Agenda Date: 5/1/12 Agenda Item: IA

TELECOMMUNICATIONS



STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9th Floor, Post Office Box 350 Trenton, NJ 08625-0350 www.nj.gov/bpu/

IN THE MATTER OF THE PETITION OF 365)	ORDER
WIRELESS, LLC FOR AUTHORITY TO PROVIDE)	
LOCAL EXCHANGE AND INTEREXCHANGE)	
TELECOMMUNICATIONS SERVICES THROUGHOUT)	
THE STATE OF NEW JERSEY)	DOCKET NO. TE12010074

Tony D. Cash, Esq., General Counsel, 365 Wireless, LLC Atlanta, Georgia, Petitioner **Stefanie A. Brand, Esq.**, Director, Division of Rate Counsel

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 January 19, 2012, 365 Wireless, LLC ("Petitioner" or "365 Wireless") filed a Verified Petition with the New Jersey Board of Public Utilities ("Board") requesting authority to provide facilities-based competitive local exchange and interexchange telecommunications services throughout the State of New Jersey.

365 Wireless is a limited liability company organized under the laws of the State of Georgia. Bridgette Weller is its president and has 100% ownership interest in the company. Petitioner's principal offices are located at 1500 Trotters Cove, Atlanta, Georgia 30338.

Petitioner has submitted copies of its Certificate of Organization from the State of Georgia and its New Jersey Certificate of Authority to Operate as a Foreign Limited Liability Company. Petitioner is certified as a local exchange carrier in Florida, Texas and New York and is in the process of obtaining authorization to provide telecommunications services throughout the United States. Petitioner plans to enter into an interconnection agreement with Verizon New Jersey Inc. ("VNJ") upon the approval of its petition for authority.

Petitioner seeks authority to provide resold and facilities-based local exchange and interexchange telecommunications services within the territory of VNJ to medium and large business customers throughout New Jersey. Petitioner's services will be routed over facilities owned by the company and other certified carriers. In addition to the technical expertise of its own employees, Petitioner will rely upon the telecommunications experience and resources of its underlying carriers. Petitioner is a facilities-based competitive local exchange carrier utilizing

current and state-of-the-art Voice over Internet Protocol soft-switch technology. Local access will be provided to each individual customer through the use of unbundled network element, unbundled network element platform and enhanced extended loops which will be purchased from the incumbent local exchange carrier to provide the last mile loops to each customer location. Petitioner's service includes but is not limited to Business Local Exchange, Directory Assistance, Operator Assisted Calling, 911 & E911, Interexchange, 365 1+Service and 365 Toll Free services. Petitioner contemplates no immediate construction or extension of facilities as a result of its petition, however, its deployment will begin in mid-2012 and will follow the network plan summarized in its petition for authority.

The Company 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 requests a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3, which requires that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts ("USOA"), respectively. Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles and to keep all books, records, documents and other writings incident to the conduct of Petitioner's business in the State of New Jersey at Petitioner's corporate offices located in Atlanta, Georgia. 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 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, 365 Wireless 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 365 Wireless, are well qualified to execute its business plans and have extensive managerial and technical experience in the telecommunications industry.

By letter dated March 13, 2012, Division of Rate Counsel submitted comments with the Board recommending that the Board approve the Petition.

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>U.S.C.</u> § 151 <u>et seq.</u>, 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>U.S.C.</u> § 253(a).

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>U.S.C.</u> § 253(c).

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets of qualified applicants. 47 <u>U.S.C.</u> § 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 365 Wireless' Petition and the information supplied in support thereof, as well as Rate Counsel's comments, the Board <u>FINDS</u> that the Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey. Accordingly, the Board <u>HEREBY AUTHORIZES</u> the Petitioner to provide local exchange and interexchange telecommunications services throughout the State of New Jersey.

The Board also <u>FINDS</u> that in accordance with <u>N.J.S.A.</u> 48:2-59 and 48:2-60 and <u>N.J.S.A.</u> 52:27EE-52, the Petitioner is subject to an annual assessment by both the Board and the Division of Rate Counsel, respectively.

The Board HEREBY ORDERS that:

- 1) Petitioner shall file its tariff with the Board.
- 2) 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.
- 3) 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 waivers of the Board rules, the Board <u>FINDS</u> that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintains its books and records in accordance with USOA and within New Jersey. Therefore, subject to the Petitioner's continuing responsibility to provide the Board

books and records upon 48 hours' notice, and in the manner requested, and to pay to the Board all expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board <u>APPROVES</u> the Petitioner's request for the exemptions from maintaining its books and records in accordance with USOA and in New Jersey.

DATED: 5/1/12

BOARD OF PUBLIC UTILITIES

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PRESIDENT

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ATTEST:

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MARY-ANNA HOLDEN COMMISSIONER

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IN THE MATTER OF THE VERIFIED PETITION OF 365 WIRELESS, LLC FOR AUTHORITY TO PROVIDE LOCAL EXCHANGE AND INTEREXCHANGE TELECOMMUNICATIONS SERVICES IN THE STATE OF NEW JERSEY

DOCKET NO. TE12010074

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