

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

January 23, 2006

IN RE

**PETITION OF IBFA ACQUISITION COMPANY, LLC
D/B/A FARM BUREAU CONNECTION FOR A
CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY TO PROVIDE COMPETING LOCAL AND
INTEREXCHANGE TELECOMMUNICATIONS
SERVICES WITHIN THE STATE OF TENNESSEE**

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**DOCKET NO
05-00151**

**INITIAL ORDER GRANTING CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY**

This matter came before the Hearing Officer of the Tennessee Regulatory Authority (the “Authority” or “TRA”) at a Hearing held on January 23, 2006, to consider the *Application for Certificate to Provide Competing Local Telecommunications and Interexchange Services* filed by IBFA Acquisition Company, LLC d/b/a Farm Bureau Connection (“IBFA”) on May 26, 2005, and amended on June 30, 2005 and November 21, 2005 (the “*Application*”). In its *Application*, IBFA seeks a certificate of public convenience and necessity (“CCN”) for authority to provide competing local telecommunications services, including facilities-based and resold local exchange, exchange access and interexchange telecommunications services, within the State of Tennessee

Legal Standard for Granting Certificate of Public Convenience and Necessity

IBFA’s *Application* was made pursuant to, and was considered in light of, the criteria for granting a CCN as set forth in Tenn Code Ann § 65-4-201 (2004), which provides, in pertinent part

(a) No public utility shall establish or begin the construction of, or operate any line, plant, or system, or route in or into a municipality or other territory already receiving a like service from another public utility, or establish service therein, without first having obtained from the authority, after written application and hearing, a certificate that the present or future public convenience and necessity require or will require such construction, establishment, and operation, and no person or corporation not at the time a public utility shall commence the construction of any plant, line, system or route to be operated as a public utility, or the operation of which would constitute the same, or the owner or operator thereof, a public utility as defined by law, without having first obtained, in like manner, a similar certificate

* * *

(c) After notice to the incumbent local exchange telephone company and other interested parties and following a hearing, the authority shall grant a certificate of convenience and necessity to a competing telecommunications service provider if after examining the evidence presented, the authority finds

(1) The applicant has demonstrated that it will adhere to all applicable commission policies, rules and orders, and

(2) The applicant possesses sufficient managerial, financial, and technical abilities to provide the applied for services

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(d) Subsection (c) is not applicable to areas served by an incumbent local exchange telephone company with fewer than 100,000 total access lines in this state unless such company voluntarily enters into an interconnection agreement with a competing telecommunications service provider or unless such incumbent local exchange telephone company applies for a certificate to provide telecommunications services in an area outside its service area existing on June 6, 1995¹

¹ Notwithstanding the existence of subsection (d), the Federal Communications Commission ("FCC") has expressly preempted the Authority's enforcement of subsection (d) pursuant to the authority granted to the FCC under 47 U.S.C. § 253(d). *AVR L P d/b/a Hyperion of Tennessee L P Petition for Preemption of Tennessee Code Annotated Section 65-4-201(d) and Tennessee Regulatory Authority Decision Denying Hyperion's Application Requesting Authority to Provide Service in Tennessee Rural LEC Service Area*, FCC 99-100 Memorandum Opinion and Order 14 FCC Rcd 11064 (1999), *Memorandum Opinion and Order* 16 FCC Rcd 1247 (2001). The Authority has since issued an order expanding a competing local exchange carrier's CCN to provide telecommunications services on a statewide basis including areas served by incumbent local exchange carriers with fewer than 100,000 total access lines in Tennessee. *See In re Application of Level 3 Communications LLC to Expand its CCN to Provide Facilities-Based Local Exchange and Interexchange Telecommunications Services in all Tennessee Service Areas* Docket No. 02-00230, *Order Approving Application of Level 3 Communications LLC to Amend Its Certificate of Public Convenience and Necessity* (June 28, 2002).

Furthermore, pursuant to Tenn Code Ann § 65-5-112 (2004), a competing telecommunications provider is required to file with the Authority (1) a plan containing the provider's plan for purchasing goods and services from small and minority-owned telecommunications businesses, and (2) information on programs that might provide technical assistance to such businesses

The January 23, 2006 Hearing

Pursuant to Tenn Code Ann § 65-4-204 (2004), public notice of the Hearing in this matter was issued by the Hearing Officer on January 13, 2006. No persons sought intervention prior to or during the Hearing. At the Hearing held on January 23, 2006, Mr. Casimer Wojciechowski, President of IBFA, participated in the Hearing and was subject to examination by the Hearing Officer. Upon IBFA's conclusion of the presentation of its proof, the Hearing Officer granted IBFA's *Application* based upon the following findings of fact and conclusions of law.

I IBFA's Qualifications

1 IBFA is a limited liability company organized under the laws of the State of Michigan on July 27, 2004. IBFA was qualified to transact business in the State of Tennessee effective March 7, 2005, and applied for registration of their assumed name, Farm Bureau Connection, on November 8, 2005.

2 The complete street address of IBFA's registered agent is Joseph Martin, Jr., 315 Deaderick Street, Suite 1100, Nashville, Tennessee 37238. The complete street address of IBFA's corporate office is 1850 Howard Street, Unit C, Elk Grove Village, Illinois 60007. The telephone number is (847) 685-8600 and the facsimile number is (847) 685-8680.

3 The *Application* and supporting documentary information existing in the record indicate that IBFA has the requisite technical and managerial ability to provide

competitive access services and transport telecommunications services within the State of Tennessee. Specifically, IBFA's senior management team possesses extensive business, technical, operational and regulatory telecommunications experience.

4 IBFA has the necessary capital and financial ability to provide the services it proposes to offer.

5 IBFA has represented that it will adhere to all applicable statutes, policies, rules and orders of the Authority.

II Proposed Services

IBFA intends to provide competing local telecommunications services, including exchange access telecommunications services, and facilities-based and resold interexchange telecommunications services within the State of Tennessee. Initially, IBFA plans to offer a broad variety of local exchange services, including basic access line service, Optional Calling Features, Directory Assistance and Operator Services, as well as all services required under TRA Rule 1220-4-8-04.

III Permitting Competition to Serve the Public Convenience and Necessity

Upon a review of the *Application* and the record in this matter, the Hearing Officer finds that approval of IBFA's *Application* would inure to the benefit of the present and future public convenience by permitting competition in the telecommunications services markets in the State and by fostering the development of an efficient, technologically advanced statewide system of telecommunications services.

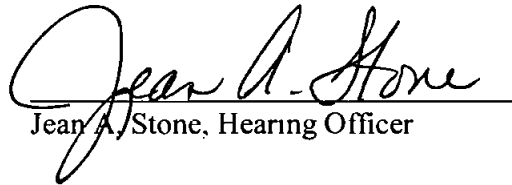
IV Small and Minority-Owned Telecommunications Business Participation Plan and Business Assistance Program

IBFA has filed a satisfactory small and minority-owned telecommunications business participation plan, pursuant to Tenn Code Ann § 65-5-112 (2004) and the Authority's Rules

IT IS THEREFORE ORDERED THAT

1 The *Application for Certificate to Provide Competing Local Telecommunications and Interexchange Services* as amended, filed by IBFA Acquisition Company, LLC d/b/a Farm Bureau Connection, is approved, and

2 Any party aggrieved by the Hearing Officer's decision in this matter may file a petition for reconsideration within fifteen (15) days from and after the date of this Order


Jean A. Stone, Hearing Officer