Agenda Date: 02/10/11 Agenda Item: IVB-1



STATE OF NEW JERSEY Board of Public Utilities Two Gateway Center, Suite 801 Newark, NJ 07102 www.nj.gov/bpu/

IN THE MATTER OF THE JOINT APPLICATION) OF PAETEC COMMUNICATIONS, INC.) AND UNITED TELEPHONE COMPANY OF NEW) JERSEY, INC. D/B/A CENTURYLINK FOR) APPROVAL OF A MASTER INTERCONNECTION,) COLLOCATION AND RESALE AGREEMENT) UNDER SECTION 252 OF THE) TELECOMMUNICATIONS ACT OF 1996) **TELECOMMUNICATIONS**

ORDER APPROVING INTERCONNECTION AGREEMENT

DOCKET NO. TO10120923

(SERVICE LIST ATTACHED)

Zsuzsanna E. Benedek for CenturyLink, Harrisburg, PA Julie Redman-Carter for PAETEC, Hiawatha, IA

BY THE BOARD:

By letter dated December 1, 2010, United Telephone Company of New Jersey, Inc. d/b/a CenturyLink ("CenturyLink"), a New Jersey corporation, and PAETEC Communications, Inc. ("PAETEC"), (jointly, "the Parties"), pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56 (codified in scattered sections of 47 <u>U.S.C.</u> § 151 <u>et seq.</u>) ("the Act"), submitted to the Board of Public Utilities ("Board") a joint application ("Application") for approval of a negotiated resale agreement, titled "Master Interconnection, Collocation and Resale Agreement for the State of New Jersey" dated August 1, 2010 ("the Agreement"). CenturyLink is an incumbent local exchange carrier as defined by the Act with the duty to negotiate interconnection agreements pursuant to Section 252 of the Act. <u>See</u> 47 <u>U.S.C.</u> § 251(c) and § 251(h)(1). The Agreement sets forth the rates, terms and conditions under which CenturyLink will offer to PAETEC telecommunications services for the purpose of resale.

CenturyLink and PAETEC assert that the Agreement satisfies the requirements for Board approval because it does not discriminate against any other telecommunications carrier, as required by Section 252(e)(2)(A)(i). The Parties aver that the terms contained in the Agreement are available to any other telecommunications carrier operating in New Jersey, and that other carriers are not bound by the Agreement, remaining free to negotiate independently with CenturyLink pursuant to Section 252 of the Act. Application at 3.

The Agreement is in effect until June 30, 2011 and thereafter, as noted in the Agreement, continues in full force and effect unless terminated as provided in the Agreement. The Agreement provides for post-termination interim services arrangements.

The Parties also assert that the Agreement is consistent with the public interest, convenience and necessity, as required by Section 252(e)(2)(A)(ii) because it will permit PAETEC to compete with CenturyLink as a local telephone service reseller for both residential and business customers, and it will promote local competition in CenturyLink's service territory, thereby fostering the goals of the Act.

DISCUSSION

Pursuant to 47 <u>U.S.C.</u> § 252(a)(1), an incumbent LEC may negotiate and enter into a binding interconnection agreement with a carrier requesting interconnection, service, or network elements without regard to the standards set forth in 47 <u>U.S.C.</u> § 251(b) and (c). In addition, 47 <u>U.S.C.</u> § 252(e)(1) requires approval by the Board of any interconnection agreement adopted by negotiation or arbitration, and further requires the Board to approve or reject the Agreement, with written findings as to any deficiencies. The Act provides that the Board may reject a negotiated agreement only if it finds that:

- (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- (ii) the implementation of such agreement or portion thereof is not consistent with the public interest, convenience, and necessity.

[47 U.S.C. § 252(e)(2)(A)].

The Board's review of the Agreement and the record in this matter indicate that the Agreement is consistent with the public interest, convenience, and necessity and does not discriminate against telecommunications carriers not parties to the Agreement. Therefore, the Board <u>FINDS</u> that the Agreement meets the standards set forth in the Act, and <u>HEREBY APPROVES</u> the Agreement as presented by the Parties. This approval should not be construed as preapproval of any future petitions for rate recovery of costs incurred pursuant to the Agreement. In addition, approval does not constitute a determination concerning, nor shall the Board be bound by, any provisions within the Agreement regarding the confidentiality of information.

The Board notes that amendments or modifications to Board-approved interconnection agreements are subject to Board review and approval. No agreement shall be read, nor does the Board believe the Parties to the Agreement intend that it be read, to limit the authority of the Board under Section 252(e) of the Act to review interconnection agreements. Accordingly, until and unless otherwise provided by the Board, subsequent amendments or modifications to the

Agreement approved herein shall be subject to review and approval by the Board. Additionally, pursuant to 47 <u>U.S.C.</u> § 252(h), a copy of the Agreement will be made available for public inspection and copying within ten days of the issuance of this Order.

DATED: 2/10/11

BOARD OF PUBLIC UTILITIES BY:

EE A. SOLOMON PRESIDENT

ne M. For JEANNE M. FOX

COMMISSIONER

JÓSEPH L. FIÓRDALISO COMMISSIONER

NICHOLAS ASSELTA COMMISSIONER

ATTEST:

KRIS SECRETARY

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

Utilities

Service List

Docket No. TO10120923

Zsuzsanna E. Benedek United Telephone Company d/b/a CenturyLink 240 North Third Street, Suite 201 Harrisburg, PA 17101

Jimarli Figueiredo Board of Public Utilities Division of Telecommunications Two Gateway Center Newark, NJ 07102

Stefanie A. Brand, Esq., Director Division of Rate Counsel Christopher White, Esq. Maria Novas-Ruiz, Esq. 31 Clinton Street, 11th Floor P.O. Box 46005 Newark, NJ 07101

Alex Moreau, Deputy Attorney General Department of Law & Public Safety Division of Law 124 Halsey Street, 5th Floor P.O. Box 45029 Newark, NJ 07101

Julia Redman-Carter PAETEC One Martha's Way Hiawatha, IA 52233