

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

IN RE:

December 23, 2015

**PETITION OF TALK AMERICA SERVICES, LLC FOR
AMENDED AUTHORITY TO PROVIDE FACILITIES-BASED
LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES**

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**DOCKET NO.
15-00098**

**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 December 18, 2015 to consider the *Application for Amended Authority to Provide Facilities-Based Local Exchange Telecommunications Services* (the “*Application*”) filed by Talk America Services, LLC (“TAS” or “Applicant”) on October 20, 2015. In its *Application*, TAS seeks a Certificate of Public Convenience and Necessity (“CCN”) for authority to provide competing local exchange and interexchange telecommunications services in Tennessee.

LEGAL STANDARD

TAS’ *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 (2015), 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 . . .

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(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 (2015), 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 (2015), public notice of the Hearing in this matter was issued by the Hearing Officer on December 8, 2015. No persons sought intervention prior to or during the Hearing.

I. TAS' QUALIFICATIONS

1. TAS 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 September 17, 2014.

2. The complete street address of the registered agent for TAS is CT Corporation System, 800 S. Gay Street, Suite 2021, Knoxville, Tennessee 37929. The complete street address of the corporate office of TAS is 10802 Executive Center Drive, Benton Building, Suite 300,

Little Rock, AR 72211. The telephone number is (501) 850-0820.

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

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

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

II. PROPOSED SERVICES

TAS received a certificate of authority to resell local and interexchange telecommunications services in Tennessee in Docket No. 14-00120. With this *Application*, TAS seeks to amend its current certificate to include authority to provide facilities-based local exchange services in Tennessee.

TAS seeks to expand its authority to enable it to provide local exchange service by using its own facilities and/or by purchasing or leasing facilities (e.g., Unbundled Network Elements) from other carriers. The Applicant does not have immediate plans to install its own facilities but will lease lines, switches, and interconnection from Incumbent Local Exchange Carriers through interconnection agreements and/or commercial agreements, which would require TAS to have authority as a facilities-based local exchange carrier. The Applicant plans to continue to offer service only to residential customers at this time, and does not have immediate plans to change its service offerings. However, granting its *Application* will allow TAS the flexibility to expand its service offerings in the future.

III. PERMITTING COMPETITION TO SERVE THE PUBLIC CONVENIENCE AND NECESSITY


TAS' *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

TAS has filed a satisfactory small and minority-owned telecommunications business participation plan, pursuant to Tenn. Code Ann. § 65-5-112 (2015) and the Authority's Rules.

IT IS THEREFORE ORDERED THAT:

1. The *Application for Amended Authority to Provide Facilities-Based Local Exchange Telecommunications Services* filed by Talk America Services, LLC 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