#### PENDING PETITION MEMO

Date: 11/26/2007

TO: OT

OGC

FROM: CENTRAL OPERATIONS

UTILITY: CORDIA COMMUNICATIONS CORP

SUBJECT: 07-C-1389

Petition of Cordia Communications Corp. for Designation as an Eligible Telecommunications Carrier.



the future is calling

Telephone: 914-948-5550 Fax: 914-948-5999

November 20, 2007

Jaclyn A. Brilling
Secretary to the Commission
New York Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

EXCOUNT TO AM OF LO

Re: Petition of Cordia Communications Corp. for Designation as an Eligible Telecommunications Carrier

Dear Secretary Brilling:

Enclosed for filing please find an original and three copies of Cordia Communications Corp.'s Petition for Designation as an Eligible Telecommunications Carrier for purposes of obtaining federal support for the provision of Lifeline and Link-Up services to residential customers in the state of New York.

Please acknowledge receipt of this filing by date stamping and returning the additional copy of this transmittal letter in the self addressed, postage paid envelope provided for this purpose.

Should you have any questions please feel free to contact me at 914.948.5550, extension 1093 or by email at <a href="mailto:mharrington@cordiacorp.com">mharrington@cordiacorp.com</a>.

Very truly yours,

Michael Harrington
Assistant General Counsel

## BEFORE THE STATE OF NEW YORK PUBLIC SERVICE COMMISSION

In Re: Petition of	)		
Cordia Communications Corp.	)		
For Designation as an Eligible	) 1	Oocket No	
Telecommunications Carrier	j		

## PETITION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF NEW YORK

Cordia Communications Corp. ("Company" or "Cordia"), pursuant to §214(e)(2) and §214(e)(6) of the Communications Act of 1934, as amended, and §§54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"), hereby petitions the New York Public Service Commission ("Commission") for designation as an Eligible Telecommunications Carrier ("ETC") in all exchanges served by Verizon-New York as described herein ("Designated Area") for the purpose of receiving low-income federal universal service support. As is demonstrated below, Cordia satisfies all of the statutory and regulatory requirements for designation as an ETC in the Designated Area, and this designation will be in the interest of the general public. Accordingly, Cordia respectfully requests that the Commission grant this Petition.

### I. <u>Cordia Communications Corp.</u>

- 1. Cordia is a corporation organized under the laws of the State of Nevada on July 6, 2001 and was authorized to conduct business as a foreign corporation in the State of New York on December 10, 2001. The Commission then granted Cordia a Certificate of Public Convenience and Necessity on February 8, 2002. The principal office of the Company is 445 Hamilton Avenue, suite 408, White Plains, NY 10601, and its web address is <a href="https://www.cordia.us">www.cordia.us</a>.
- 2. Correspondence and communications regarding this Petition should be directed to:

Michael Harrington Assistant General Counsel Cordia Communications Corp. 445 Hamilton Avenue, Suite 408 White Plains, NY 10601 Phone: 914.948.5550 x1093

Fax: 914.948.5999

Email: <u>mharrington@cordiacorp.com</u>

Correspondence and communications regarding ongoing company operations should be directed to:

Wesly Minella Secretary/COO Cordia Communications Corp. 445 Hamilton Avenue, Suite 408 White Plains, NY 10601 Phone: 914.948.5550 x1043

Fax: 914.948.5999

Email: wminella@cordiacorp.com

3. Cordia is currently providing local exchange services in New York. The Company provides this service using a combination of unbundled network elements ("UNEs"), consisting of the local loop, ports and transport, provided by Verizon, and resale of Verizon's services. The Company is not currently designated as an ETC in any other jurisdiction, nor has it applied in any other jurisdiction for such designation.

#### II. Requested Designated Area

Cordia requests that it be designated an ETC in non-rural wire centers in Verizon's service area in the State of New York.

#### III. Federal Requirements for Eligible Telecommunications Service Designation

- 1. As set forth in §214(e)(2) of the Act, the state commission "shall upon its own motion or upon request designate a common carrier that meets the requirements of [§214(e)(1)] as an eligible telecommunications carrier for a service are designated by the State commission." §214(e)(2) of the Act further provides, in the case of areas not served by a rural telephone company, that the state commission shall designate more than one common carrier as an eligible telecommunications carrier, consistent with the public interest, convenience, and necessity. Upon designation as an ETC, the carrier shall be able to receive universal support in accordance with §254 of the act.
- 2. The requirements for designation as an ETC set forth in §214(e)(1) and 47 C.F.R. 54.501(d)(1) and (2) are that the carrier must be a "common carrier" and:
  - (A) Offer the services that are supported by Federal universal support mechanisms under §254(c), either using its own facilities or a combination of its own facilities and resale of another carriers services (including the services offered by another ETC); and
  - (B) Advertise the availability of such services and the charges therefore using the media of general distribution.

