



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF ADVANZA)
TELECOM, INC. FOR AUTHORITY TO PROVIDE)
LOCAL EXCHANGE TELECOMMUNICATIONS)
SERVICES WITHIN THE STATE OF NEW JERSEY)

ORDER

DOCKET NO. TE07070506

(SERVICE LIST ATTACHED)

BY THE BOARD:

Pursuant to N.J.S.A. 48:2-1 et seq. and Section 253 of the federal Telecommunications Act of 1996, 47 U.S.C. §151 et seq., and by letter dated June 29, 2007, Advanza Telecom, Inc. ("Petitioner" or "Advanza"), filed a Petition with the New Jersey Board of Public Utilities ("Board") requesting authority to provide local exchange telecommunications services within the State of New Jersey.

Advanza is a privately held corporation organized under the laws of the State of New Jersey. Marianne Lyons is the President and principal owner of the company as well as an employee of Advanza Systems, Inc. Advanza is a newly formed company that grew out of Advanza Systems, Inc., an affiliated internet service provider. Petitioner's principal offices are located at 216 Haddon Avenue, Suite 101, Westmont, New Jersey 08108.

Petitioner has submitted a copy of its Certificate of Incorporation from the State of New Jersey. According to the Petition, Advanza was formed to provide local exchange telecommunications services to business and enterprise customers within the State of New Jersey. Petitioner states that it has not been denied authority to provide telecommunications services, its authority has not been revoked in any jurisdiction and it has not been the subject of any civil or criminal proceedings. Petitioner is currently engaged in negotiations with Verizon, New Jersey, Inc. to enter into an interconnection agreement.

Petitioner seeks authority to provide local exchange telecommunications services in the State of New Jersey. Petitioner is requesting Competitive Local Exchange Carrier ("CLEC") authority in

accordance with the 1996 Telecommunications Act, which requires telecom companies to have CLEC authority in order to interconnect with Incumbent Local Exchange Carriers to buy Unbundled Network Elements ("UNE"). Petitioner states that at this time it has no plans to provide voice or dial-tone services in New Jersey.

According to the Petition, Advanza has been created as a separate corporation to clearly delineate regulated from unregulated services. Petitioner states that it will deliver high capacity data circuits, or the loop, to an established base of approximately 112 New Jersey business and enterprises that are existing customers of its affiliate, while its affiliate will provide the internet service over those circuits or the loops provided by the Petitioner. Petitioner will be interconnecting and collocating in a Verizon Central Office to build a telecom infrastructure of its own and provide high capacity UNE DS1/T1 and DS3/T3 data circuit to business and enterprise customers and to internet service providers in the State of New Jersey. According to the Petition, T1 to DS3 capacity services are phone line connections that can transfer data at 1.5 to 45 million bits-per-second. These services are primarily used for internet connectivity and other IP based applications, such as remote backup or private LAN connection. Petitioner will not share facilities of its affiliate as it will be collocated with Verizon, New Jersey. Petitioner states that in the future, being a CLEC will enable the company to install digital subscriber line access multiplexers to provide digital subscriber lines to residential and business customers in its service area. Petitioner's business plan projects a 15% annual increase in sales. Petitioner maintains a toll-free number for customer service inquiries. Petitioner has filed a proposed tariff with the Board in Docket No. TT07080658.

Petitioner requests a waiver of N.J.A.C. 14:1-4.3, which requires that books and records be maintained in accordance with the Uniform System of Accounts ("USOA"). In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles. Petitioner also states, upon written notice from the Board and/or Board Staff, it will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

Petitioner asserts that approval of its Petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. Petitioner also asserts that approval of this Petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings.

With regard to its technical and managerial qualifications, Advanza states that it possesses the technical capability and managerial qualifications to operate and manage its telecommunications operations in the State of New Jersey. Petitioner has submitted the professional biographies of its key personnel who, according to Advanza, are well qualified to execute its business plans and have extensive managerial and technical experience in the telecommunications industry.

DISCUSSION

On February 8, 1996, the federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. §151 et seq., was signed into law, removing barriers to competition by providing that "[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service." 47 U.S.C. §253(a).

Therefore, Board approval of Petitioner's entry into the telecommunications marketplace is required, as long as Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey. Any grant of authority is subject to the right of the Board as the state regulatory authority to impose requirements necessary to protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers. 47 U.S.C. §253(c).

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets of qualified applicants. 47 U.S.C. §253(a). The Board also considers the New Jersey State Legislature's declaration that it is the policy of the State to provide diversity in the supply of telecommunications services and the Legislature's findings that "competition will promote efficiency, reduce regulatory delay, and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." N.J.S.A. 48:2-21.16(a)(4); N.J.S.A. 48:2-21.16(b)(1) and (3).

Therefore, having reviewed Advanza's Petition and the information supplied in support thereof, the Board FINDS that the Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey. Accordingly, the Board HEREBY AUTHORIZES the Petitioner to provide local exchange telecommunications services throughout New Jersey.

The Board also FINDS that in accordance with N.J.S.A. 48:2-59 and 48:2-60 and N.J.S.A. 52:27EE-52 the Petitioner is subject to an annual assessment by both the Board and the Division of Rate Counsel, respectively. The Board notes that the Petitioner has filed a proposed tariff in Docket No. TT07080658.

The Board HEREBY ORDERS that:

- 1) Pursuant to N.J.S.A. 48:2-16(2)(b) and N.J.A.C. 14:3-6.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year. Pursuant to N.J.S.A. 48:2-16.3, if Petitioner fails to file an annual report by the due date, Petitioner shall be subject to a penalty of \$5.00 for each day thereafter until such report is filed.
- 2) Pursuant to N.J.S.A. 48:2-62, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 of the following year.

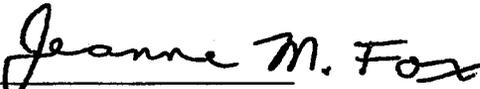
On or before February 1st of each year, the Petitioner will receive from the Division of Audits an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the Petitioner's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and a statement of gross intrastate revenues from operations form are due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.

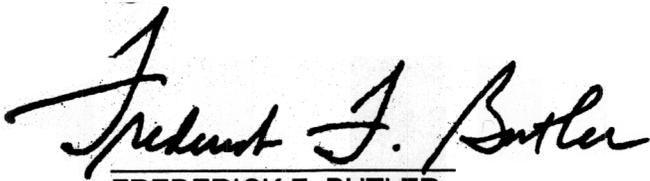
Regarding the Petitioner's request for a waiver of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirement that the Petitioner maintain its books and records in accordance with USOA. Therefore, the

Board APPROVES the Petitioner's request for exemption from maintaining its books and records in accordance with USOA.

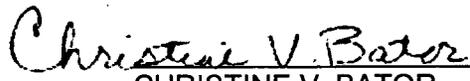
DATED: 10/3/07

BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER

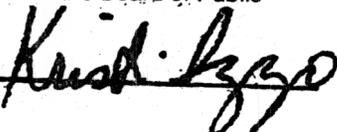

JOSEPH L. FIORDALISO
COMMISSIONER


CHRISTINE V. BATOR
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



IN THE MATTER OF THE PETITION OF ADVANZA TELECOM, INC.
FOR AUTHORITY TO PROVIDE LOCAL EXCHANGE
TELECOMMUNICATIONS SERVICES WITHIN
THE STATE OF NEW JERSEY

DOCKET NO. TE07070506

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