory approvals.

Following the sale of substantially all of Celerity Networks' assets to Gallatin, Celerity Networks does not have any operations, network infrastructure or customers in South Dakota. Accordingly, the Transaction will have no adverse effects on Celerity Networks' customers or the public. Further, the Transaction will enable Gallatin to expand its service offers in South Dakota and support its existing network and services throughout its service territory.

V. ADDITIONAL INFORMATION REQUIRED TO TRANSFER THE SD COA

A. Corporate Organization

As stated above, Gallatin's legal name is Gallatin Wireless Internet LLC. Gallatin is a Montana limited liability company formed on January 13, 2016. A copy of its formation documents and Certificate of Authority to Transact Business as a foreign corporation in South Dakota are provided in **Exhibits A and B.**

B. Corporate Ownership and Officers and Directors

As stated above, BHT is Gallatin's sole owner. BHT, in turn, is co-owned 30% by Colonnade Venture Partners, LLC, 30% by Neil Schlenker, 30% by Kelly Fowler, and 10% by Lolo Investments.

The following persons are the current officers and directors of Gallatin:

Neil Scheinker - President
Kelly Fowler - Treasurer
Chris Davidson - Secretary
Jesse Dupont - General Manager

All of the above listed owners and officers can be reached through Gallatin's principal place of business.

For Gallatin's complete organizational structure, please see **Exhibit C.**

C. Information required by Section 20:10:32:03 (Local Exchange) of the Administrative Rules of South Dakota

Applicants provide the following information for Gallatin:

- (1) 20:10:32:03(1) – Gallatin’s name, address, telephone number, facsimile number, web page URL, and Email address.**

Gallatin Wireless Internet LLC
1601 South Park Drive
Cody, Wyoming 82414
(605) 340-0641 (tel)
Fax: n/a
regulatory@celerityinternet.com

- (2) 20:10:32:03(2) - A description of the legal and organizational structure of Gallatin Wireless.**

This information is provided in Section II and Exhibit D of this Application.

- (3) 20:10:32:03(3)- The name under which Gallatin will provide local exchange services.**

Gallatin will provide service under its legal name – Gallatin Wireless Internet LLC, dba Celerity Internet.

- (4) The location of Gallatin’s principal office, if any, in South Dakota and the name and address of its current registered agent, if applicable.**

Gallatin’s principal office in South Dakota is 909 Thompson St, Whitewood, SD 57793. Its corporate office is located at 1601 South Park Drive, Cody, Wyoming 82414. The name and address of Gallatin’s current registered agent are Jesse DuPont, 2935 Bald Eagle Road, Spearfish, South Dakota 57783. The registered agent’s mailing address is P.O. Box 547, Spearfish, South Dakota 57783.

- (5) 20:10:32:03(5) - A copy of Gallatin’s certificate of authority to transact business in South Dakota from the Secretary of State.**

A copy of Gallatin’s certificate of authority to transact business in South Dakota as a foreign limited liability company is provided in **Exhibit B**.

- (6) 20:10:32:03(6) - A description of Gallatin’s experience providing any telecommunications services in South Dakota or in other jurisdictions, including the types of services provided, and the dates and nature of state or federal authorization to provide the services.**

Gallatin was designated as an ETC in Montana by the Montana Public Service Commission on February 14, 2019, in connection with having won federal Connect America Fund (“CAF”) II Auction census blocks. Gallatin provides basic switched voice telephone service, data and Internet services in Southern Montana and Northeastern Wyoming, where it offers residential and business customers with high speed broadband services. Gallatin’s management team has a combined 50 years’ experience in management and providing telecommunications services.

(7) Names and addresses of Gallatin's affiliates, subsidiaries, and parent organizations, if any.

BHT Investment Holdings, LLC
P.O. Box 310
Basin, Wyoming 82410

Colonnade Venture Partners, LLC
8550 West Desert Inn Road #107
Las Vegas, Nevada 89117

Lolo Investments
P.O. Box 153
301 5th Street
Burlington, Wyoming 82411

BHT Investments, LLC
PO Box 310
Basin, WY 82410

Bush-Tell, Inc.
PO Box 310
Basin, WY 82410

BHT Holdings, Inc.
PO Box 310
Basin, WY 82410

Tri-County Telephone Association
PO Box 310
Basin, WY 82410

(8) 20:10:32:03(8) - A list and specific description of the types of services Gallatin seeks to offer and how the services will be provided including:

a Information indicating the classes of customers Gallatin intends to serve:

