

DT 02-113

GRANITE TELECOMMUNICATIONS, LLC
d/b/a
Hale & Father Telecommunications

Petition for Authority to Provide
Local Telecommunications Services

Order Nisi Granting Authorization

O R D E R N O. 24,014

July 24, 2002

On June 6, 2002, Granite Telecommunications, LLC (Granite), doing business as Hale and Father Telecommunications, 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. Granting such authority in New Hampshire is governed by New Hampshire Administrative Rules Chapter Puc 1300.

Granite is a recently formed Delaware limited liability company. Granite is certified to provide local exchange service in Massachusetts and Rhode Island and has applications pending in Georgia, New York, New Jersey and North Carolina. Granite has recently been certified to provide intraLATA toll service in New Hampshire under IXC No. 07-001-02.

Pursuant to Puc Chapter 1300, an applicant's petition for certification as a Competitive Local Exchange Carrier (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 Granite'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 Granite'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 Granite to the choices available to New Hampshire telecommunications consumers appears to be in the public interest.

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

Granite 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. Granite 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 Granite 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 Granite has satisfied the requirements of Puc 1304.01(a), we will grant the petition.

Given that Granite will not charge any customer deposits, we find reasonable Granite's request for a waiver of the requirement it post a surety bond to cover refunds of deposit. We also find reasonable Granite's request for a

waiver of the requirement that it file maps delineating the territory in which it intends to provide service. We will grant both requests.

As part of its petition, Granite avers it will charge access rates no higher than Verizon New Hampshire's present and future rates for intraLATA switched access. At any point Granite 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. Accordingly, we will require that Granite request and use numbers responsibly and conservatively, to join in exploring alternative mechanisms to use existing numbers as efficiently as possible, and to comply with 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.

Based upon the foregoing, it is hereby

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

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

FURTHER ORDERED, that Granite's request for waiver of the surety bond requirement per Puc 1304.02(b) is hereby GRANTED subject to Granite'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 Granite 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 August 5, 2002 and to be documented by affidavit filed with this office on or before August 19, 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 August 12, 2002; and it is

FURTHER ORDERED, that this Order Nisi shall be effective August 23, 2002, unless the Petitioner fails to satisfy the publication obligation set forth above or 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-fourth day of July, 2002.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Debra A. Howland
Executive Director and Secretary