



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

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF SELECTEL,) ORDER
INC. FOR APPROVAL TO PROVIDE LOCAL)
EXCHANGE TELECOMMUNICATIONS SERVICES)
THROUGHOUT THE STATE OF NEW JERSEY) DOCKET NO. TE12010032

Lance J. M. Steinhart, Esq., Lance J. M. Steinhart, P.C., Alpharetta, Georgia, for Petitioner
Stefanie A. Brand, Esq., Director, 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 letter dated January 5, 2012, SelecTel, Inc. ("Petitioner" or "SelecTel") filed a Verified Petition with the New Jersey Board of Public Utilities ("Board") requesting authority to provide both resold and facilities-based/Unbundled Network Element ("UNE") competitive local exchange telecommunications services throughout the State of New Jersey. Petitioner has submitted its financial information under seal and has filed a Motion for Confidentiality along with a sworn affidavit with substantiation for confidential treatment in accordance with the Board's rules for determining confidentiality, N.J.A.C. 14:1-12.1 et seq. and in compliance with the Open Public Records Act, N.J.S.A. 47:1A-1 et seq.

SelecTel is a privately held company organized under the laws of Nevada. Matthew S. O'Flaherty, President, Teri L O'Flaherty, Treasurer, and Stacy L. Hergenrader, Secretary, are the principal owners and each has 33.33% ownership interest in SelecTel. Petitioner's principal offices are located at 1825 N Bell Street, Fremont, Nebraska 68025.

Petitioner has submitted copies of its Certificate of Existence and Good Standing from the State of Nevada and its New Jersey Certificate of Authority to Operate as a Foreign Corporation. Petitioner is currently providing local and/or interexchange telecommunications services in New York, Oregon, Pennsylvania and Washington. Petitioner has filed a resale Acknowledgement Letter to provide resold local exchange and interexchange telecommunications services in New Jersey; however, to date, it has not commenced providing telecommunications services. Petitioner intends to provide telecommunications services upon certification and finalization of interconnection agreement with an Incumbent Local Exchange Carrier ("ILEC"). However, to

date, Petitioner has not commenced negotiation to enter into an interconnection agreement with any ILEC.

Petitioner will initially resell and/or provide local exchange services utilizing UNE to its end user customers and, as market conditions warrant, may augment its service offerings to include some facilities-based services. Petitioner will combine switch-less resale, leasing of local loops in conjunction with company owned switching, and/or purchasing UNE from Verizon – New Jersey and other carriers. Petitioner also plans to provide basic telephone exchange, data, internet, digital subscriber line, access, call waiting and forwarding, speed dialing, distinctive ringing, three-way calling, operator services like 911 and E911, directory listing, third party calling arrangement, local calling and per use services such as call return and redial services to both residential and business customers throughout the State of New Jersey.

The Company 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 civil or criminal proceedings.

Petitioner requests a waiver of N.J.A.C. 14:1-4.3, which requires that books and records be maintained in accordance with the Uniform System of Accounts (“USOA”). In the interest of efficiency and to prevent undue burden, Petitioner requests permission to maintain its books and records in accordance with Generally Accepted Accounting Principles. Petitioner also states, upon written notice from the Board and/or Board Staff, it will provide its books and records at such time and place within New Jersey as the Board may designate.

Petitioner asserts that approval of its Petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. Petitioner also asserts that approval of this Petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings.

With regard to its technical and managerial qualifications, SelecTel states that it possesses the technical capability and managerial qualifications to operate and manage its telecommunications operations in the State of New Jersey. Petitioner has submitted the professional biographies of its key personnel, who, according to SelecTel, are well qualified to execute its business plans and have extensive managerial and technical experience in the telecommunications industry.

By letter dated February 15, 2012, Division of Rate Counsel submitted comments with the Board recommending that the Board approve the Petition.

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(c).

In considering this Petition, the Board recognizes its obligation not to prohibit entry into intrastate telecommunications markets of 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 provide 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 SelecTel's Petition and the information supplied in support thereof, as well as Rate Counsel's comments, 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 telecommunications services throughout the State of New Jersey.

The Board also 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 that:

- 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.

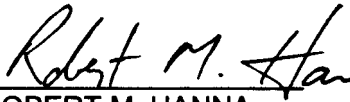
On or before February 1st of each year, the Petitioner will receive from the Division of Audits an annual report package and a statement of gross intrastate revenues from operations form for the preceding calendar year. The purpose of these documents is to report the Petitioner's financial information 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 waiver of the Board rules, the Board FINDS that the Petitioner has demonstrated good cause why the Board should grant relief from its requirements that the Petitioner maintains its books and records in accordance with the USOA. Therefore, subject to the Petitioner's continuing responsibility to provide the Board books and records upon

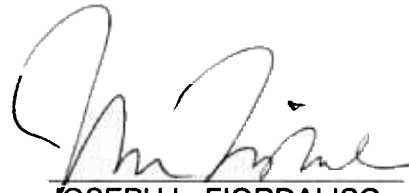
48 hours' notice, and in the manner requested, and to pay to the Board all expenses or charges incurred by the Board for any investigation or examination of these books and records, the Board APPROVES the Petitioner's request for the exemption from maintaining its books and records in accordance with USOA.

DATED: 3/12/12

BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT


JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

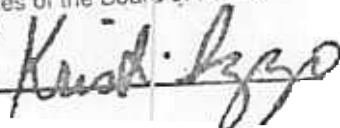

NICHOLAS ASSELTA
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:


KRISTI IZZO
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 SELECTEL, INC. FOR AUTHORITY
TO PROVIDE LOCAL EXCHANGE TELECOMMUNICATIONS
SERVICES IN THE STATE OF NEW JERSEY

DOCKET NO. TE12010032

SERVICE LIST

Petitioner's Contact Person:

Matthew S O'Flaherty
President & Regulatory Contact
SelecTel, Inc.
1825 N Bell Street
Fremont, Nebraska 68025

Rate Counsel:

Stefanie A. Brand, Esq.
Director, Division of Rate Counsel
31 Clinton Street, 11th Floor
P. O. Box 46005
Newark, New Jersey 07101

Petitioner's Attorney:

Lance J. M. Steinhart, Esq.
Lance J. M. Steinhart, P.C.
Attorney At Law
1720 Windward Concourse
Suite 250
Alpharetta, Georgia 30005

Deputy Attorney General:

Alex Moreau, DAG
Department of Law & Public Safety
Division of Law
124 Halsey Street, 5th Floor
P. O. Box 45029
Newark, New Jersey 07101

Board's Staff:

Dennis J. Moran
Director, Division of Audits
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350

Board's Staff:

Anthony Centrella
Director, Division of Telecommunications
Board of Public Utilities
44 South Clinton Avenue, 2nd Floor
Post Office Box 350
Trenton, New Jersey 08625-0359