

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
LEGAL
WORKING FILE**

FROM: WAYNE HART

DATE: APRIL 22, 2004

RE: IN THE MATTER OF THE APPLICATION OF ACN COMMUNICATION SERVICES, INC. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES; CASE NO. ACN-T-04-1.

On January 8, 2004, ACN Communication Services, Inc. (ACN; Company) filed an Application for a Certificate of Public Convenience and Necessity to provide facilities-based and resold competitive local exchange and interexchange services within the State of Idaho. On February 19, 2004, Order No. 29427, the Commission solicited comments regarding ACN's Application. No comments were received other than those submitted by Commission Staff.

THE APPLICATION

The Application indicated ACN intended to provide basic resold and facilities based local exchange services to both residential and business customers. The Company would initially provide services primarily via the unbundled network element platform (UNE-P). The Application indicated the Company's primary market is residential customers. The Application indicated the Company would initially provide service in the area currently served by Qwest.

STAFF COMMENTS

ACN is a telecommunications company that has been providing long distance services nationwide, including Idaho. The Application indicated the Company was authorized to provide local exchange service in over 20 states and had in excess of 30,000 residential customers.

ACN is incorporated in the State of Michigan with headquarters located in Farmington Hills, Michigan. The Company has filed copies of its Certificate of Authority issued by the Idaho Secretary of State.

Staff has reviewed the information provided by ACN in its Application and believes it satisfies the requirements of Commission Rule 111, IDAPA 31.01.01.111, and Procedural Order No. 26665 issued November 7, 1996, which set out the necessary information to be included with an Application for a certificate.

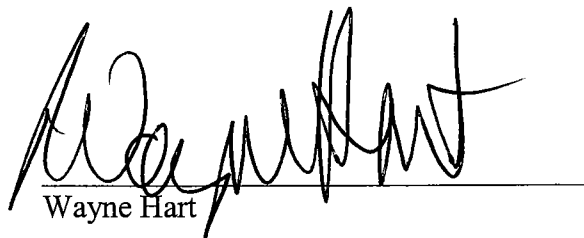
The Application included resumes of key individuals that indicated extensive experience in the telecommunications field. The Application included confidential financial information that indicated the Company was in a relatively strong financial position, considering the downturn in the telecommunications industry. Staff is satisfied that the Company has the technical, managerial and financial strength to provide the services identified in the Application.

ACN specifically indicated in its Application it will comply with all Commission rules. It has provided an illustrative tariff with its Application that demonstrates an understanding of tariff requirements and processes.

In light of the foregoing, Staff recommends that a Certificate of Public Convenience and Necessity to provide competitive local exchange service in Idaho be issued to ACN.

COMMISSION DECISION

Does the Commission wish to approve ACN Communications Services, Inc.'s Application for a Certificate of Public Convenience and Necessity?



Wayne Hart

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