



Agenda Date: 3/19/14  
Agenda Item: IC

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF VITCOM, LLC )  
FOR AUTHORITY TO PROVIDE LOCAL EXCHANGE )  
AND INTEREXCHANGE TELECOMMUNICATIONS )  
SERVICES THROUGHOUT THE STATE OF NEW )  
JERSEY ) DOCKET NO. TE14010054

**Parties of Record:**

**Mordy Gross, Esq.**, for Petitioner  
**Stefanie A. Brand, Esq.**, Director, New Jersey 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 15, 2014, Vitcom, LLC ("Petitioner" or "VITCOM") filed a verified Petition with the New Jersey Board of Public Utilities ("Board") requesting authority to provide both resold and facilities-based Unbundled Network Elements ("UNEs") local exchange and interexchange telecommunications services throughout the State of New Jersey. Petitioner has submitted its financial information under seal and has filed a sworn affidavit with substantiation for confidential treatment in accordance with the Board's rules for determining confidentiality, N.J.A.C. 14:1-12 et seq. and in compliance with the Open Public Records Act, N.J.S.A. 47:1A-1 et seq.

VITCOM is a limited liability company organized under the laws of the State of New York. VITCOM's principal owners also own and operate Tandem Transit, a wholly owned subsidiary which provides Tandem Services for Voice over Internet Protocol ("VoIP") enabled carriers. VITCOM's principal offices are located at 1428 36<sup>th</sup> Street, Suite 224A, Brooklyn, New York 11218.

Petitioner has submitted copies of its Articles of Organization from the State of New York and its New Jersey Certificate of Authority to operate as a Foreign Limited Liability Company. Petitioner is currently authorized to provide telecommunications services in the State of New York and has filed an application to provide telecommunications services in the State of Florida. Petitioner states that it has not been denied authority to provide telecommunications services, its authority has not been revoked in any jurisdiction, and it has not been the subject of any civil or criminal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 intends to enter into an interconnection agreement with Incumbent Local Exchange Carriers ("ILECs") upon approval of its petition.

Petitioner seeks authority to provide both resold and facilities-based UNEs local exchange and interexchange telecommunications services to business and residential customers in the State of New Jersey. Petitioner will initially provide services by resale and by purchasing UNEs from ILECs. Its services will include, but are not limited to, local exchange services including local dial tone and custom calling features that will enable customers to originate and terminate local calls in the local calling area served by the petitioner as well as other local exchange carriers; Switched local exchange services such as flat-rates and measure-rated local services; vertical, Direct Inward and Outward Dialed trunks; carrier access; public and semi-public coin telephone services; any other switched local services that currently exist or will exist in the future. The company's service will also include non-switched local services such as private lines; Centrex and/or Centrex-like services that currently exist or will exist in the future; Digital subscriber lines; integrated services digital network and other high capacity line services; VoIP Services; Interexchange switched and dedicated services such as outbound dialing; toll free inbound dialing; Prepaid and Postpaid calling cards; Directory Assistance; Frame Relay; and other data services.

Petitioner may construct its own transmission and switching facilities utilizing, fiber optics, microwave, copper cables, carrier, digital, analog, and other technologies. Petitioner intends to utilize its Class 5 switch currently located in Manhattan and intends to collocate telecommunications equipment in central offices in New Jersey. Petitioner states that remote vehicles and other switches may subsequently be installed in other areas. Its facilities may be used for both switched and private line traffic and shall include the provision of business switched local exchange services. Its facilities may be used separately or in conjunction with similar facilities provided by or obtained from other entities. Petitioner maintains a toll-free number for customer service inquiries. Petitioner will file an initial tariff with the Board.

Petitioner requests a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3, which require 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, instead, 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 Brooklyn, New York.

By letter dated January 27, 2014, the Division of Rate Counsel ("Rate Counsel") submitted comments with the Board stating that, based on its review, "Rate Counsel is satisfied that the Petition meets the regulatory requirements and is consistent with the public interest, convenience, and necessity." Id. at 1-2. Accordingly, Rate Counsel does not oppose a grant of authority, approval, or other requests sought in the verified 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.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).

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 VITCOM'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 and interexchange telecommunications services throughout the State of New Jersey. Pursuant to N.J.A.C. 14:3-1.3(a), the Board notes that the Petitioner will not be permitted to provide telecommunications services until a tariff is filed with the Board. Additionally, Petitioner is not relieved from its responsibility to file an Annual Report and a Statement of Gross Intrastate Revenues from Operations form for the preceding calendar year.

Furthermore, the Board **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 **HEREBY ORDERS**:

- 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 1 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 **FINDS** that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements

that the Petitioner maintain 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 **APPROVES** the Petitioner's request for the exemptions from maintaining its books and records in accordance with USOA and in New Jersey.

This Order shall be effective March 28, 2014.

DATED: 3/19/2014

BOARD OF PUBLIC UTILITIES  
BY:


  
DIANNE SOLOMON  
PRESIDENT

  
JEANNE M. FOX  
COMMISSIONER

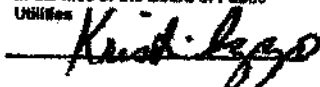
  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
MARY-ANNA HOLDEN  
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



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LOCAL EXCHANGE AND INTEREXCHANGE TELECOMMUNICATIONS SERVICES  
THROUGHOUT THE STATE OF NEW JERSEY  
DOCKET NO. TE14010054

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