Agenda Date: 09/16/10 Agenda Item: IVD



STATE OF NEW JERSEY

Board of Public Utilities
Two Gateway Center, Suite 801
Newark, NJ 07102
www.nj.gov/bpu/

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF WARWICK)
VALLEY TELEPHONE COMPANY FOR CERTIFICATION)
WITH REGARD TO THE USE OF UNIVERSAL SERVICE)
SUPPORT – YEAR 2011

ORDER OF APPROVAL & CERTIFICATION

DOCKET NO. TO01090575

(SERVICE LIST ATTACHED)

BY THE BOARD:

On June 28, 2010, pursuant to 47 <u>C.F.R.</u> §54.314, Warwick Valley Telephone Company ("Warwick") filed a verified petition with the Board of Public Utilities ("Board") requesting that the Board file a certification with the Federal Communications Commission ("FCC") stating that Warwick's use of Universal Service Support funds ("USS") is consistent with the purposes for which such funds may be used, according to federal law. On July 8, 2010, Warwick sent certification of publication regarding this matter. The certification requested by Warwick must be filed by the Board with the FCC by October 1, 2010 in order for Warwick to receive its full allocation of funds under the requirements imposed by the FCC.

Warwick is an incumbent local exchange carrier providing telecommunications services to customers in the Townships of Vernon and West Milford, New Jersey, and the towns of Warwick and Goshen, New York. Warwick provides service to approximately 15,713 access lines, of which approximately 6,158 are in New Jersey. Warwick is a rural telephone company as defined by the Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56 (codified in scattered sections of 47 <u>U.S.C.</u> §\$151 <u>et seq.</u>) (hereinafter, the Act). <u>See</u> 47 <u>U.S.C.</u> §153(37). The Board has previously certified Warwick as an eligible telecommunications carrier pursuant to 47 <u>U.S.C.</u> §214(e). <u>See</u> Order of Approval, <u>I/M/O a Petition by Warwick Valley Telephone Company for Designation as an Eligible Telecommunications Carrier Under the Telecommunications Act of 1996, Docket No. TO97080587 (November 25, 1997). Under the Act, certification as an Eligible Telecommunications Carrier is necessary in order to receive federal Universal Service Support. 47 <u>U.S.C.</u> §254(e).</u>

The FCC's rule at 47 <u>C.F.R.</u> §54.314(a) requires that, in order for Warwick to receive USS funds, the Board must file an annual certification with the USS fund Administrator and state to the FCC that "all federal high-cost support provided to [Warwick within New Jersey] will be used only for provision, maintenance, and upgrading of facilities and services for which the support is

intended." Pursuant to 47 <u>C.F.R.</u> §54.314(d), the Board's annual certification must be filed with the Administrator and the FCC by October 1, 2010, in order for Warwick to receive USS fund support for 2011.

By previous Order, dated August 19, 2009 at Docket No. TO01090575, the Board certified Warwick's use of USS funds in order for Warwick to receive support in 2010. In that Order, the Board stated:

Because state certification is now required on an annual basis, and in order to ensure use of Universal Service Support funds in a manner consistent with federal law, the Board <u>DIRECTS</u> Warwick to continue to submit to the Board, no later than July 1st and January 1st of each year, a report, in a manner and format to be determined by Staff, providing auditable information sufficient to determine Warwick's compliance with federal law, including, but not limited to, compliance with the FCC's required uses of Universal Service Support funds. The Board <u>FURTHER DIRECTS</u> Warwick to continue to file its future requests for Board certification no later than July 1st of each year, absent extenuating circumstances, and to simultaneously publish notice of the filing in newspapers of general circulation in its service territory. Such notice shall be reviewed by Staff prior to its publication.

Warwick has filed the following information:

- A Cost Support Response Form prepared as of June 28, 2010 (schedules for 2010 pro forma and 2011 projected).
- B Affidavit of Kenneth H. Volz, Vice President, Chief Financial Officer, and Treasurer of Warwick, certifying use of USS funds for 2011 will be for intended purposes under the Act.
- C A copy of the proof of newspaper publication of this filing.

Having reviewed the petition and the information submitted in support thereof, the Board <u>HEREBY CERTIFIES</u> that Warwick shall use the federal USS it receives during 2011 for the provision, maintenance and upgrading of facilities and services for which such support is intended, as required by Section 254(e) of the Telecommunications Act of 1996 and 47 <u>C.F.R.</u> §54.101 <u>et seq.</u>

Because state certification is now required on an annual basis, and in order to ensure continued use of Universal Service Support funds in a manner consistent with federal law, the Board <u>DIRECTS</u> Warwick to continue to submit to the Board, no later than July 1st and January 1st of each year, a report, in a manner and format to be determined by Staff, providing auditable information sufficient to determine Warwick's compliance with federal law, including, but not limited to, compliance with the FCC's required uses of Universal Service Support funds.

The Board <u>FURTHER</u> <u>DIRECTS</u> Warwick to continue to file its future requests for Board certification no later than July 1st of each year, absent extenuating circumstances, and to simultaneously publish notice of the filing in newspapers of general circulation in its service territory. Such notice shall be reviewed by Staff prior to its publication. In addition, the Board requests that the Attorney General's office provide, to both the Office of the Secretary of the

FCC and the Administrator of the high-cost universal service support mechanism, a letter transmitting this Order to serve as compliance with the certification requirements as set forth in 47 <u>C.F.R.</u> §54.315.

DATED:

9/15/10

BY BOARD OF PUBLIC UTILITIES:

LEE A. SOLOMON PRESIDENT

JEANNE M. FOX

COMMISSIONER

NICHOLAS ASSELTA COMMISSIONER

ATTEST:

SECRETARY

JOSEPH L. FIORDALISO COMMISSIONER

ELIZABETH RANDALI COMMISSIONER

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

Utilities

SERVICE LIST TO01090575

Martin Rothfelder, Esq. Rothfelder Stern, L.L.C. 625 Central Avenue Westfield, NJ 07090

Joyce Stoeberl, Senior Vice President-Corporate Secretary Warwick Valley Telephone Company 47 Main Street P.O. Box 592 Warwick, NY 10990

Carol Artale Legal Specialist Board of Public Utilities Two Gateway Center Newark, NJ 07102

Christopher White, Esq. Division of Rate Counsel 31 Clinton Street, 11th Floor P.O. Box 46005 Newark, NJ 07101

Alex Moreau, DAG
Department of Law and Public Safety
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, NJ 07102

Bruce Gallagher Thomas Chu Board of Public Utilities Division of Telecommunications Two Gateway Center Newark, NJ 07102