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February 15, 2012

Kristi Izzo, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Trenton, New Jersey 08625-0350

**Re: I/M/O Petition of SelecTel, Inc. for Approval Provide Local
Exchange Services
BPU Docket No. TE12010032**

Dear Secretary Izzo:

The New Jersey Division of Rate Counsel ("Rate Counsel") has reviewed the above-captioned Petition and submits these comments for consideration by the New Jersey Board of Public Utilities ("Board"). Enclosed with this original please find ten copies as well as a time/date stamp copy for return to Rate Counsel. SelecTel, Inc. ("SelecTel") requests Board authorization to provide local exchange services in New Jersey. Rate Counsel is satisfied that the Petition is consistent with the public interest, convenience, and necessity. Accordingly, Rate Counsel recommends that the Board approve the Petition.

Selectel is a Nevada Corporation with principal offices in Fremont, Nebraska. It seeks authority to provide local exchange service throughout the State of New Jersey. Selectel asserts, supported by documentation, that it has the requisite financial, managerial and technical capabilities to provide telecommunications services in New Jersey. Selectel also requests a waiver of N.J.A.C. 14:10-1A.16, which requires that financial records comply with the Uniform System of Accounts. Selectel asserts it is not subject to rate of return regulation and maintains its financial records in accordance with Generally Accepted Accounting Principles, GAAP. Additionally, it seeks a waiver of the requirement that its books and records be maintained in this State. Rate Counsel does not object to a grant of the waiver of either waiver request.

The Telecommunications Act of 1996 states that "[n]o State or local statute or regulation, or other State or local requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide interstate or intrastate telecommunications service." 47 U.S.C. § 251(a). Further, the New Jersey Legislature has declared that it is the policy of the State to provide

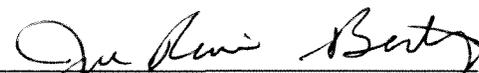
diversity in the supply of telecommunications services, and has found that competition will “promote efficiency, reduce regulatory delay . . . foster productivity and innovation,” and “produce a wider selection of services at competitive market-based prices.” *N.J.S.A.* 48:2-21.16(a)(4) and *N.J.S.A.* 48:2-21.16(b)(1), (3). Accordingly, the Board is required to grant the Petition if Selectel meets all statutory requirements and Board-imposed conditions, including, but not limited to, demonstration of managerial, financial, and technical capability.¹

Rate Counsel supports the introduction and expansion of competition in the New Jersey telecommunications market because competition encourages lower prices and technological development and deployment, and provides consumers with a greater number of alternative service providers. Rate Counsel observes that Selectel will provide a toll free customer service number available 24 hours/seven days a week.

Accordingly, Rate Counsel recommends that the Board approve the Petition. Thank you for your attention to this matter.

Very truly yours,

STEFANIE A. BRAND
DIRECTOR, DIVISION OF RATE COUNSEL

By: 
Jose Rivera-Benitez
Assistant Deputy Rate Counsel

Cc: Service List

¹/ See, e.g., *Re: MFS Intelenet of New Jersey, Inc.*, Docket No. TT95010031, Slip Op. (June 19, 1996), *Re: AT&T Communications of New Jersey, Inc.*, Docket No. TE95120653, Slip Op. (June 20, 1996), and *Re: Teleport Communications New York*, Docket No. TX95100501, Slip Op. (June 20, 1996), sets standard for approval.

**I/M/O Selectel Inc.
to Provide Local Exchange Services In NJ**

BPU Docket No. TE12010032

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