



Agenda Date: 11/10/10

Agenda Item: IVA

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center, Suite 801**  
**Newark, NJ 07102**  
**[www.nj.gov/bpu/](http://www.nj.gov/bpu/)**

**TELECOMMUNICATIONS**

IN THE MATTER OF THE VERIFIED PETITION OF TTM  
OPERATING CORPORATION, INC. FOR APPROVAL )  
TO PARTICIPATE IN A FINANCING ARRANGEMENT )

**ORDER**

**DOCKET NO. TF10090702**

James H. Laskey Esq. Norris, McLaughlin & Marcus 721 Route 202 P.O. Box 5933, Bridgewater,  
NJ 08807

BY THE BOARD:

TTM Operating Corporation ("TTM OpCo" or "Petitioner"), filed a petition with the Board on September 27, 2010, pursuant to N.J.S.A. 48:3-7 and N.J.S.A. 48:3-9, for approval to participate in various debt financing arrangements, as detailed herein.

Petitioner is a Nevada corporation and a wholly owned subsidiary of Telecom Transport Management, Inc. ("TTMI"). Petitioner is authorized to provide resold and facilities-based local exchange and interexchange telecommunications services throughout New Jersey pursuant to the Board's Order of Approval issued in Docket No. TE08090715 on December 9, 2008. Petitioner provides service to one customer in New Jersey, using facilities located both in New Jersey and elsewhere.

Petitioner requests Board approval to participate in a financing arrangement whereby it will incur debt obligations through a long-term loan of up to \$8 million with a maturity date 60 months from closing. Upon obtaining any necessary regulatory approvals, including the approval of the Board, TTM OpCo will be a co-borrower under the loan, and the loan will be secured by a lien on TTM OpCo's assets in New Jersey. Among other things, the funds from the loan will be used to finance the acquisition of telecommunications equipment and other infrastructure equipment and to fund ongoing operations. Accordingly, TTM OpCo seeks approval from the Board for this long-term indebtedness and the pledge of assets to secure the debt.

Petitioner maintains that grant of this petition will serve the public interest by providing TTM OpCo with the opportunity to strengthen its competitive position through access to greater financial resources. Petitioner states that the funds to be obtained through the financing arrangements are necessary and appropriate, are consistent with the performance by Petitioner of its services to the public, and will not impair the ability of the Petitioner to perform such services and will promote a lawful objective within the corporate purposes of the Petitioner. In addition, Petitioner states that this financing transaction will not involve a transfer of authorizations, assets or customers of Petitioner, and that the transaction will be transparent to its customers who will benefit from the continued receipt of quality telecommunications services that are priced competitively, with no changes in the rates or terms and conditions of service as currently provided. As a result, the proposed transaction is expected to yield financial benefits that ultimately inure to the benefit of Petitioner's customers. In sum, according to Petitioner, greater access to capital enhances Petitioner's ability to bring competitive telecommunications services to the State of New Jersey and is, therefore, in the public interest.

The Division of Rate Counsel has reviewed this matter and by a letter dated October 20, 2010 recommends that the Board approve this petition.

After review, the Board FINDS that the proposed transaction is consistent with the applicable law and the Board HEREBY AUTHORIZES Petitioners to participate in the financing arrangements described herein.

This Order is issued subject to the following provisions:

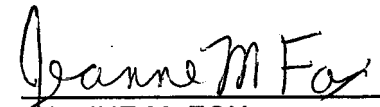
1. This Order shall not affect or in any way limit the exercise of the authority of the Board or the State of New Jersey in any future petition or in any proceeding regarding rates, costs of service, franchises, service, financing, accounting, capitalization, depreciation or any other matters affecting Petitioners.
2. Petitioner shall semiannually file statements for the amounts, use of the amounts and use of the credit facilities pursuant to N.J.A.C. 14:1-5.9 (b).
3. This Order shall not be construed as directly or indirectly fixing, for any purpose whatsoever, any value of the tangible or intangible assets now owned or hereafter to be owned by Petitioner.
4. Notwithstanding anything to the contrary in the documents executed pursuant to the financing transactions or other supporting documents, a default or assignment under such agreement shall not constitute automatic transfer of Petitioner's assets. Board approval must be sought pursuant to N.J.S.A. 48:1-1 et seq. where applicable.
5. Petitioner shall complete the financing authorized herein not later than December 31 2011, and shall notify the Board of such completion within 5 business days thereafter.

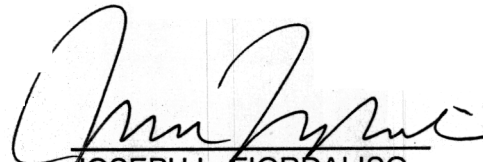
6. Board approval must be sought by Petitioner for any guarantees or security of any term loans or additional notes that cannot be issued pursuant to the foregoing conditions.

DATED 11/10/10


BOARD OF PUBLIC UTILITIES  
BY:

  
LEE A. SOLOMON  
PRESIDENT

  
JEANNE M. FOX  
COMMISSIONER

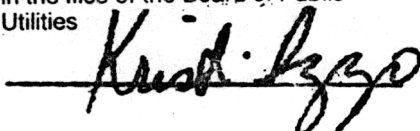
  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
NICHOLAS ASSELTA  
COMMISSIONER

  
ELIZABETH RANDALL  
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 Verified Petition Of TTM Operating Corporation, Inc. For Approval To  
Participate In A Financing Arrangement  
Docket No. TF100900702**

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