



Agenda Date: 5/19/15
Agenda Item: IC

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

TELECOMMUNICATIONS

IN THE MATTER OF THE VERIFIED PETITION OF) ORDER
INTRADO COMMUNICATIONS INC. FOR)
AUTHORIZATION TO PROVIDE FACILITIES-BASED)
LOCAL EXCHANGE AND INTEREXCHANGE)
TELECOMMUNICATIONS SERVICES IN THE STATE)
OF NEW JERSEY) DOCKET NO. TE15020263

Parties of Record:

James H. Laskey, Esq., Norris McLaughlin & Marcus, P. A. for Petitioner
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

Pursuant to N.J.S.A. 48:2-1 et seq. and Section 253 of the Federal Telecommunications Act of 1996, 47 U.S.C. § 151 et seq., and by correspondence dated February 24, 2015, Intrado Communications Inc. ("Petitioner" or "Intrado Communications") filed a Verified Petition with the New Jersey Board of Public Utilities ("Board") requesting authority to provide facilities-based local exchange and interexchange telecommunications services to customers throughout the State of New Jersey.

Intrado Communications is a privately held corporation organized under the laws of the State of Delaware, and is a subsidiary of Intrado Inc., and a wholly owned indirect subsidiary of West Corporation, a publicly traded provider of technology-enabled communication services. Petitioner's principal office is located at 1601 Dry Creek Drive, Longmont, Colorado 80503.

Petitioner submitted copies of its Certificates of Incorporation from the State of Delaware and its New Jersey Certificates of Good Standing and Authority to operate as a Foreign Corporation. Petitioner is currently authorized to provide local exchange services, including competitive 9-1-1 service to Public Safety Answering Points ("PSAPs") in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, New York, North Carolina,

North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming. Petitioner states that it has not been denied authority to provide telecommunications services, its authority has not been revoked in any jurisdiction and it has not been the subject of any criminal proceedings. While Petitioner requested negotiations to enter into an interconnection agreement with Verizon, New Jersey, formal negotiation to enter into such agreement will only commence upon approval of its petition for authority.

As Petitioner disclosed in the Competitive Exchange Carrier Questionnaire attached to the Petition as Exhibit F, “[t]he Federal Communications Commission (“FCC”) released a report on October 17, 2014, in Public Safety Docket No. 14-72, regarding a 911 outage that occurred on April 10, 2014, which impacted [Petitioner’s] ability to route 911 calls for several hours in the states of California, Florida, Minnesota, North Carolina, Pennsylvania, South Carolina and Washington,” which resulted in an FCC investigation. *Id.* at 3-4. On recognition of the problem, the PSAP Trunk Member (“PTM”) threshold counter for both Emergency Call Management Complexes was increased by Petitioner so that it is not theoretically possible to exhaust the threshold ranges. “In addition, an enhanced alarming system was implemented with a specific, identifiable alarm for when the PTM threshold is reached.” *Id.* at 4. Based on an FCC news release dated April 6, 2015, Petitioner agreed to pay a \$1.4 million fine to settle the ongoing FCC investigation. As a part of the settlement, Petitioner also agreed to adopt compliance plans that require Petitioner to implement appropriate risk management processes in the continued rollout of Next-Generation 9-1-1 services. In particular, Petitioner has agreed that it will identify risks that could result in disruptions to 9-1-1 services, protect against such risks, detect future 9-1-1 outages, respond with remedial actions, including prompt notification to affected emergency call centers, and recover from such outages on a timely basis. In addition, Petitioner is required to exercise improved oversight over their Next Generation 9-1-1 subcontractors and affiliates, maintain up-to-date contact information for emergency call centers, and coordinate with emergency call centers to periodically review their outage notification procedures.

