

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

September 3, 2010

IN RE:

APPLICATION OF INTELEPEER, INC. FOR A CCN TO
PROVIDE FACILITIES-BASED AND RESOLD COMPETING
LOCAL TELECOMMUNICATIONS SERVICES AND
FACILITIES-BASED AND RESOLD INTEREXCHANGE
TELECOMMUNICATIONS SERVICES IN TENNESSEE

DOCKET NO.
09-00201

ORDER GRANTING CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY

This matter came before Chairman Mary W. Freeman, Director Eddie Roberson and Director Kenneth C. Hill of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a Hearing held on July 26, 2010 to consider the *Application of Intelepeer, Inc. for a Certificate to Provide Facilities-Based and Resold Competing Local Telecommunications Services and Facilities-Based and Resold Competing Interexchange Telecommunications Services* (the "Application") filed by Intelepeer, Inc. ("Intelepeer" or "Company") on December 21, 2009 and amended on June 8, 2010. In its *Application*, Intelepeer seeks a Certificate of Public Convenience and Necessity ("CCN") for authority to provide competing local exchange and interchange telecommunications services in Tennessee.

Legal Standard for Granting Certificate of Public Convenience and Necessity

Intelepeer's *Application* was made pursuant to and considered in light of the criteria for granting a CCN as set forth in Tenn. Code Ann. § 65-4-201 (Supp. 2009), 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 July 26, 2010 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 July 14, 2010. No persons sought intervention prior to or during the Hearing. On July 22, 2010, Intelepeer filed its *Motion to Appear and Participate Telephonically at Hearing*. On the same day, the Hearing Officer granted Intelepeer's request in an *Order Granting Telephonic Appearance at Hearing*.

During the Hearing held on July 26, 2010, Ms. Julie A. Barghouthi, Senior Vice President of Product Development and Access Management, participated in the Hearing telephonically. Ms. Barghouthi adopted the pre-filed testimony of Mr. Andre Simone, Chief Financial Officer, and was subject to examination by the panel. In accordance with the *Order Granting Telephonic Appearance at Hearing*, Jacque Bird, a licensed Notary Public in good standing in the State of Colorado, administered the testimonial oath to Ms. Barghouthi and remained present with her throughout her examination and testimony. In addition, as required, the Authority received a properly executed *Witness Certification* and a *Notary Public Affidavit* on July 29, 2010. The Company was represented by Chuck Welch, Esq., who appeared at the Hearing in person.

I. Intelepeer's Qualifications

1. Intelepeer 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 as of October 8, 2009.

2. The complete street address of the registered agent for Intelepeer is Corporation Service Company, 2908 Poston Avenue, Nashville, Tennessee 37203. The complete street address of the corporate office of Intelepeer is 2855 Campus Drive, Suite 200, San Mateo, California 94403. The telephone number is (650) 525-9200.

3. The *Application* and supporting information existing in the record indicate that Intelepeer has the requisite technical and managerial ability to provide the applied for telecommunications services within the State of Tennessee. Specifically, Intelepeer's senior management team possesses sufficient business, technical and operational experience.

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

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

II. Proposed Services

The applicant will provide fully managed, hosted, on-demand peering infrastructure to directly exchange voice traffic networks between any application and any telephony device. Intelpeer will offer basic local exchange services, custom calling features, and interexchange toll services, including toll free services, to business and enterprise customers.

III. Permitting Competition to Serve the Public Convenience and Necessity

Upon a review of the *Application* and the record in this matter, the panel found that approval of Intelpeer'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.

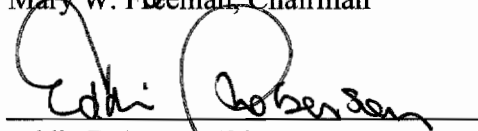
IV. Small and Minority-Owned Telecommunications Business Participation Plan and Business Assistance Program

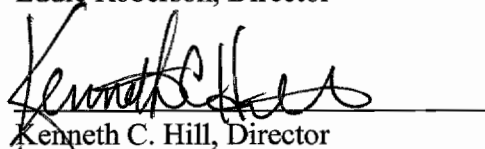
Intelpeer has filed a satisfactory small and minority-owned telecommunications business participation plan, pursuant to Tenn. Code Ann. § 65-5-112 (2004) and the Authority's Rules.

IT IS THEREFORE ORDERED THAT:

The *Application of Intelpeer, Inc. for a Certificate to Provide Facilities-Based and Resold Competing Local Telecommunications Services and Facilities-Based and Resold Competing Interexchange Telecommunications Services* filed on December 21, 2009 and amended on June 8, 2010 is approved.


Mary W. Freeman, Chairman


Eddie Roberson, Director


Kenneth C. Hill, Director