Gallatin intends to provide service to residential and business customers.

b Information indicating the extent to and time-frame by which Gallatin will provide service through the use of its own facilities, the purchase of unbundled network elements, or resale:

Gallatin intends to provide service as soon as possible following approval of the Transaction.

c A description of all facilities that Gallatin will utilize to furnish the proposed local exchange services, including any facilities of underlying carriers:

Gallatin will utilize fiber optic cable and associated electronics and wireless facilities acquired installed and owned in South Dakota. If and when necessary, Gallatin may construct or acquire additional facilities, and/or utilize the facilities of other carriers.

d Information identifying the types of services Gallatin seeks authority to provide by reference to the general nature of the service:

Gallatin intends to provide gigabit broadband service to residential and enterprise customers in South Dakota. Gallatin's service will enable voice, data, Internet access, video streaming and other advanced communications services. To the extent Gallatin provide voice services, such services will be provided predominately via VoIP. Gallatin does not intend to offer switched voice or switched access services in South Dakota at this time.

(9) 20:10:32:03(9) - A service area map or narrative description indicating with particularity the geographic area proposed to be served by Gallatin.

Gallatin seeks authority to provide local exchange service in the entire State of South Dakota in all exchanges to the extent open to competition, except in those areas served by a rural telephone company. Gallatin agrees to be subject to rural safeguards.

(10) 20:10:32:03(10) - Information regarding Gallatin's technical competence to provide its proposed local exchange services, including:

a A description of the education and experience of Gallatin's management personnel who will oversee the proposed local exchange services:

Gallatin has the technical and managerial qualifications necessary to provide the proposed services in its service territory. Attached as **Exhibit D** are the biographies of Gallatin's key management and technical personnel. These biographies reflect that Gallatin possesses significant technical and managerial expertise for operating a telecommunications company – consistent with the Commission's requirements.

b Information regarding policies, personnel, or arrangements made by Gallatin which demonstrates Gallatin's ability to respond to customer complaints and inquiries promptly and to perform facility and equipment maintenance necessary to ensure compliance with any commission quality of service requirements:

Gallatin will maintain a telephone number and email for customer complaints and inquiries, which will be staffed during the company's normal business hours. After-hours calls will be forwarded to a voicemail system, and will be handled on the next business day. After-hours emails will be handled the next business day.

Telephone Number: 605-340-0641

Email: support@celerityinternet.com

Gallatin currently employs three customer service representatives and three support representatives to handle complaints and inquiries. As Gallatin expands its services in South Dakota and other states, it will add employees.

(11) 20:10:32:03(11) - Information explaining how Gallatin will provide customers with access to emergency services such as 911 or enhanced 911, operator services, interexchange services, directory assistance, and telecommunications relay services.

Gallatin intends to deploy its own facilities and provide voice service via interconnected VoIP. Where necessary, Gallatin may also resell the local exchange service of other carriers. Gallatin's VoIP service will provide access to the public switched telephone network, access to emergency services, access to directory assistance, access to operator services and access to telecommunications relay service. Gallatin will comply with customer requests for non-published service. Gallatin's VoIP service will permit users to place calls throughout the United States at no additional charge, so customers should not require access to other interexchange services. However, to the extent a customer requests only local service and access to other interexchange or toll providers, the company will provide such access.

(12) 20:10:32:03(12) - Financial statements.

Gallatin's financial statements are provided in **CONFIDENTIAL Exhibit E**. Applicants request these financial statements remain confidential.

(13) 20:10:32:03(13) - Information detailing the following matters associated with interconnection to provide proposed local exchange services:

a The identity of all local exchange carriers with which the applicant plans to interconnect:

Gallatin plans to deploy its own facilities and provide voice service only via VoIP. Gallatin seeks approval for the transfer of Celerity Networks' SD COA to provide resold local exchange service to the extent it is necessary to resell the services of another provider in areas where the company has not yet deployed facilities, for remote customer locations, in the event customers want non-VoIP services or similar scenarios. At this time, Gallatin's proposed services do not require interconnection with local exchange carriers.

b The likely timing of initiation of interconnection service and a statement as to when negotiations for interconnection started or when negotiations are likely to start:

Gallatin's proposed services currently do not require interconnection with local exchange carriers. Therefore, Gallatin does not anticipate initiating interconnection services in the immediate future.

c A copy of any request for interconnection made by the applicant to any local exchange carrier:

For the reasons discussed above, Gallatin has made no requests for interconnection with any local exchange carrier.