Petitioner seeks authority to provide facilities-based local exchange and interexchange telecommunications services to customers throughout the State of New Jersey. Petitioner, together with its parent company Intrado Inc., has operated for more than thirty years as a provider of integrated data communication solutions for the public safety industry. Petitioner’s advanced 9-1-1 service allows the company to provide 9-1-1 emergency call delivery and management services for both voice and data customers. Advance 9-1-1 service relies on internet protocol and is designed to interoperate seamlessly with existing legacy equipment and incumbent networks. Petitioner intends to provide retail 9-1-1 service to PSAPs end users enabling PSAPs to receive 9-1-1 calls from any 9-1-1 caller located within the geographic area served by the PSAPs. Its service is a replacement for the 9-1-1 service currently provided by the incumbent local exchange carriers. Petitioner provides a complete end-to-end service for the PSAPs which includes: the selective router; the connection between the selective router and the PSAPs; the Automatic Location Information (“ALI”) database; the selective router database; connection and access to the ALI 1 database; and master street address guide services. Petitioner will offer two additional features that may be activated upon the request of the PSAP customer and subject to the availability of facilities: (1) PSAP-to-PSAP call transfer and (2) three-way conference calling and transfer to public switched telephone network numbers. Petitioner owns switches deployed in other states and may in the future, install switching facilities in New Jersey, but it has not yet determined the location. So Petitioner does not currently own transmission facilities; it offers its services through transmission facilities leased from other authorized facilities providers. Petitioner’s parent, Intrado Inc., does not own or

control telephone network facilities in New Jersey. Under the current business plan, Petitioner will begin operations in New Jersey by transferring wireless 9-1-1 calls with ALI destined for New Jersey PSAPs that originated on its system. Petitioner's 9-1-1 system is monitored 24 hours per day, seven days per week from the network operation center located at its headquarters in Longmont, Colorado. Petitioner will file its New Jersey initial tariff with the Board and will make its New Jersey initial tariff available on its website upon approval of its petition. Petitioner maintains a toll-free number for customer service inquiries.

Petitioner requests a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3 which require that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts ("USOA"), respectively. Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles and to keep all books, records, documents and other writings incident to the conduct of Petitioner's business in the State of New Jersey at Petitioner's corporate offices located in Longmont, Colorado.

By correspondence dated March 10, 2015, the New Jersey Division of Rate Counsel submitted comments with the Board stating that, based upon its review, "Rate Counsel is satisfied that the Petition meets the regulatory requirements and is consistent with the public interest, convenience, and necessity. . . ." Letter from Rate Counsel dated March 10, 2015 at 1. In addition, Rate Counsel does not object to a grant of the waivers requested by Petitioner. Accordingly, Rate Counsel "does not oppose the Board's grant of authority or approval of the requests contained in the Verified Petition." Id. at 2.

DISCUSSION

On February 8, 1996, the Federal Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56, codified in scattered sections of 47 U.S.C. § 151 et seq., was signed into law, removing barriers to competition by providing that "[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service." 47 U.S.C. § 253(a).

Any grant of authority is subject to the right of the Board as the State regulatory authority to impose requirements necessary to "protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers." 47 U.S.C. § 253(b).

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets by qualified applicants. 47 U.S.C. § 253(a). The Board also considers the New Jersey State Legislature's declaration "that it is the policy of the State to . . . [p]rovide diversity in the supply of telecommunications services" and the Legislature's findings that "competition will promote efficiency, reduce regulatory delay, and foster productivity and innovation" and "produce a wider selection of services at competitive market-based prices." N.J.S.A. 48:2-21.16(a)(4); N.J.S.A. 48:2-21.16(b)(1) and (3).

Therefore, having reviewed Intrado Communications' Petition and the information supplied in support thereof, the Board **FINDS** that the Petitioner is in compliance with the Board's filing requirements to provide telecommunications services in New Jersey. Accordingly, the Board **HEREBY AUTHORIZES** the Petitioner to provide local exchange and interexchange telecommunications services in the State of New Jersey. Pursuant to N.J.A.C. 14:3-1.3(a), the Board notes that the Petitioner will not be permitted to provide telecommunications services until

a tariff is filed with the Board. Additionally, Petitioner is not relieved from its responsibility to file an Annual Report and a Statement of Gross Intrastate Revenues from Operations form for the preceding calendar year.

