

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
MATRIX TELECOM, INC., FOR A CERTIFICATE)
OF PUBLIC CONVENIENCE AND NECESSITY TO)
PROVIDE LOCAL EXCHANGE TELECOMMUNICATIONS)
SERVICES WITHIN THE STATE OF DELAWARE,) PSC DOCKET NO. 07-5
AND FOR REVIEW OF A PLAN FOR PROVIDING)
INTRALATA TOLL DIALING PARITY IN)
ACCORDANCE WITH FEDERAL COMMUNICATIONS)
COMMISSION REQUIREMENTS)
(FILED JANUARY 4, 2007))

FINDINGS AND ORDER NO. 7136

AND NOW, to-wit, this 27th day of February, 2007, the Public Service Commission ("PSC" or the "Commission") makes the following findings, determination, and Order:

1. On January 4, 2007, Matrix Telecom, Inc. ("Matrix"), filed with the Commission an application for a Certificate of Public Convenience and Necessity ("CPCN") to allow it to provide local exchange telecommunications services within Delaware. Matrix has also filed an illustrative tariff setting forth the terms and conditions for its proposed services and its proposed dialing parity plan; and

2. Public notices of the application, including a period for filing objections, was published in the Delaware State News newspaper on January 18, 2007 and The News Journal newspaper on January 29, 2007. No comments or objections to the application have been received. The Commission Staff reports that Matrix has shown that it has the financial, technical, and managerial capabilities as required for a certificate as set forth in the Commission's "Rules for the Provision of Telecommunications Services."¹ On February 21, 2007, Matrix filed a

¹Adopted in PSC Order No. 5833 (eff. Dec. 10, 2001) and amended in PSC

performance bond in the amount of Ten Thousand Dollars (\$10,000) with corporate surety licensed to do business in Delaware; and

3. The Commission determines that a conditional CPCN should be granted to Matrix authorizing it, as a public utility, to offer local exchange telecommunications services under the provisions of the Commission's "Rules for the Provision of Telecommunications Services" until Matrix completes the conditions described in Ordering Paragraph 3;

Now, therefore, **IT IS ORDERED:**

1. That, pursuant to 26 Del. C. §§ 203A and 703(3) and the Commission's "Rules for the Provision of Telecommunications Services," a conditional Certificate of Public Convenience and Necessity is granted to Matrix Telecom, Inc., to operate as a public utility and provide local exchange telecommunications services as described in the application filed on January 4, 2007.

2. That Matrix Telecom, Inc., shall provide local exchange telecommunications services in the manner required by the Commission's "Rules for the Provision of Telecommunications Services," and shall, at all times, comply with all applicable provisions of such Rules. Matrix Telecom, Inc., shall also file all returns and pay all assessments and fees as may be required by the provisions of 26 Del. C. §§ 114 and 115.

3. That the Certificate for local exchange telecommunications services is awarded upon, and subject to, the following conditions:²

- (a) That ten (10) days prior to the date Matrix Telecom, Inc., intends to offer and implement local exchange telecommunications services, Matrix Telecom, Inc., shall file a tariff or price list with rules, regulations, terms, and conditions of service specifically adopted for Delaware; and
- (b) That Matrix Telecom, Inc., has a Commission approved interconnection agreement or a filed "opt-in" agreement between Matrix Telecom, Inc., and Verizon Delaware Inc., or another certificated local exchange carrier.

4. That the intraLATA toll dialing parity plan filed by Matrix Telecom, Inc., is approved with the modification expressed in Staff's recommendation in their February 16, 2007 memorandum. The Commission reserves the right to revisit the approval granted here if changed circumstances or complaints (from either consumers or competitors) raise concerns that "real world" implementation of the intraLATA toll dialing parity plan of Matrix Telecom, Inc., does not allow for customers to exercise informed choice in the selection of an intraLATA toll carrier.

5. That the provisions of 26 Del. C. § 208(b) are waived, and Matrix Telecom, Inc., is authorized to maintain its books and records relating to its Delaware operations outside of the State of Delaware provided, however, and upon the condition that, all such books and records relating to Delaware operations as the Commission may deem it

²These conditions must be completed within 6 months of the date of this Order.

reasonably necessary from time to time, to review and copy, shall be provided to the Commission at the Commission's Office within the State of Delaware in a timely manner upon written request by the Commission's Deputy Director or Executive Director. The conduct of such a review at a location other than Delaware shall be at the Applicant's expense.

6. That Matrix Telecom, Inc. shall comply with all state and federal statutes and rules relating to a customer's selection of a preferred carrier of telecommunications services. Matrix Telecom, Inc., agrees to pay all fees, assessments, penalties, and allowed damages arising from a violation of such state and federal statutes or rules pertaining to the selection of a preferred carrier.

7. That a violation of the "Rules for the Provision of Telecommunications Services" may result in suspension or revocation of this Certificate.

8. That the Commission reserves the jurisdiction and authority to enter such further Orders in this proceeding as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

/s/ Arnetta McRae
Chair

/s/ Joann T. Conaway
Commissioner

/s/ Jaymes B. Lester
Commissioner

/s/ Jeffrey J. Clark
Commissioner

PSC Docket No. 07-5, Order No. 7136 Cont'd.

/s/ Dallas Winslow
Commissioner

ATTEST:

/s/ Karen J. Nickerson
Secretary