

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

IN RE:)	
)	
APPLICATION OF WHOLESALE CARRIERS SERVICES,)	DOCKET NO.
INC. FOR A CCN TO PROVIDE COMPETING LOCAL)	07-00250
EXCHANGE AND INTEREXCHANGE)	
TELECOMMUNICATIONS SERVICES IN TENNESSEE)	

**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 February 25, 2007, to consider the *Application of Wholesale Carrier Services, Inc. for Authority to Provide Competing Local Exchange and Interexchange Telecommunications Services* (“*Application*”) filed by Wholesale Carriers Services, Inc. (“WCS” or “Applicant”) on November 8, 2007. In its *Application*, WCS seeks a certificate of public convenience and necessity for authority to provide competing local telecommunications services, including facilities-based, resold local exchange and interexchange telecommunications services within the State of Tennessee.

Legal Standard for Granting Certificate of Public Convenience and Necessity

WCS’ *Application* was made pursuant to and considered in light of the criteria for granting a certificate of public convenience and necessity (“CCN”) as set forth in Tenn. Code Ann. § 65-4-201 (Supp. 2006), 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.

* * *

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 February 25, 2008 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 February 14, 2007. No persons sought intervention prior to or during the Hearing.

On February 19, 2008, WCS filed a request to participate in the Hearing by telephone and the Hearing officer granted WCS' request in an *Order Granting Electronic Participation in Hearing* issued on February 19, 2008. At the Hearing held on February 25, 2008, Mr. Chris S.

Barton, President of WCS participated in the Hearing telephonically and was subject to examination by the Hearing Officer. In accordance with the *Order Granting Electronic Participation in Hearing*, Ms. Rosa Clark, a licensed Notary Public in good standing in the state of Florida, administered the testimonial oath to Mr. Barton and remained physically present with him throughout his examination and testimony. In addition, a properly executed *Witness Certification and Affidavit* was received by the Authority on February 26, 2008.

Mr. Barton stated that WCS plans on providing local exchange and interexchange services to both residential and business customers, statewide. He also stated that WCS advertises its services through direct mail and e-mails via the internet and will not solicit end-users directly.

Mr. Barton affirmed that WCS 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 WCS's conclusion of the presentation of its proof, the Hearing Officer granted WCS's *Application* based upon the following findings of fact and conclusions of law:

I. WCS' Qualifications

1. WCS is a corporation organized under the laws of the State of Florida and was licensed to transact business in Tennessee by the Secretary of State on May 31, 2002.

2. The complete street address of the registered agent for WCS, TSC Corporate Services, Inc., is 1900 Church Street, Suite 400, Nashville TN 37203. The complete street address of the corporate office of WCS is 5471 N. University Drive, Coral Springs, Florida 33067. The telephone number is (954) 227-1700.

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

access services and transport telecommunications services within the State of Tennessee. Specifically, WCS's senior management team possesses extensive operational, managerial and technical telecommunications experience.

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

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

II. Proposed Services

WCS will initially resell services and provide service using unbundled network elements obtained through commercial and interconnection agreements, utilizing the facilities of existing local exchange carriers or other competitive carriers that presently serve Tennessee, and has no plans to install facilities in the state of Tennessee. In addition to local exchange and interexchange services, WCS will offer dual-party relay services, 911 Emergency Services, Directory Assistance and Operator Assisted calls, Lifeline and Toll-Free calling through interconnection agreements with other carriers. WCS served notice of its application to provide competing local telecommunications services to all eighteen Incumbent Local Exchange Carriers in Tennessee on November 7, 2007.

III. Permitting Competition to Serve the Public Convenience and Necessity

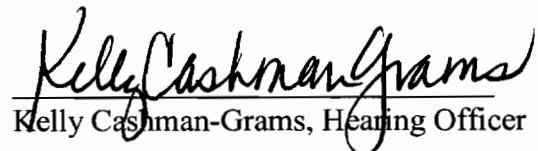
Upon a review of the *Application* and the record in this matter, the Hearing Officer finds that approval of WCS's *Application* would inure to the benefit of the present and future public convenience by permitting competition in the telecommunications services markets in the State and fostering the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

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

WCS 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 of Wholesale Carrier Service, Inc. for Authority to Provide Competing Local Exchange and Interexchange Telecommunications Service* is approved.
2. Any party aggrieved by the Hearing Officer's decision in this matter may file a petition for reconsideration within fifteen days from the date of this Order.
3. This Initial Order shall become a Final Order of the Tennessee Regulatory Authority, if no petition or reconsideration or appeal of this Order is filed prior to the expiration of the fifteen-day appeal period.


Kelly Cashman-Grams, Hearing Officer