Agenda Date: 4/8/08 Agenda Item: IC



STATE OF NEW JERSEY

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

TELECOMMUNICATIONS	TEL	.EC	OMI	MUI	NICA	TION	S
--------------------	-----	-----	-----	-----	------	------	---

)	ORDER
)	
)	
)	DOCKET NO. TE07120982
)))

(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 December 26, 2007, VoDa Networks, Inc. ("Petitioner" or "VoDa"), has filed a Petition with the New Jersey Board of Public Utilities ("Board") requesting authority to provide facilities-based local exchange telecommunications services within the State of New Jersey.

VoDa is a privately held corporation organized under the laws of the State of New York. Michael A. Berg is the President and principal owner of the company. Petitioner's principal offices are located at 6851 Jericho Turnpike, Suite 120, Syosset, New York 11791.

Petitioner has submitted copies of a Certificate of Amendment to its Certificate of Incorporation along with a Certificate of Good Standing from the State of New York and a Certificate of Authority to Conduct Business in New Jersey as a Foreign Corporation. According to the Petition, VoDa was formed to provide facilities-based local exchange telecommunications services primarily to business customers within the State of New Jersey. Petitioner states that currently, it is authorized to provide telecommunications services in the State of New York, and within the year, it intends to obtain a certification to provide the requested services in approximately two (2) additional states. In five years the Petitioner hopes to expand its service

offerings to include the Northeast region. Petitioner states that it has not been denied authority to provide telecommunications services, its authority has not been revoked in any jurisdiction and it has not been the subject of any civil or criminal proceedings.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 also states that it has initiated the process of establishing an interconnection agreement and/or Wholesale Advantage Agreement with Verizon - New Jersey, Inc. for the provision of unbundled network elements subject to the Board's approval.

Petitioner seeks authority to provide facilities-based local exchange telecommunications services primarily to business customers within the State of New Jersey. Petitioner plans to offer/purchase certain local service elements of the incumbent local exchange carrier and repackage those elements with other services to offer a bundled service package to end-users. Petitioner states that its services will be initially limited to the provision of local exchange services primarily to business customers. Petitioner will utilize the facilities of Verizon – New Jersey, Inc. and has no present plans to build, locate or acquire facilities within New Jersey. Petitioner maintains a toll-free number for customer service inquiries and has filed an initial tariff with the Board under Docket No. TT07121074.

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. 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 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 office located in Syosset, New York. 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, VoDa 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 VoDa, 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>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.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>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 VoDa's Petition and the information supplied in support thereof, 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 telecommunications services throughout 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 notes that the Petitioner has filed an initial tariff under Docket No. TT07121074.

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 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 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 any reasonable 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.

4/9/08

BOARD OF PUBLIC UTILITIES

BY:

me M. Fox

JEANNE M. FOX **PRESIDENT**

COMMISSIONER

COMMISSIONER

COMMISSIONER

SEPH L. FIORDALISO

CHRISTINE V. BATOR

COMMISSIONER

Christine V. Bater

ATTEST:

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 VODA NETWORKS, INC. FOR AUTHORITY TO PROVIDE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES WITHIN THE STATE OF NEW JERSEY

DOCKET NO. TE07120982

SERVICE LIST

1. Petitioner's Contact Person:

Michael A. Berg, President VoDa Networks, Inc. 6851 Jericho Turnpike, Suite 120 Syosset, New York 11791

2. Petitioner's Consultant:

Andrew Lustigman, Esq. The Lustigman Firm, PC Attorneys At Law 158 Windham Road Hillsdale, New Jersey 07642

3. Board's Staff:

Dennis Moran Director, Division of Audits Board of Public Utilities Two Gateway Center Newark, New Jersey 07102

4. Rate Counsel:

Stefanie A. Brand, Esquire Director, Division of Rate Counsel Department of Public Advocate 31 Clinton Street, 11th Floor P. O. Box 46005 Newark, New Jersey 07101

5. Deputy Attorney General:

Arlene Pasko
Department of Law & Public Safety
Division of Law
124 Halsey Street, 5th Floor
P. O. Box 45029
Newark, New Jersey 07102

6. Board's Staff:

Anthony Centrella
Director, Division of Telecommunications
Board of Public Utilities
Two Gateway Center
Newark, New Jersey 07102