- 3. Additional requirements for ETC designation were adopted by the FCC in its March 17, 2006 Order, which are codified at 47 C.F.R. 54.202(a)(1)-(5). The additional provide that a carrier requesting designation as an ETC must:
  - (A) Commit to provide service throughout its proposed designated service area to all customers making a reasonable request for service 47 C.F.R.§ 54.202(a)(1)(i);
  - (B) Provide service on a timely basis to requesting customers within the applicants service area where the applicants network already passes the potential customers premises (47 C.F.R. 54.202(a)(1)(i)(A));
  - (C) Provide service within a reasonable period of time, if the potential customer is within the applicant's licensed service area but outside its existing network coverage, if service can be provided at reasonable cost by:
    - (1) Modifying or replacing the existing customer's equipment;
    - (2) Deploying a roof mounted antenna or other equipment;
    - (3) Adjusting the nearest cell tower;
    - (4) Adjusting network or customer facilities;
    - (5) Reselling services from another carrier's facilities to provide service; or
    - (6) Employing, leasing, or constructing an additional cell site, cell extender, repeater, or other similar equipment. (47 C.F.R. 54.202 (A)(1)(i)(B);
  - (D) Demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of backup power to ensure functionality without an external power source, is able to re-route traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations (47 C.F.R. 54.202(a)(2));
  - (E) Demonstrate that it will satisfy applicable consumer protection and service quality standards (47 C.F.R 54.202 (a)(3));
  - (F) Demonstrate that it offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation (47 C.F.R. 54.202(a)(4); and
  - (G) Certify that the carrier acknowledges that the Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area (47 C.F.R. 54.202(a)(5).

4. The FCC's Order released August 10, 2000, provides that §214(e)(1) of the Act does not require a carrier to provide the supported services throughout a service area prior to being designated an ETC.

# IV. Cordia Satisfies the Requirements Set Forth in §214(e)(1) and 47 C.F.R. 54.501(d)(1) and (2) for Designation as an ETC to Serve the Designated Area

- 1. Cordia is a common carrier as that term is defined in the Act. The Company provides competitive local telecommunications services and basic local exchange services in New York in accordance with the rules and regulations of the Commission.
- 2. Cordia will offer all of the services eligible for universal service support, enumerated under §254(c), and listed in paragraph 14 below, using either its "own facilities" or a combination of its "own facilities" and the resale of another carrier's services. The term "facilities" under 47 C.F.R. 54.201 is defined as "any physical components of the telecommunications network that are used in the transmission or routing of the services that are designated for support." The term "own facilities" includes, but is not limited to, facilities obtained as unbundled network elements. The Company's use of Verizon's UNEs meets this definition of "facilities." Accordingly, the Company satisfies the requirement set forth in §214(e)(1)(A).
- 3. The services Cordia will provide, and that are supported by federal universal service mechanisms under §254(c) of the Act, are:
  - (a) Voice grade access to the public switched network;
  - (b) Local usage;
  - (c) Dual tone multi-frequency signaling or its functional equivalent;
  - (d) Single party service or its functional equivalent;
  - (e) Access to emergency services, including access to 911 or E911;
  - (f) Access to operator services;
  - (g) Access to inter-exchange service;
  - (h) Access to directory assistance;
  - (i) Lifeline and Link-Up programs, including free toll limitation services for qualifying low-income consumers.

4. The Company will advertise the supported services in media of general distribution as required in §214(e)(1).

### V. Cordia's Designation as an ETC in New York is in the Public Interest

- 1. Designation of Cordia as an ETC will preserve and advance universal service by ensuring that more New York consumers are placed on the telephone network. The FCC stated in its April 29, 2004 Lifeline Order that only one-third of households eligible for Lifeline and Link-Up service subscribe to the program, at a time when poverty rates were increasing.
- 2. Cordia's designation as an ETC will ensure that more consumers are placed on the telephone network for the following reasons:
  - (A) Designation as an ETC will increase consumer choice in carriers that offer Lifeline and Link-Up services. Competitive wireline carriers often do not apply to become ETCs, thus most competitive carriers do not offer Lifeline and Link-Up service. Should the Commission designate Cordia as an ETC, Cordia would become, for low-income customers, an alternative to Verizon. For those customers who do not subscribe to wireless service, and customers who have been disconnected from other carriers for non-payment of bills, Cordia will become an alternative to higher priced pre-paid local exchange carriers.
  - (B) Designation of Cordia as an ETC will remove obstacles to telephone subscription for low-income consumers. Cordia's customers, in many cases, have poor credit, have been disconnected by other carriers, and are unable to become reinstated because of their inability to comply with deposit and past due bill payment requirements. Cordia will provide service to all qualifying applicants for Lifeline and Link-Up services within its service area without collecting deposits or requiring high up-front fees prior to commencing service.

## VI. <u>Cordia's Designation Will Have Minimal Impact on the Federal Universal Service</u> <u>Fund or any State Universal Service Fund</u>

Cordia primarily will serve consumers that were previously customers of other carriers, such as Verizon. Thus, the Company's reimbursement from the USAC is transferred from the previous carrier. The only increase in demand on the Federal Universal Service Fund would be for those customers who subscribe to telephone service for the first time.

#### VII. Conclusion

Cordia has demonstrated that it satisfies all of the statutory and regulatory requirements for designation as an ETC. For this reason, and all of the reasons set forth above, Cordia respectfully requests designation as an ETC in Verizon's service area in the State of New York for the purpose of receiving low-income federal universal service support.

Respectfully submitted this 20<sup>th</sup> day of November, 2007.

Cordia Communications Corp.

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