BEFORE THE TENNESSEE REGULATORY AUTHORITY EIVED

NASHVILLE, TENNESSEE

T.R.A. DOCKET ROOM

IN RE:

June 26, 2015

DOCKET NO. 14-00169

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APPLICATION NEW HORIZONS COMMUNICATIONS CORP. FOR AUTHORITY TO PROVIDE COMPETING LOCAL EXCHANGE AND INTEREXCHANGE SERVICE

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 June 9, 2015 to consider the *Application for Certificate of Public Convenience and Necessity* (the "Application") filed by New Horizons Communications Corp. ("New Horizons" or "Applicant") on December 29, 2014. In its *Application*, New Horizons seeks a Certificate of Public Convenience and Necessity ("CCN") for authority to provide competing local exchange and interexchange telecommunications services in Tennessee.

LEGAL STANDARD

New Horizons' *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. 2012), 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.

HEARING ON THE MERITS

Pursuant to Tenn. Code Ann. § 65-4-204 (2004), public notice of the Hearing in this matter was issued by the Hearing Officer on May 29, 2015. No persons sought intervention prior to or during the Hearing.

I. New horizons' Qualifications

- 1. New Horizons 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 July 29, 2008.
- 2. The complete street address of the registered agent for New Horizons is 2908 Poston Avenue, Nashville, Tennessee 37203. The complete street address of the corporate office of New Horizons is 420 Bedford Street, Suite 250, Lexington Massachusetts 02420. The

telephone number is (781) 290-4600.

- 3. The *Application* and information in the record indicate that New Horizons has the requisite technical and managerial ability to provide competitive access services and transport telecommunications services within the State of Tennessee. Specifically, New Horizons' senior management team possesses extensive business, technical, operational and regulatory experience.
- 4. New Horizons has the necessary capital and financial ability to provide the services it proposes to offer.
- 5. New Horizons has represented that it will adhere to all applicable statutes, policies, rules and orders of the Authority.¹

II. PROPOSED SERVICES

New Horizons proposes to provide regulated switched and dedicated access local exchange services to residential and commercial subscribers, as well as other non-regulated services. New Horizons will provide local exchange services and related custom calling features, intraLATA toll, operator assisted calling and directory assistance exclusively to subscribers of record.

In conjunction with its local service authority, New Horizons will provide switched exchange access telecommunications services to interconnecting carriers under a separate tariff to be filed for approval prior to service initiation. New Horizons will not offer alternative operator services to the transient public. Furthermore, New Horizons will coordinate with incumbent local exchange carriers for the provision of emergency 911 services, directory publication, and directory distribution to local customers, as necessary.

¹ New Horizons recently discovered that it inadvertently processed orders to resell voice telecommunications service for six (6) lines in Tennessee prior to obtaining a CCN from the TRA. This violation was the result of an oversight by New Horizons and the Company has sought to come into compliance by applying for a CCN.

New Horizons' initial service offerings for business customers will be comparable to that currently offered by the incumbent local exchange providers. New Horizons will offer its services throughout the state of Tennessee with a switch located in Bloomington, Illinois with a redundant link established in Chicago, Illinois.

III. PERMITTING COMPETITION TO SERVE THE PUBLIC CONVENIENCE AND NECESSITY

New Horizons' *Application* and its proposed services 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

New Horizons 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 of Public Convenience and Necessity filed by New Horizons Communications Corp. 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 for reconsideration or appeal of this Order is filed prior to the expiration of the fifteen-day appeal period.

Monica Smith-Ashford, Hearing Officer