(14) 20:10:32:03(14) - A description of how Gallatin intends to market its local exchange services, its target market, whether Gallatin engages in multilevel marketing, and copies of any company brochures that will be used to assist in sale of the services.

Gallatin will utilize primarily digital marketing (web or social media advertisements) and occasional postcards via U.S. Mail. Advertisements will be straightforward, indicating service provided and clear rates for services. Gallatin will not engage in multilevel marketing and does not have a brochure to provide.

(15) 20:10:32:03(15) - If Gallatin is seeking authority to provide local exchange service in the service area of a rural telephone company, the date by which Gallatin expects to meet the service obligations imposed pursuant to § 20:10:32:15 and Gallatin's plans for meeting the service obligations.

Gallatin currently does not have plans to offer service in the area of a rural telephone company. To the extent Gallatin provides service in the area of a rural telephone company, any telecommunications service provided by Gallatin would not be considered to be local exchange services (i.e. calls to/from the local exchange would be considered long-distance). Applicant also does not seek status as an ETC as described in § 20:10:32:15 of the South Dakota Administrative Rules. In the future, if Gallatin chooses to provide telephone local exchange services or local switched access services within any area served by a rural telephone company, Gallatin will seek permission from the Commission in another proceeding before providing local service in that rural service area pursuant to 47 U.S.C. § 253(f). Gallatin does not seek to affect the exemptions, suspensions, and modifications for rural telephone companies found in 47 U.S.C. § 251(f).

(16) 20:10:32:03(16) - A list of the states in which Gallatin is registered or certified to provide telecommunications services, whether Gallatin has ever been denied registration or certification in any state and the reasons for any such denial, a statement as to whether or not Gallatin is in good standing with the appropriate regulatory agency in the states where it is registered or certified, and a detailed explanation of why Gallatin is not in good standing in a given state, if applicable.

Gallatin is authorized to provide telecommunications services in Montana and remains in good standing with the Montana Public Service Commission. Gallatin is seeking certification to provide competitive local exchange services in Wyoming.

Gallatin is not registered or certified to provide telecommunications services in any other state. Gallatin has never been denied registration or certification in any state.

(17) 20:10:32:03(17) - The names, addresses, telephone numbers, E-mail addresses, and facsimile numbers of Gallatin's representatives to whom all inquiries must be made regarding customer complaints and other regulatory matters.

Gallatin's contact for complaints is:

Jesse DuPont, General Manager
Gallatin Wireless Internet LLC
909 Thompson St
Whitewood, SD 57793
Tel: (605) 340-0641
Fax: n/a
Email: support@celerityinternet.com

Gallatin's contact for regulatory matters is:

Jesse DuPont
Gallatin Wireless Internet LLC
909 Thompson St
Whitewood, SD 57793
Tel: (605) 340-0641
Fax: n/a
Email: regulatory@celerityinternet.com

(18) 20:10:03(18) - Bill and collect charges.

Gallatin will bill ahead for flat rate local exchange services and in arrears for post-usage metered services. In general, Gallatin's services will be flat-rate.

For its flat-rate services, Gallatin will bill customers monthly recurring service charges in the month prior to service. For example, customers will be billed in January for the monthly service charge for February. Gallatin has no plans to collect deposits or advance payments, but commits to obtaining a \$25,000 bond before collecting any deposits.

(19) 20:10:32:03(19) - Information concerning Gallatin's policies relating to solicitation of new customers and a description of the efforts Gallatin shall use to prevent the unauthorized switching of local service customers.

As previously noted, Gallatin will not be providing traditional switched local exchange services or pre-subscribed services. Gallatin intends to solicit customers for its services from its existing customer base and through business-to-business marketing efforts, including digital (web and social media) and sometimes

postcards sent via U.S. Mail. In general, Gallatin will only offer exchange services in conjunction with its broadband services. Gallatin will not engage in multilevel marketing. Gallatin does not have marketing brochures that it will use to assist in the sales of the services.

- (20) 20:10:32:03(20) - The number and nature of complaints filed against the applicant with any state or federal commission regarding the unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered.**

There have been no complaints filed against Gallatin with any state or federal regulatory commission regarding the unauthorized switching of a customer's telecommunications provider, and/or for charging customers for services that have not been ordered.

