

DT 02-016

**OTEL TELEKOM, INC.**

**Petition for Authority to Provide  
Local Telecommunications Services**

**Order Nisi Granting Authorization**

**O R D E R    N O.    23,942**

**March 29, 2002**

On February 4, 2002, Otel Telekom, Inc. (Otel) filed with the New Hampshire Public Utilities Commission (Commission) a petition for authority to provide switched and non-switched local exchange telecommunications services, pursuant to the policy goals set by the New Hampshire Legislature in RSA 374:22-g, effective July 23, 1995.

Otel is a recently formed New Hampshire corporation which is an affiliate of G4 Communications Corporation, an internet service provider, based in Manchester. The petition reports that another ISP, Metro2000 is also an affiliate. Otel was organized specifically to segregate its Competitive Local Exchange Carrier (CLEC) operations from G4's ISP services.

Pursuant to Puc Chapter 1300, an applicant's petition for certification as a CLEC shall be granted when the Commission finds that (1) all information listed in Puc 1304.02 has been provided to the Commission; (2) the applicant

meets standards for financial resources, managerial qualifications, and technical competence; and, (3) certification for the particular geographic area requested is in the public good.

The Commission Staff (Staff) has reviewed Otel's petition for compliance with these standards. Staff reports that the company has provided all the information required by Puc 1304.02 and that the information provided supports Otel's assertion of financial resources, managerial qualifications, and technical competence sufficient to meet the standards set out in Puc 1304.01(b), (e), (f), and (g). Staff further reports that adding Otel to the choices available to New Hampshire telecommunications consumers appears to be in the public interest.

Otel requests a waiver of the surety bond requirement in Puc 1304.02(b). In support, Otel submitted a sworn statement that it does not require advance payments or deposits of their customers. Staff recommends granting the waiver.

Otel has requested a waiver of 1304.02(a)(6) which requires the filing of U.S.G.S. based map of the areas in which service will be offered. Otel avers that it will offer service only in those territories served by Verizon New

Hampshire. Maps of that territory are already on file with the Commission. Staff recommends granting the waiver.

We find that Otel has satisfied the requirements of Puc 1304.01(a)(1) and (2) and, further, that authorization is in the public good, thus meeting the requirement of Puc 1304.01(a)(3). In making this finding, as directed by RSA 374:22-g we have considered the interests of competition, fairness, economic efficiency, universal service, carrier of last resort, the incumbent's opportunity to realize a reasonable return on its investment, and recovery by the incumbent of expenses incurred. This finding is further supported by the Telecommunications Act of 1996 (TAct). Because Otel has satisfied the requirements of Puc 1304.01(a), we will grant the petition.

Given that Otel will not charge any customer deposits, we find reasonable Otel's request for a waiver of the requirement it post a surety bond to cover refunds of deposit. We find reasonable also Otel's request for a waiver of the requirement that it file maps delineating the territory in which it intends to provide service.

As part of its petition, Otel avers it will charge access rates no higher than by Verizon New Hampshire's present and future rates for intraLATA switched access. At any point Otel seeks to exceed Verizon New Hampshire's access rates it will first seek Commission review. The Commission will

monitor access rates as the intraLATA toll and local exchange markets develop, in order to avoid any inhibition of intraLATA toll competition in contravention of the Telecommunications Act of 1996.

Pursuant to Puc 1304.02(a)(7), applicants for CLEC certification agree to adhere to all state laws and Commission policies, rules and orders. We take this opportunity to draw attention to two rules in particular. Puc 1306.01(8) and Puc 1306.01(10), respectively, describe Enhanced 911 (E911) and Telecommunications Relay Service (TRS) as part of the minimum basic service that every CLEC must provide. Pursuant to Puc 1306.01(c), authorized CLECs are responsible to collect and properly remit the E911 surcharge, currently set at 42 cents per access line. Pursuant to Puc 1306.01(b), authorized CLECs are also responsible to collect and remit TRS charges, currently set at 8 cents per access line.

We note that as new competitors enter the market and request numbering resources, increased pressure is put on the 603 area code so long as today's number assignment process remains in effect. As evidenced by our recent orders, we have serious concern for the maintenance and viability of the 603 area code and the North American Numbering Plan as a whole. We refer Otel to our orders on number resource optimization,

including but not limited to Order No. 23,385 issued January 7, 2000, and Order No. 23,392 issued January 27, 2000 for further information about this concern. Accordingly, we will require that Otel request and use numbers responsibly and conservatively, and to join in exploring alternative mechanisms to use existing numbers as efficiently as possible.

**Based upon the foregoing, it is hereby**

**ORDERED NISI**, that Otel's petition for authority to provide switched and non-switched intrastate local exchange telecommunications services in the service territory of Verizon New Hampshire, is hereby GRANTED, subject to all relevant Commission rules and orders; and it is

**FURTHER ORDERED**, that Otel's request for a waiver of the map filing requirement in Puc 1304.02(a)(6) is hereby GRANTED: and it is

**FURTHER ORDERED**, that Otel's request for waiver of the surety bond requirement in Puc 1304.02(b) is hereby GRANTED subject to Otel's agreement not to collect any deposit, prepayment or advance payment prior to the provision of service; and it is

**FURTHER ORDERED**, that no less than ten days prior to commencing service, the Petitioner shall file with the Commission a rate schedule including the name description and

price of each service, in accordance with N.H. Admin. Rules, Puc 1304.03(b); and it is

**FURTHER ORDERED,** that Otel shall cause a copy of this Order Nisi to be published once in a statewide newspaper of general circulation, such publication to be no later than April April 9, 2002 and to be documented by affidavit filed with this office on or before April 23, 2002; and it is

**FURTHER ORDERED,** that all persons interested in responding to this Order Nisi shall submit their comments or file a written request for a hearing on this matter before the Commission no later than April 16, 2002; and it is

**FURTHER ORDERED,** that this Order Nisi shall be effective April 26, 2002, unless the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

**FURTHER ORDERED,** that, should the petitioner fail to exercise the authority granted herein within two years of the date of this order, the authority granted shall be deemed withdrawn, null, and void.

By order of the Public Utilities Commission of New  
Hampshire this twenty-ninth day of March, 2002.

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Thomas B. Getz  
Chairman

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Susan S. Geiger  
Commissioner

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Nancy Brockway  
Commissioner

Attested by:

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Debra A. Howland  
Executive Director and Secretary