

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

ILLINOIS COMMERCE
COMMISSION

2016 MAY -6 A 10:47

Petition For Emergency Relief To Protect ExteNet's
Annual Report From Disclosure For Not Less Than Two
Years In Order To Protect Highly Confidential and
Proprietary Financial Information

CHIEF CLERK'S OFFICE

Docket No. 16-0302

PETITION

NOW COMES, ExteNet Systems, Inc. ("ExteNet") and here by petitions the Illinois Commerce Commission ("Commission") for emergency relief to protect ExteNet's Annual Report from disclosure for not less than two years in order to protect highly proprietary information included therein. ExteNet supports this Petition with the Affidavit of Daniel L. Timm and the following statements:

1. ExteNet is certificated by the Commission to provide competitive telecommunications services in the state of Illinois.
2. ExteNet is required to file an Annual Report pursuant to Section 5-109 of The Public Utilities Act (220ILCS5/5-109).
3. The Annual Report of ExteNet contains commercial or financial information that is proprietary, and confidential, and disclosure of this financial information would cause competitive and other harms to ExteNet, as detailed in the Affidavit of Daniel L. Timm.
4. The telecommunications industry is highly competitive, and it is imperative that public disclosure of confidential information contained in the Annual Report of ExteNet be avoided for a period of at least two years following the issuance of an Order by the commission because of the harm which disclosure of such information would likely cause ExteNet.
5. Section 7 of the Illinois Freedom of Information Act, 5 ILCS140/7(g), exempts from public disclosure "trade secrets and commercial or financial information....where the trade secrets or information are proprietary, privileged or confidential, or where disclosure of such trade secrets or information may cause competitive harm." The Annual Report of ExteNet, which is the subject matter of this Petition, falls within this exemption.
6. ExteNet is a privately held company and it derives independent economic value from the unavailability of its financial information. Therefore, its financial information is not generally made available to the public and ExteNet generally takes steps to protect this information from disclosure, including storing the information in secure files and servers and permitting company employee access to the information only on a need-to-know basis. As detailed in the Affidavit of Daniel L. Timm, the telecommunications industry (and in particular the segment in which ExteNet operates) is highly competitive. ExteNet would suffer competitive harm in the event that the contents of its Annual Report were

available for inspection by ExteNet's competitors. Further, ExteNet's ability to raise funds may be harmed because some investors do not wish to have their investments made public.

7. The Illinois Administrative Code authorizes the Commission to grant requests for a protective order for up to two years by right to prevent disclosure of proprietary and confidential information. 83 Ill. Adm. Code §200.430.5 ILCS140/7(g) and ExteNet hereby requests a two-year seal of the financial information submitted with its Annual Report.
8. The Commission granted similar requests for an extended confidentiality period to ExteNet, most recently in Docket No. 11-021. The justifications set forth by Petition in that Docket remain unchanged. There has been no change in ExteNet's status as a privately held company and no other change in its operations that would warrant a more limited term for protection of its financial information. Therefore, ExteNet respectfully submits that it is necessary and warranted to grant its request for a two-year seal of its highly confidential and proprietary financial information submitted with its Annual Report.
9. ExteNet is submitting a public version of its Annual Report from which all financial information has been redacted, in addition to a confidential version for review by the Commission. ExteNet requests that only the public, redacted version of its Annual Report be made available for public inspection.

WHEREFORE, ExteNet respectfully requests that the Commission enter an Order, without hearing, protecting from disclosure in its entirety the 2015 Annual Report of ExteNet for a period of not less than two years.

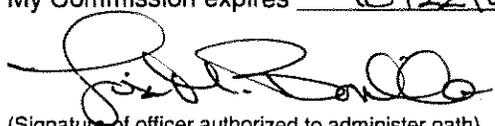
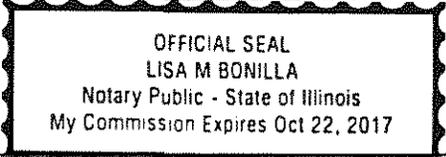
DATED as of the 30th day of March, 2016.

Respectfully submitted,

EXTENET SYSTEMS, INC.



By: Daniel L. Timm

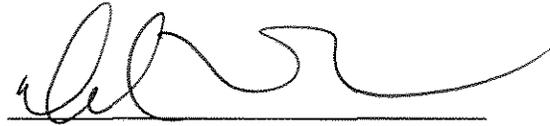
State of Illinois County of DuPage	
Subscribed and sworn to before me, a <u>Notary Public</u>	
In and for the State and County above named, this <u>30th</u> day of <u>March</u> , 20 <u>16</u> .	
My Commission expires <u>10/22/17</u>	
 (Signature of officer authorized to administer oath)	

AFFIDAVIT OF DANIEL L. TIMM IN SUPPORT OF PETITION FOR A TWO-YEAR PROTECTIVE ORDER FOR EXTENET'S ANNUAL REPORT

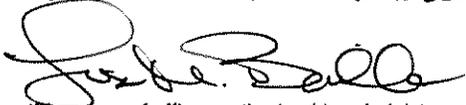
2016 MAY -6 A 10:47
CHIEF CLERK'S OFFICE

1. My name is Daniel L. Timm and I am the Chief Financial Officer for ExteNet Systems, Inc. ("ExteNet"). My business address is 3030 Warrenville Road, Suite 340, Lisle, IL 60532.
2. I have personal knowledge of the statements in this Affidavit.
3. ExteNet is a privately held company, and neither its accounting nor financial information is generally known or available publicly. ExteNet derives independent economic value from the unavailability of its financial information, therefore ExteNet closely guards its financial information, including revenue figures, to ensure it does not become publicly disclosed.
4. Financial information is not publicly disseminated, and ExteNet takes reasonable steps internally to protect this information. Disclosure of financial information is limited to ExteNet's counsel, board of directors, and employees of the company who are directly involved with its financial operations or have a need to know.
5. ExteNet provides specialized fiber optic transport facilities to a finite number of wireless carriers, and it competes for these customers with a small number of carriers.
6. Public disclosure of ExteNet's revenue and expense information could give competitors insight into ExteNet's financial ability to expand its operations in Illinois and its ability to carry out new projects, all of which involve upfront costs for construction of facilities to meet customers' specific needs.
7. Disclosure of uncollectable amounts also gives competitors insights into ExteNet's ability to undertake new projects and could give third parties insights into the financial health of ExteNet's customers (*i.e.* high collectable amounts may signal financial distress).

8. In addition to harming ExteNet's ability to compete for customers, public disclosure of its revenue information could harm its ability to negotiate with vendors, and harm its relationship with potential investors.
9. Much of ExteNet's financing is drawn from private equity sources, and those entities may not want to invest in an entity whose revenue and expense information is publicly available.
10. The forgoing statements are true and correct to the best of my knowledge.



Daniel L. Timm, Executive Vice President
and Chief Financial Officer

State of Illinois County of DePage	
Subscribed and sworn to before me, a <u>Notary Public</u>	
In and for the State and County above named, this <u>30th</u> day of <u>March</u> , 20 <u>16</u> .	
My Commission expires <u>10/22/17</u>	
 (Signature of officer authorized to administer oath)	