

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of New )  
Communications Online and Long )  
Distance, Inc. for Authority to Provide ) Case No. 09-455-TP-ACE  
Competitive Telecommunications Services )  
in Ohio. )

FINDING AND ORDER

The Commission finds:

- (1) On May 29, 2009, New Communications Online and Long Distance, Inc. (NewLD or applicant) filed an application for authority to provide competitive telecommunications services in Ohio. Pursuant to a transaction described in a related proceeding,<sup>1</sup> certain customers of Verizon Long Distance LLC (Verizon Long Distance) and Verizon Enterprise Solutions LLC (Verizon Enterprise) will be transferred to NewLD, a newly formed corporation. NewLD filed revised tariff pages in this matter on January 29, 2010.
- (2) This application for authority was filed in conjunction with Case No. 09-454-TP-ACO, which is the application of Verizon Communications Inc. (Verizon) and Frontier Communications Corporation (Frontier) for a change in ownership. On February 11, 2010, the Commission approved the application, granting Frontier, among other things, the authority to obtain from Verizon ownership of Verizon North Inc. (Verizon North), an Ohio incumbent local exchange carrier.

In the instant proceeding, the long distance customers of Verizon Long Distance and Verizon Enterprise that are located within the Verizon North service area will be transferred to NewLD. NewLD will become a wholly owned subsidiary of New Communications Holdings, Inc. (NCH). NCH will be merged into Frontier Communications Corporation and NewLD will thereby become a wholly owned subsidiary of Frontier.

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<sup>1</sup> *In the Matter of the Application of Frontier Communications Corporation, New Communications Holdings, Inc., and Verizon Communications, Inc. for Consent and Approval of a Change in Control, Case No. 09-454-TP-ACO.*

Customers transferred to NewLD will maintain the same services under the same terms, conditions, and prices as they received while being customers of Verizon Long Distance and Verizon Enterprise. After completing the change of ownership between Frontier and Verizon, Verizon Long Distance and Verizon Enterprise will continue to exist and serve customers pursuant to their certificates. However, they will not become affiliates of Frontier.

- (3) On June 15, 2009, the Office of the Ohio Consumers' Counsel (OCC) moved to intervene, suspend the application, and consolidate this proceeding with Case No. 09-454-TP-ACO. Because Verizon Long Distance provides service to residential customers in Ohio, the OCC claims authority under Chapter 4911, Revised Code, to represent Verizon Long Distance's residential customers. Moreover, the OCC asserts a right to intervene under Section 4903.221, Revised Code, and Rule 4901-1-11(B)(1)-(4), Ohio Administrative Code (O.A.C.).

As the bases for its motion to suspend the application, the OCC pointed out that the application lacked required exhibits and that approval of the application is contingent upon approval of the merger in Case No. 09-454-TP-ACO.

The OCC believed that consolidating this proceeding with Case No. 09-454-TP-ACO will further administrative economy. Moreover, the OCC argued that this case is inextricably intertwined with the change of ownership proceeding and should, therefore, be consolidated with it.<sup>2</sup>

- (4) By entry issued on June 19, 2009, the attorney examiner suspended this matter from the automatic approval process.
- (5) On June 22, 2009, NewLD filed a memorandum opposing the OCC's motion to intervene. NewLD argued that the motion to suspend was moot because of the attorney examiner's June 19, 2009, entry suspending the case. NewLD did not oppose the OCC's motion to consolidate. NewLD explained that it filed this case separately only because of varying procedural requirements. NewLD opposed the OCC's motion to intervene.

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<sup>2</sup> By letter filed February 17, 2010, the OCC withdrew its request for consolidation.

- (6) The OCC filed a reply memorandum on June 29, 2009.
- (7) The OCC's motion to intervene should be granted. The OCC has met the criteria in Section 4903.221(B), Revised Code, and Rule 4901-1-11(B)(1)-(4), O.A.C. Accordingly, the OCC should be granted intervention in this proceeding.

