



Agenda Date: 4/23/25

Agenda Item: IA

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

DIVISION OF AUDITS AND  
OFFICE OF CABLE TELEVISION  
AND TELECOMMUNICATIONS

IN THE MATTER OF VERIFIED PETITION OF ) ORDER  
NETSPEED LLC FOR AUTHORIZATION TO )  
PROVIDE FACILITIES-BASED LOCAL EXCHANGE, )  
INTEREXCHANGE AND PRIVATE LINE )  
TELECOMMUNICATIONS SERVICES IN THE STATE ) DOCKET NO. TE24090627  
OF NEW JERSEY )

**Parties of Record:**

**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel  
**James H. Laskey, Esq.**, on behalf of NetSpeed LLC

**BY THE BOARD:**

On September 4, 2024, NetSpeed LLC ("NetSpeed" or "Petitioner") filed a verified petition with the New Jersey Board of Public Utilities ("Board") pursuant to the New Jersey Telecommunications Act of 1992, N.J.S.A. 48:2-21.16 et seq. ("1992 Act"), and the Federal Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) ("Federal Act"), seeking the Board's authorization to provide facilities-based local exchange, interexchange, and private line telecommunications services in the State of New Jersey ("Petition"). In support of the Petition, NetSpeed submitted its financial statements subject to a claim of confidentiality filed pursuant to the Board's rules for determining confidentiality, N.J.A.C. 14:1-12.1 et seq., and consistent with the Open Public Records Act, N.J.S.A. 47:1A-1 et seq. ("OPRA"). Petitioner also sought a waiver of N.J.A.C. 14:10-1A.13, which requires financial material to comply with the Uniform System of Accounts ("USOA"), and of N.J.A.C. 14:1-5.15(a), pertaining to the requirement under N.J.S.A. 48:3-7.8 that all books and records incident to Petitioner's operations be maintained in the State of New Jersey. By this Order, the Board considers the Petition.

**BACKGROUND**

Petitioner is a New York based limited liability company with a principal place of business at 777 Canal View Blvd #600, Rochester, NY 14623. According to the Petition, NetSpeed is currently authorized to provide intrastate telecommunications services in Pennsylvania and Connecticut. Petitioner represented that it has not been denied authority to provide telecommunications services in any state, nor has any state revoked the authority of Petitioner to operate therein.

Moreover, neither Petitioner nor any of its officers has been or is currently the subject of any civil or criminal proceedings pending before any state or federal regulatory commission, administrative agency, or law enforcement agency that could adversely affect its ability to provide telecommunications services in New Jersey.

The Petition states that Petitioner has submitted its financial information under seal as Exhibit D to the Petition and has filed 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 OPRA.

According to the Petition, Petitioner possesses sufficient financial, managerial, and technical resources and abilities to provide competitive telecommunications services in the State of New Jersey. In addition, NetSpeed represented that granting of the Petition would provide significant benefits to business customers in terms of choice, price, increased reliability, responsiveness, and the introduction of new services. It also will stimulate investment in New Jersey's telecommunications infrastructure, resulting directly in increased employment opportunities.

Petitioner further represented that it will be managed and operated by capable, experienced executives and employees who possess extensive managerial, financial, and technical experience in the telecommunications industry. Qualifications of the key personnel that will be managing Petitioner are attached as Exhibit C to the Petition. Petitioner further represented that these individuals have both highly effective management skills and considerable telecommunications expertise. The biographies of these key executives were submitted as evidence that Petitioner possesses the managerial qualifications required for the provision of telecommunications services to customers in New Jersey on behalf of NetSpeed.

NetSpeed requested authorization to provide facilities-based local exchange, interexchange, and private line services to and from all points throughout the State of New Jersey. Petitioner's primary activity will be to provide high-capacity private line services, local exchange services, long distance service, and high-speed internet and data services to customers (including residential and enterprise customers). This activity will require the deployment of a fiber network. Currently, Petitioner does not own telephone network facilities in New Jersey. NetSpeed's customer base will primarily be residential and business internet service and Voice over Internet Protocol customers. Over the next year and subsequent five (5) years, Petitioner would continue to serve residential and business internet service customers. Upon certification, and prior to commencing service, Petitioner will post on its website the relevant rates, terms, and conditions as required by the Board's rules.