- (21) 20:10:32:03(21) - Information concerning how Gallatin will make available to any person information concerning its current rates, terms, and conditions for all of its telecommunications services.**

Information concerning Gallatin's current rates, terms, and conditions for all of its telecommunications services will be available on its website: www.celerityinternet.com

- (22) 20:10:32:03(22) - Information concerning how Gallatin will notify a customer of any materially adverse change to any rate, term, or condition of any telecommunications service being provided to the customer. The notification must be made at least thirty days in advance of the change.**

Notice of any materially adverse change to any rate, term, or condition of any telecommunications service offered by Gallatin to customers in the State of South Dakota will be provided in writing via U.S. mail or electronic mail or other electronic communications means to customers at least thirty (30) days prior to the effective date of the change.

- (23) 20:10:32:03(23) - A written request for waiver of those rules believed to be inapplicable.**

To the extent necessary, Gallatin requests a waiver of the local exchange map requirement in §§ 20:10:24:02(8) and 20:10:32:03(9) of the Administrative Rules of South Dakota. Gallatin's local calling areas will mirror those of the incumbent carriers.

Because Gallatin will not be providing traditional switched local exchange voice services to end users, Applicants respectfully request a waiver, to the extent necessary, of S.D. Admin. Rule 20:10:32:10, which requires that South Dakota local exchange carriers make the following services available to their customers (1) access to the public switched telephone network; (2) access to emergency

services such as 911 or enhanced 911; (3) access to a local directory and directory assistance; (4) access to operator services; (5) telecommunications relay service capability or access necessary to comply with state and federal regulations; (6) non-published service upon written request or verbal request of the customer; and (7) access to interexchange services. Gallatin seeks local exchange authority in South Dakota to maintain existing facilities and to deploy new facilities, including fiber to homes, to bring broadband services to South Dakota consumers. However, Gallatin will provide access to the public switched telephone network, emergency services, directory assistance, operator services, and telecommunications relay services exclusively through its VoIP service. Gallatin will comply with customer requests for non-published service.

Gallatin's VoIP service will permit users to place calls throughout the United States at no additional charge, so customers should not require access to other interexchange services. However, to the extent a customer requests only local service and access to other interexchange or toll providers, Gallatin will provide such access.

The requested waiver is not contrary to universal service, public safety, and welfare or quality of service because as explained above, Gallatin's networks are fully compatible with these services and, indeed, can enable voice services that provide this functionality. Further, the requested waiver is in the public interest because granting this Application will enable Gallatin to deploy high-speed broadband services to facilitate delivery of voice, data, Internet access, streaming video and other advanced communications services. The importance of high-speed, fiber-optic networks like Gallatin's and the advanced communications services provided over such networks is increasingly important for remote students, employees, small business owners, teachers and medical professionals.

(24) 20:10:32:03(24) – Gallatin's federal tax identification number and South Dakota sales tax number.

Gallatin's federal tax identification number is 32-0484724. Gallatin's South Dakota sales tax number is FL226907.

(25) 20:10:32:03(25) Other Information requested by the commission needed to demonstrate that the applicant has sufficient technical, financial, and managerial capabilities to provide the local exchange services it intends to offer consistent with the requirements of this chapter and other applicable rules and laws.

Further information for the Commission's consideration is provided in Section VI of this Application. Finally, Applicants will provide any additional information in response to specific inquiries from the Commission.

VI. PUBLIC INTEREST CONSIDERATIONS

Applicants respectfully submit that the proposed Transaction serves the public interest. The Transaction will finalize the assignment of Celerity Networks customers to a financially stable company that will continue to provide telecommunications services to such assigned customers without interruption. Gallatin’s operations will be overseen by a well-qualified management team with substantial telecommunications experience and technical expertise. In addition, the Transaction was structured to assure an orderly transition of customers from Celerity Networks to Gallatin. In accordance with the terms of their service contracts and the rules and procedures of the FCC and applicable state(s), including this Commission, customers were notified of the sale of substantially all of Celerity Networks assets to Gallatin and the change in their telecommunications provider from Celerity Networks to Gallatin.

VII. CONCLUSION

WHEREFORE, Applicants respectfully request that the Commission approve the transfer of the SD COA to Gallatin.

Respectfully submitted,

/s/ Michael P. Donahue

Michael P. Donahue
Michal J. Nowicki
Marashlian & Donahue, PLLC
1430 Spring Hill Road, Suite 310
Tysons, VA 22102
Tel: (703) 714-1319
Fax: (703) 563-6222
Email: mpd@commlawgroup.com
mjn@commlawgroup.com

*Counsel for Celerity Networks LLC and Gallatin
Wireless Internet LLC*

Dated: November 7, 2024