

petitions for certification [as an ETC] must demonstrate the following: ...that the Company provides all federally-required and state-required services throughout its service area....” Those services are specifically enumerated in the FCC’s rules at 47 C.F.R. § 54.101(a)(1-9) and in the Commission’s ETC Rules, Part II.A.

BLC asserts that it currently provides each of these services. *See e.g.*, Application ¶6(a) (stating that, “All customers of Applicant are able to make and receive calls on the public switched telephone network within the specified bandwidth.”) and ¶6(e) (stating that, “Through its agreements with Verizon, Applicant currently provides its subscribers access to 911 emergency services, and also provides Enhanced 911 services...”).

BLC conceded in discovery, however, that it does not yet provide any of the required services in Rhode Island. Data Request VZ 1-10 asked whether BLC currently provides “each of the services required of an ETC carrier” in Rhode Island. BLC responded that, “BLC does not currently provide any of the services discussed in this paragraph in Rhode Island.” In response to Data Request VZ 1-9, BLC responded that, “BLC does not currently provide local exchange or exchange access service in Rhode Island.” Further, BLC has not yet entered into any interconnection agreement with Verizon RI and so cannot be providing any services “[t]hrough its agreements with Verizon,” as claimed in the Application.

BLC’s Application, then, is based entirely on speculation that it might offer the required services in the future. It does not do so today, and there is no evidence before the Commission that it ever will. Nothing in section 214(e) of the Act, the FCC’s implementing regulations at 47 C.F.R. § 54.201(d) or the Commission’s ETC Rules allows a carrier to be designated as an ETC on the mere conjecture that it will provide the required services in the future. Rather, the Act and the FCC Rules state that an ETC “shall ... offer the [required] services,” and the Commission’s

ETC Rules require that “[a]ll petitions for certification must demonstrate” that the applicant “provides” those services, in the present.

BLC’s Application fails to meet these requirements and therefore must be denied. If BLC does enter the market in Rhode Island in the future and provides the required services throughout the state, it is free to re-apply for ETC status at that time, but the current Application is fatally premature. In this regard, Verizon RI notes that both of the existing ETCs in Rhode Island -- Verizon RI and Cox Telecom -- had been providing telephone service in the state for years before the Commission designated them as ETCs.

II. BLC Has Not Demonstrated That Its Designation As An ETC Is Consistent With The Public Interest.

Contrary to BLC’s argument in ¶10 of its Application, the Commission may grant BLC’s Application only on a finding that doing so is consistent with the public interest. Section 214(e)(2) of the Act provides in part that: “Upon request *and consistent with the public interest, convenience, and necessity*, the State commission ... shall ... designate more than one common carrier as an eligible telecommunications carrier” in non-rural areas where the applicant meets the substantive requirements of the Act. (Emphasis added.)

BLC argues that its designation as an ETC would serve the public interest because BLC intends to publicize the opportunities afforded to low-income residents by the Lifeline and Link-Up programs, allowing those customers to “take advantage of those opportunities by subscribing to BLC’s service.” See Application, ¶11. Whether BLC’s service offers any such “advantage,” however, is questionable. Under § 3.1.2 of its Tariff No. 2, BLC will charge \$49.95 a month for basic residential exchange service. Net of BLC’s Lifeline discount of \$13.50 (see BLC Tariff No. 2, § 5.1), the customer will be charged \$36.45 a month. This is about double Verizon RI’s

average residential basic exchange rate - without the Lifeline discount. With the discount, Verizon RI's Lifeline customers pay between \$7.30 and \$12.26 a month for unlimited residential basic exchange service, depending on their local calling area. It is difficult to see how it is in the public interest to authorize BLC to offer a purported Lifeline program at rates *three to five times* higher than Verizon RI's net Lifeline rates. Who would really benefit from such a program, low-income customers or BLC?

III. BLC's Emergency Procedures Appear to be Inadequate.

Under FCC rules, an ETC applicant must demonstrate its ability to remain functional in emergency situations. 47 C.F.R. § 54.202(a)(2). BLC claims that it "provides to its customers the same ability to remain functional in emergency situations as currently provided by Verizon to its own customers." That may not be accurate in at least one important respect.

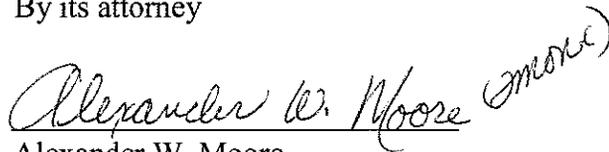
Verizon RI's VRRC ("Verizon Response and Repair Center") is staffed 24 hours a day to receive outage and trouble reports, and Verizon RI always strives to restore lost service within 24 hours of a report. In contrast, BLC's procedures for customer-affecting emergencies seem to indicate that a customer who reports a trouble or outage to BLC after 4:00 p.m. (Eastern Standard Time) on a Saturday would not get a return call from BLC until Monday morning, or perhaps Tuesday morning if Monday is a holiday. *See* BLC Response to Data Request VZ 1-16. Since BLC intends to provide service solely through resale of Verizon RI services and UNEs, BLC must inform Verizon RI of the trouble report in order to effectuate a repair, but BLC presumably would not do so until it confirms the trouble with the customer. (BLC's response to VZ 1-16 is unclear on this.) As a result, BLC's policy is that no one would even begin to take action to restore this customer's service for some days after the customer reports the trouble. The Commission should not find such a policy acceptable.

WHEREFORE, Verizon RI respectfully requests that the Commission deny BLC's Application for Certification as an Eligible Telecommunications Carrier in Rhode Island.

Respectfully submitted,

VERIZON NEW ENGLAND INC.

By its attorney

Handwritten signature of Alexander W. Moore in cursive script, with the name "Moore" written in parentheses to the right of the signature.

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