Petitioner stated that it has no definitive plans at the present time to provide facilities-based landline voice services, but wishes to maintain flexibility to serve customer needs as they arise. According to the Petition, NetSpeed's legal right to attach to poles or occupy municipal rights-of-way derives from, respectively, Sections 224 and 253 of the Federal Act, and Petitioner does not require Competitive Local Exchange Carrier ("CLEC") authority to exercise these rights. However, CLEC authority is expected to expedite the approval process, since both incumbent utilities and municipalities typically inquire about such authority. NetSpeed has no plans to install cell towers or other cellular equipment. Additionally, NetSpeed maintains a toll free number for customer service inquiries.

Pursuant to N.J.A.C. 14:1-1.2(b), Petitioner also sought a waiver of N.J.A.C. 14:10-1A.13, to the extent such regulation would require Petitioner's financial material to comply with the USOA. NetSpeed submitted that such waiver would not adversely impact any party, as the Board will

have a reliable means by which to evaluate Petitioner's operations and assess its financial fitness with records kept in accordance with Generally Accepted Accounting Principles ("GAAP").

Petitioner also requested a waiver of N.J.A.C. 14:1-5.15(a), which requires that all books and records incident to Petitioner's operations be maintained in the State of New Jersey. NetSpeed's activities in the State of New Jersey will be managed from its principal place of business in Albany, New York. According to the Petition, requiring Petitioner to maintain its books and records in the State of New Jersey would place an undue financial burden on Petitioner as it competes with other carriers that maintain their books and records outside of the State of New Jersey. The ability to maintain its books and records out-of-state will reduce Petitioner's administrative and financial burden, increase the efficiency of its operations, and thereby enabling Petitioner to offer its services in a more competitive manner. Upon written request from the Board, Petitioner would produce such books and records at such time and place within New Jersey, as the Board may designate.

By letter dated February 18, 2025, the New Jersey Division of Rate Counsel ("Rate Counsel") indicated that it does not oppose Petitioner's accounting relief requests or a Board grant of NetSpeed's request for authority in this matter.

### **DISCUSSION AND FINDINGS**

On February 8, 1996, the Federal Act was signed into law to promote competition and remove barriers to entry into telecommunications markets. To that end, 47 U.S.C. § 253(a) provides 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." However, pursuant to 47 U.S.C. § 253(b), the Board, as the State's regulatory authority, may impose requirements necessary to protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers on a competitively neutral basis that is consistent with universal service.

In considering the instant Petition for CLEC authority to provide local exchange and interexchange telecommunication services, the Board recognizes its obligation to not prohibit entry into intrastate telecommunications markets by qualified applicants.<sup>1</sup> The Board additionally notes that, pursuant to the 1992 Act and the Legislative 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," State policy is to "[p]rovide diversity in the supply of telecommunications services."<sup>2</sup> Consistent with State and federal law, the Board is empowered to grant CLEC authority to telecommunications companies seeking to provide service in New Jersey.<sup>3</sup>

Therefore, having reviewed the Petition and the information supplied, the Board **HEREBY FINDS** that, with respect to its request for approval to provide local exchange and interexchange services in New Jersey, Petitioner meets the Board's filing requirements. Accordingly, the Board **HEREBY AUTHORIZES** Petitioner to provide local exchange and interexchange services throughout the State of New Jersey. These findings and authorization do not pertain to non-CLEC services. To

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<sup>1</sup> 47 U.S.C. § 253(a).

<sup>2</sup> N.J.S.A. 48:2-21.16(a)(4), (b)(1), and (b)(3).

<sup>3</sup> N.J.S.A. 48:2-13 and 48:2-21.20(d).

the extent that a CLEC entity provides non-CLEC services, CLEC rights and privileges are not applicable to those non-regulated services

Pursuant to N.J.S.A. 48:2-21.19(a)(2) and N.J.A.C. 14:10-5.2, Petitioner shall make the rates, terms, and conditions of said service publicly available on its website and shall provide a printed copy of those terms and conditions to a customer upon request and the link to the CLEC website with this information for inclusion on the Board's website.