The OCC's motions to suspend is moot. NewLD is correct that the OCC's motion to suspend is moot because of the attorney examiner's June 19, 2009, entry suspending the case indefinitely.

- (8) Information provided in NewLD's initial application and subsequent amendments demonstrate the following:
  - (a) The applicant is proposing to offer 1+ and toll free interexchange service.
  - (b) The officers of NewLD possess the experience and technical expertise necessary to provide competitive local exchange and interexchange services in Ohio.
  - (c) The applicant has the financial viability to provide and sustain the services proposed to be offered in the State of Ohio.
  - (d) The applicant is currently in good standing with the office of the Secretary of State of Ohio.
  - (e) The applicant has notified the Ohio Department of Taxation of its intent to operate as a telecommunications service provider in the State of Ohio.
- (9) NewLD has fulfilled the filing requirements of Rule 4901:1-6-10, O.A.C, and, therefore, NewLD's application for authority to provide competitive telecommunications services is approved. Accordingly, Certificate No. 90-6394 shall be issued to NewLD authorizing it to provide competitive telecommunications services throughout Ohio.
- (10) The applicant also seeks to establish rules, regulations, and rates governing its competitive telecommunications offerings.

After inspecting the applicant's proposed tariff, as amended and supplemented, the Commission finds the tariff to be in compliance with the Commission's rules and orders relevant to the service offerings proposed by the applicant. Accordingly, the Commission concludes that the tariff should be approved.

- (11) NewLD's proposed operations qualify it as a telephone company and as a public utility, as defined in Sections 4905.02 and 4905.03(A)(2), Revised Code. Therefore, NewLD is subject to the jurisdiction of this Commission under authority of Sections 4905.04 and 4905.05, Revised Code.
- (12) Based upon the totality of the record in this proceeding, the Commission is satisfied that the applicant has the necessary financial, managerial, and technical qualifications to receive a certificate of public convenience and necessity. Accordingly, certificate of public convenience and necessity 90-6394 shall be issued to NewLD authorizing the company to provide competitive telecommunications services throughout the State of Ohio.
- (13) NewLD will not become operational until the close of the pending transaction between Verizon and Frontier.

It is, therefore,

ORDERED, That, in accordance with Finding (7), the OCC's motion to intervene is granted. It is, further,

ORDERED, That NewLD's application to provide competitive telecommunications services in the State of Ohio is approved and NewLD shall be issued Certificate No. 90-6394 to offer competitive telecommunications services in Ohio. It is, further,

ORDERED, That NewLD's tariff filed on May 29, 2009, as amended on January 29, 2010, is hereby approved. The earliest effective date of the approved tariff shall be the date upon which NewLD has filed with the Commission three copies of the approved tariff, along with approved price lists, or the close of the pending transaction between Verizon and Frontier, whichever is later. The tariff shall be effective for services rendered on or after such effective date. It is, further,

ORDERED, That a copy of this Finding and Order be served upon the applicant, its counsel, and all interested persons of record.

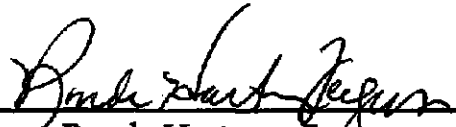
THE PUBLIC UTILITIES COMMISSION OF OHIO



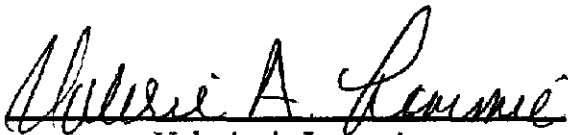
Alan R. Schriber, Chairman



Paul A. Centolella



Ronda Hartman Fergus



Valerie A. Lemmie



Cheryl L. Roberto

LDJ/vrm

Entered in the Journal

**FEB 24 2010**



Renee J. Jenkins  
Secretary