Furthermore, the Board **FINDS** that in accordance with N.J.S.A. 48:2-59 and 48:2-60 and N.J.S.A. 52:27EE-52, the Petitioner is subject to an annual assessment by both the Board and the Division of Rate Counsel, respectively.

The Board **HEREBY ORDERS:**

- 1) Petitioner shall file its tariff with the Board.
- 2) Pursuant to N.J.S.A. 48:2-16(2)(b) and N.J.A.C. 14:3-6.3, Petitioner shall file an annual report as of December 31 of each year, which is due on or before March 31 of the following year. Pursuant to N.J.S.A. 48:2-16.3, if Petitioner fails to file an annual report by the due date, Petitioner shall be subject to a penalty of \$5.00 for each day thereafter until such report is filed.
- 3) Pursuant to N.J.S.A. 48:2-62, Petitioner shall file a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before June 1 of the following year.

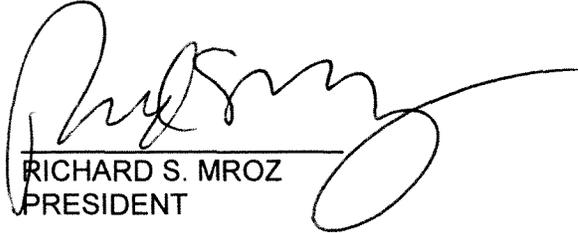
On or before February 1 of each year, the Petitioner will receive from the Division of Audits an annual report package and a Statement of Gross Intrastate Revenues from Operations form for the preceding calendar year. The purpose of these documents is to report the Petitioner's financial information and gross intrastate revenues from operations as of December 31 of each year. The annual report and a statement of gross intrastate revenues from operations form are due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive these documents, it is Petitioner's responsibility to obtain them from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports.

Regarding the Petitioner's request for waivers of the Board rules, the Board **HEREBY FINDS** that the Petitioner demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintain its books and records in accordance with USOA and within New Jersey. Therefore, subject to the Petitioner's continuing responsibility to provide the Board books and records upon 48 hours' notice, and in the manner requested, and to pay to the Board all expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board **HEREBY APPROVES** the Petitioner's request for the exemptions from maintaining its books and records in accordance with USOA and in New Jersey.

This Order shall be effective May 29, 2015.

DATED: *May 19, 2015*

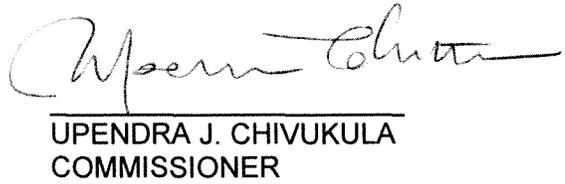
BOARD OF PUBLIC UTILITIES
BY:


RICHARD S. MROZ
PRESIDENT

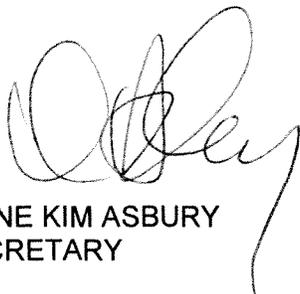

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MARY-ANNA HOLDEN
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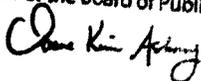

DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:


IRENE KIM ASBURY
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public Utilities



IN THE MATTER OF THE VERIFIED PETITION OF INTRADO COMMUNICATIONS INC.
FOR AUTHORIZATION TO PROVIDE FACILITIES-BASED LOCAL EXCHANGE
AND INTEREXCHANGE TELECOMMUNICATIONS SERVICES IN THE
STATE OF NEW JERSEY

DOCKET NO. TE15020263

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