The Board **HEREBY ORDERS**:

- 1) Pursuant to N.J.S.A. 48:2-21.19(a)(2) and N.J.A.C. 14:10-5.2, Petitioner shall post the terms and conditions of its retail competitive services on its website in a publicly available location and shall also provide a printed copy of those terms and conditions to a customer upon the customer's request.
- 2) Petitioner shall provide the Board and Rate Counsel with a link to the page of the website described above that contains the terms and conditions of its competitive local exchange and interexchange telecommunications services no later than five (5) days after the effective date of this Order. To ensure service quality, the Petitioner shall notify the Board within ten (10) days from the date it begins providing such services to New Jersey customers. Petitioner shall otherwise comply with N.J.A.C. 14:10-5.1 to -5.8 with respect to any initial offerings of service or revisions to rate, terms and conditions.
- 3) In the event Petitioner intends to provide or provides services requiring the provision of 9-1-1 or E-9-1-1 services under Federal law, Petitioner shall provide the Board with a link to the page of its website that contains the terms and conditions of 9-1-1 and E-9-1-1 services to ensure that Petitioner's owned/leased facilities are equipped to provide reliable and functional access to 9-1-1 and E-9-1-1 services to subscribers. To ensure service quality, the Petitioner shall notify the Board within ten (10) days from the date it begins providing such services to New Jersey customers.
- 4) Pursuant to N.J.S.A. 48:2-16(2)(b), N.J.A.C. 14:3-6.3, and N.J.S.A. 48:2-62, Petitioner shall file an annual report and a statement of gross intrastate revenues from operations form (AR3-1) as of December 31 of each year, which is due on or before March 31 and June 1 of the following year, respectively. If Petitioner does not receive the Board's annual report package from the Division of Audits on or before February 1 of each year, it is Petitioner's responsibility to obtain the annual report package from the Board. It is also the Petitioner's responsibility to ensure timely filing of these reports. 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 five-dollars (\$5.00) for each day thereafter until such report is filed.
- 5) Failure to comply with this order may result in monetary penalties pursuant to N.J.S.A. 48:2-42, suspension of CLEC authority, and/or revocation of CLEC authority.
- 6) In accordance with N.J.S.A. 48:2-59, N.J.S.A. 48:2-60, and N.J.S.A. 52:27EE-52, Petitioner is subject to an annual assessment by both the Board and Rate Counsel, respectively.

The Petitioner additionally requested a waiver of N.J.A.C. 14:10-1A.13 and N.J.A.C. 14:1-5.15(a). Upon review, the Board **HEREBY FINDS** that the Petitioner demonstrated requisite good cause for the Board to grant such relief pursuant to N.J.A.C. 14:1-1.2. Accordingly, the Board **HEREBY**


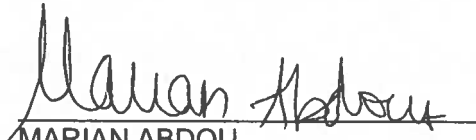
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**GRANTS** Petitioner's request to adhere to the GAAP and waives both the USOA requirements at N.J.A.C. 14:10-1A.13 and bookkeeping requirements at N.J.A.C. 14:1-5.15(a).

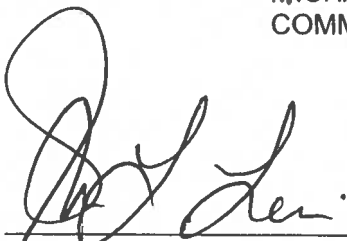
This Order shall be effective April 30, 2025.

DATED: April 23, 2025

BOARD OF PUBLIC UTILITIES  
BY:

  
CHRISTINE GUHL-SADOVY  
PRESIDENT  
DR. ZENON CHRISTODOULOU  
COMMISSIONER  
MARIAN ABDOU  
COMMISSIONER  
MICHAEL BANGE  
COMMISSIONER

ATTEST:

  
SHERRI L. LEWIS  
BOARD 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 VERIFIED PETITION OF NETSPEED LLC FOR AUTHORIZATION TO PROVIDE  
FACILITIES-BASED LOCAL EXCHANGE, INTEREXCHANGE AND PRIVATE LINE  
TELECOMMUNICATIONS SERVICES IN THE STATE OF NEW JERSEY

DOCKET NO. TE24090627

SERVICE LIST

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