

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

IN RE:)	GTA Docket 12-09
)	
JOINT APPLICATION OF TELEGUAM)	PUC COUNSEL REPORT
HOLDINGS, LLC AND GTA TELECOM,)	
LLC TO ASSIGN AND TRANSFER GTA)	
TELECOM'S INTERCONNECTION)	
AGREEMENT WITH PTI PACIFICA, INC.)	
TO TELEGUAM HOLDINGS.)	
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INTRODUCTION

1. This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Joint Application of Teleguam Holdings, LLC ["Teleguam"] and GTA Telecom, LLC ["Telecom"] to assign and transfer GTA Telecom's Interconnection Agreement with PTI Pacifica, Inc.d/b/a IT&E ["IT&E"] to Teleguam Holdings.¹
2. Teleguam is the sole owner of Telecom and is an Affiliate of Telecom pursuant to applicable definitions.² All of the subsidiaries/affiliates of Teleguam are referred collectively as "GTA."

BACKGROUND

3. At present, GTA Telecom and IT&E are parties to an Interconnection Agreement ["ICA"].On December 19, 2011, the PUC approved the Interconnection Agreement between GTA Telecom, LLC and PTI Pacifica Inc. d/b/a IT&E.³
4. However, In GTA Docket 11-14, the PUC authorized the assignment and transfer of GTA Telecom's Certificate of Authority and Eligible Telecommunications Carrier Certificate to Teleguam Holdings, LLC.⁴
5. In such Order, the PUC recognized that the purpose of the transfer of the COA and ETC Certificatefrom Telecom to Teleguam was to consolidate GTA into one corporate entity, withdraw the foreign registrations in Guam to all of Teleguam's

¹ Joint Application of Teleguam Holdings, LLC and GTA Telecom, LLC, GTA Docket 12-09, filed September 14, 2012.

² Id. at p.2.

³PUC Order, GTA Docket 11-13, dated December 19, 2011.

⁴ PUC Order, GTA Docket 11-14, filed March 26, 2012, at p. 10.

wholly owned subsidiaries, and to establish Teleguam as the sole entity providing telecommunications services in Guam as GTA.⁵

6. In GTA Docket 11-14, the PUC further appeared to implicitly recognize that Teleguam would be required to be substituted as a party in place of Telecom in existing Interconnections Agreements. The Order required Teleguam to pay all costs and expenses related to any necessary amendments of the interconnection agreements presently in effect between Telecom and other carriers.⁶
7. Furthermore, the ICA between GTA Telecom and IT&E allows either party to assign or transfer the Agreement, and all rights and obligations thereunder, upon compliance with certain procedures.⁷
8. Teleguam Holdings, LLC and GTA Telecom, LLC followed the proper procedure under Section 5.1.2 of the ICA in notifying IT&E of their intent to transfer and assign the Interconnection Agreement to TeleGuam Holdings, LLC.⁸
9. PTI Pacifica, Inc. d/b/a IT&E has agreed and concurred with the Joint Application of Teleguam and Telecom to assign and transfer the Interconnection Agreement between IT&E and GTA Telecom, LLC to Teleguam Holdings, LLC.⁹
10. PTI Pacifica, Inc. d/b/a IT&E does not object to the transfer of the Interconnection Agreement by Telecom to Teleguam, assuming that all terms and conditions of the Stipulation between the parties are complied with.

ANALYSIS

11. Interconnection Agreements between an incumbent local exchange carrier [Teleguam] and a competitive local exchange carrier [IT&E] are subject to the approval of the Guam Public Utilities Commission.¹⁰

⁵ Id. at p. 1.

⁶ Id. at p. 11.

⁷ Section 5.1.2 of the ICA between GTA Telecom and IT&E, approved by the PUC on December 19, 2011.

⁸ Joint Application of Teleguam Holdings LLC and GTA Telecom LLC to Assign and Transfer GTA Telecom's Interconnection Agreement with PTI Pacifica, Inc. to Teleguam Holdings, LLC, GTA Docket 12-09, filed September 14, 2012, p. 2.

⁹ STIPULATION TO ASSIGN AND TRANSFER INTERCONNECTION AGREEMENT BETWEEN PTI PACIFICA INC. AND GTA TELECOM, LLC TO TELEGUAM HOLDINGS, LLC, ATTACHMENT B to Joint Application of Teleguam Holdings, LLC and GTA Telecom, LLC, GTA Docket 12-09, filed September 14, 2012.

¹⁰47 U.S.C. §252(e)(1) [Section 252(e) of the Telecommunications Act of 1996].

12. Teleguam Holdings, LLC is now the duly authorized corporate entity to provide telecommunications services pursuant to its Certificate of Authority; Telecom no longer possesses a Certificate of Authority to provide such services. As GTA Telecom no longer has a COA, all Interconnection Agreements involving GTA should be in the name of Teleguam Holdings and not GTA Telecom.
13. The transfer of the Interconnection Agreement is consistent with the prior orders of the PUC and clarifies that the proper party to such Interconnection Agreement is Teleguam Holdings, LLC and not GTA Telecom.
14. The other party to the Interconnection Agreement, PTI Pacifica, Inc. d/b/a IT&E, concurs with the transfer and assignment of the ICA from GTA Telecom to Teleguam Holdings, LLC.
15. However, in accordance with the Stipulation of the Parties herein, the transfer and assignment of the ICA, and all rights and obligations of Telecom, to Teleguam, must be in accordance with each of the 7 conditions referred to in the Stipulation made Attachment B to the Joint Application and incorporated herein by reference.¹¹

RECOMMENDATION

16. The Joint Application to Assign and Transfer GTA Telecom's Interconnection Agreement with PTI Pacifica, Inc. to Teleguam Holdings should be approved.
17. The assignment and transfer is consistent with the public interest, convenience and necessity.
18. Counsel has submitted a proposed Order which would approve the transfer and assignment of the ICA as set forth herein.

¹¹ IT&E and Teleguam have agreed to seven conditions for transfer and assignment of the ICA to Teleguam: (1) all rights and obligations of Telecom in the ICA will be assigned to Teleguam;(2) Teleguam's obligation to obtain and maintain proper Commission certification and approvals will continue; (3) Telecom will remain responsible for continuing compliance with all provisions of the ICA by itself and Teleguam; (4) Telecom shall not be relieved of any liability incurred pursuant to this ICA prior to the assignment; (5) all rights and obligations of Telecom under the ICA will be binding upon Teleguam; (6)all terms and conditions of the ICA remain unchanged and will continue in full force and effect; and (7) any costs associated with the assignment and transfer of the ICA to Teleguam will be paid by Teleguam. See Attachment B to the Joint Application

PUC Counsel Report
Joint Application of Telecom and Teleguam to
Assign and Transfer ICA with PTI Pacifica
GTA Docket 12-09
September 18, 2012

Dated this 18th day of September, 2012.

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