

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**July 9, 2008**

**IN RE:**

**PETITION OF FRONTIER COMMUNICATIONS OF  
AMERICA, INC. TO AMEND ITS CERTIFICATE OF  
CONVENIENCE AND NECESSITY**

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**DOCKET NO.  
07-00155**

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

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This matter came before Chairman Eddie Roberson, Director Tre Hargett and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at the Hearing held on May 5, 2008 to consider the *Petition of Frontier Communications of America, Inc. to Amend its Certificate of Convenience and Necessity* (the "*Petition*") filed by Frontier Communications of America, Inc. ("Frontier" or "Petitioner") on June 20, 2007. In its *Petition*, Frontier seeks an amendment of its Certificate of Public Convenience and Necessity ("CCN") to include authority to provide telecommunications services on a statewide basis in areas served by telephone cooperatives, including territory served by Ben Lomand Rural Telephone Cooperative, Inc. ("Ben Lomand").

**Legal Standard for Amending Certificate of Public Convenience and Necessity**

Frontier's *Petition* was made pursuant to and considered in light of the criteria for granting and extending a CCN as set forth in Tenn. Code Ann. § 65-4-201 (Supp. 2006), which provides, in pertinent part:

\* \* \*

(b) Except as exempted by provisions of state or federal law, no individual or entity shall offer or provide any individual or group of telecommunications services, or extend its territorial areas of operations without first obtaining from the Tennessee Regulatory Authority a certificate of convenience and necessity for such service or territory; provided, however, that no telecommunications services provider offering and providing a telecommunications service under the authority of the Authority on June 6, 1995, is required to obtain additional authority in order to continue to offer and provide such telecommunications services as it offer sand provides as of June 6, 1995.

(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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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.

#### **May 5, 2008 Authority Conference**

Pursuant to Tenn. Code Ann. § 65-4-204 (2004), public notice was issued by the Hearing Officer on April 22, 2008, setting the matter for hearing during the Authority Conference on May 5, 2008. Mr. Mike Byrd, Area Manager of Frontier, participated in the Hearing, adopted his pre-filed testimony and was subject to examination by the panel.

Frontier was initially granted certification by the Authority in 1996 based upon a finding that Frontier possessed the requisite managerial, technical and financial ability to provide telecommunications services in Tennessee. Frontier's *Petition* to amend its certification to include statewide authority provides updated information regarding these qualifications. The *Petition* states that Frontier has supplemented its staff of senior management to include officers who have decades of experience in the telecommunications industry, and further that Frontier remains managerially and technically qualified to provide telecommunications services throughout the state of Tennessee having continuously operated as a Competing Local Exchange Carrier ("CLEC") since the grant of its initial CCN. Additionally, Frontier has filed a Small and Minority Owned Telecommunications Business Participation Plan with the Authority and will file revised tariffs to cover service in the area that is the subject of the *Petition*.

Mr. Byrd affirmed that Frontier will comply with all of Tennessee's public interest obligations and responsibilities as mandated in TRA Rule 1220-4-8-.04(3)(b) and (c). Upon the conclusion of the presentation of its proof, the panel voted unanimously to grant Frontier's *Petition* based upon the following findings of fact and conclusions of law:

**I. Frontier's Qualifications**

1. Frontier is a corporation organized under the laws of the State of Delaware and was licensed to transact business in Tennessee by the Secretary of State on April 18, 1994.

2. The complete street address of Frontier's registered agent, C.T. Corporation System, is 800 S. Gay Street, Suite 2021, Knoxville TN 37299. The complete street address of Frontier's corporate office is 3 High Ridge Park, Stamford CT 06905. The telephone number is (203) 614-5600.

3. The *Petition* and supporting documentary information existing in the record indicate that Frontier has the requisite technical and managerial ability to provide competitive access and transport telecommunications services within the State of Tennessee. Specifically, Frontier's senior management team possesses sufficient business, technical, operational and regulatory telecommunications experience.

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

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

## **II. Proposed Services**

Frontier will provide toll, local exchange, access, private line, paging, and enhanced services, Centrex services, measured business lines, voice mail, Integrated Services Digital Network ("ISDN") and vertical features, and other services, statewide. Frontier seeks to provide services in the service territory of Ben Lomand and potentially, other telephone cooperatives and Incumbent Local Exchange Carriers ("ILECs"). Frontier intends to build its own facilities in areas where Citizens Communications Company ("Citizens"), its ILEC affiliate, does not already have facilities, and lease facilities from Citizens when operating within Citizen's service territory. Frontier provided a Certificate of Service reflecting that it served notice of its *Petition* on all potentially affected Telephone Cooperatives identified as Tier 1 members of Tennessee Telecommunications Association.

## **III. Permitting Competition to Serve the Public Convenience and Necessity**

Upon a review of the *Petition* and the record in this matter, the voting panel finds that approval of Frontier's *Petition* would inure to the benefit of the present and future public


convenience by permitting competition in the telecommunications services markets in the State and 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**

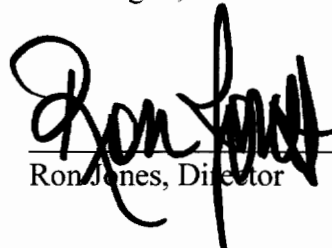
Frontier has filed a satisfactory small and minority-owned telecommunications business participation plan, pursuant to Tenn. Code Ann. § 65-5-112 (2004) and the Authority's Rules.

**IT IS THEREFORE ORDERED THAT:**

*The Petition of Frontier Communications of America, Inc. to Amend its Certificate of Convenience and Necessity is approved.*

  
Eddie Roberson, Chairman

  
Tre Hargett, Director

  
Ron Jones, Director 6-30-08