## FILED

JAN 5 2010

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

)

)

)

)

)

Missouri Public Service Commission

In the Matter of the Application of Broadview Networks, Inc. for a Certificate of Service Authority To Provide Basic Local Telecommunications Services In Portions of the State of Missouri and to Classify Said Services and the Company as Competitive

Case No. CA-2010-0126

## REPLY OF BROADVIEW NETWORKS, INC. <u>TO APPLICATION FOR REHEARING</u>

COMES NOW Broadview Networks, Inc. ("Broadview") and for its Reply to the Application for Rehearing and Request for Stay ("Application") filed by the Office of Public Counsel ("OPC") in the captioned matter on December 28, 2009, states as follows:

1. In its Application, the OPC requested that the Commission "grant rehearing of its December 23 Order Granting Certificate to Provide Basic Local Telecommunications Services." While the OPC states that it "is not asserting that the company does not have the necessary financial qualifications," it seems to suggest that the Staff did not adequately consider Broadview's financial qualifications and also appears to question Broadview's financial strength. Indeed, the OPC declares that "the Staff specifically declined to assert that the company possesses sufficient financial resources and abilities to provide local telecommunications service as required by Section 392.455(1)."

2. Broadview wishes to point out that while in the Memoranda attached to the Staff Recommendation, the Staff did not check the box indicating that Broadview "possesses sufficient financial resources and abilities," the Staff nonetheless declared in the Staff Recommendation that it was "of the opinion that the Application and waiver, as submitted, demonstrate that the Company possesses sufficient financial resources to provide the requested services." Accordingly, the Staff recommended "that because the Application demonstrates the grant of authority is in the public interest that the Commission grant Broadview a certificate to provide basic local exchange telecommunications services throughout the State of Missouri."

3. Broadview would further like to emphasize that it has been providing local exchange telecommunications services throughout the Northeast and Mid-Atlantic States for well over a decade. Broadview is one of the largest competitive providers in these areas, with notable service concentrations in the highly competitive markets in and around New York, Philadelphia and Boston. As Broadview has advised the Commission, it provides telecommunications and other services to roughly seventy-five thousand small and medium sized business customers, generating annual revenues approaching half a billion dollars. Broadview generates more than adequate capital to fund its operations and expand and enhance its network infrastructure, as well as service its debt. Notably, Broadview's debt is publicly-traded and continues to be endorsed by the investment community as evidenced by current trading levels.

4. Finally, Broadview notes that the application granted by the Commission is part of an expansion of the Company's service area from its existing base in the Northeast and Mid-Atlantic States throughout the contiguous United States. While most of Company's newly-filed applications are still pending, Broadview has recently been granted authority to provide local exchange services in the additional States of Mississippi, Montana, Nevada, North Carolina, Oregon, Tennessee and Utah. The Mississippi Public Service Commission found Broadview to be "financially qualified to enter additional telecommunications markets and to expand operations in Mississippi." The Utah Public Service Commission concluded that Broadview has "sufficient financial resources and abilities to provide the public telecommunications services for which it has applied." And the Tennessee Regulatory Commission declared that "Broadview has the necessary capital and financial ability to provide the services it proposes to offer."<sup>1</sup>

WHEREFORE, Broadview respectfully requests that the Commission reaffirm its December 23 Order Granting Certificate to Provide Basic Local Telecommunications Services without need for rehearing.

Respectfully Submitted,

anles H. Helein Ken/

Charles H. Helein Missouri Bar No. 18227 Helein & Marashlian, LLC 1420 Spring Hill Road, Suite 205 McLean, VA 22102 Telephone: (703) 714-1301 Facsimile: (703) 714-1330 E-mail: <u>chh@commlawgroup.com</u>

Attorney for Applicant Broadview Networks, Inc.

Dated this 4<sup>th</sup> day of January, 2010.

<sup>&</sup>lt;sup>1</sup> Broadview notes that while the States of Oregon, Nevada and Vermont may not, according to their respective practices, specifically reference financial sufficiency of applicants in telecommunications certification orders, each such Commission tacitly acknowledges the financial, as well as the technical and managerial qualifications, of each entity ultimately certificated. Additionally, Broadview has previously been granted local exchange service authority in California, Connecticut, Delaware, Florida, Georgia, Maine, Maryland, Michigan, New Hampshire, New York, Ohio, Pennsylvania, Texas, Vermont, Virginia, Washington and the District of Columbia, with each such regulatory commission likewise finding, either explicitly or tacitly, that Broadview possesses the financial, technical and managerial qualifications to provide local (and long distance) telecommunications services in accordance with the public interest.

## **CERTIFICATE OF SERVICE**

I, Sherry A. Reese, do hereby certify that on this 4<sup>th</sup> day of January, 2010, an original and eight (8) copies of the foregoing Reply of Broadview Networks, Inc. to Application for Reharing have been filed via overnight courier with

> Colleen M. Dale, Secretary Missouri Public Service Commission Governor Office Building Records Department 200 Madison Street, Suite 100 Jefferson City, MO 65102-0537

In addition, a true and correct copy of the foregoing document has also been mailed, by

United States First Class Mail, postage prepaid, and transmitted via electronic mail, to the

following:

Lewis R. Mills, Jr. Public Counsel P O Box 2230 Jefferson City, MO 65102 <u>lewis.mills@ded.mo.gov</u>

Office of the General Counsel Missouri Public Service Commission 200 Madison Street, Suite 800 P O Box 360 Jefferson City, MO 65102 <u>GenCounsel@psc.mo.gov</u> Eric Dearmont Assistant General Counsel Missouri Public Service Commission 200 Madison Street, Suite 800 P O Box 360 Jefferson City, MO 65102 eric.dearmont@psc.mo.gov

Sherry A. Reese