

## DECISION MEMORANDUM

**TO:** COMMISSIONER KEMPTON  
COMMISSIONER SMITH  
COMMISSIONER REDFORD  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** NEIL PRICE  
DEPUTY ATTORNEY GENERAL

**DATE:** SEPTEMBER 24, 2010

**SUBJECT:** APPLICATION OF AIRESRING, INC. FOR A CERTIFICATE OF  
PUBLIC CONVENIENCE AND NECESSITY, CASE NO. ASI-T-10-01

On July 1, 2010, Airespring, Inc. (“Airespring” or “Company”) filed an Application for a Certificate of Public Convenience and Necessity (“CPCN”), pursuant to Idaho Code §§ 61-526 through -528<sup>1</sup> and IDAPA 31.01.01.111 (Rules 111 and 112), to provide local exchange telecommunications services. *Application* at 1.

### THE APPLICATION

Airespring is a Delaware corporation and lists its principal place of business as Van Nuys, California. *Id.* at 1-2. Airespring is registered with the Idaho Secretary of State as a foreign corporation and lists National Registered Agents, 1423 Tyrell Lane, Boise, Idaho 83706, as its Idaho registered agent for service. *Id.* at 2, Exh. 2.

Airespring states in its Application that it “initially proposes to provide resold local exchange services.” *Id.* at 4. The Company “has no current plan to install facilities in Idaho but may do so in the future . . . .” *Id.* Airespring seeks the authority and intends to provide all forms of switched and non-switched intrastate local exchange telecommunications services. *Id.* at 4-5. Airespring’s proposed Idaho service territory will include all areas of Idaho currently being served by existing ILECs. *Id.* at 5. The Company will not offer its services in areas already being served by carriers that are eligible for small or rural carrier exemption under Section 251 of the federal Telecommunications Act of 1996 (“Federal Act”). *Id.*

---

<sup>1</sup> Pursuant to the Idaho Telecommunications Act of 1988, specifically Idaho Code § 62-604(1)(a), Airespring is exempt from Title 61 regulation.

Airespring attached a copy of its illustrative tariff to its Application. *See* Application, Exhibit 5. The Company has yet to initiate negotiations with ILECs in Idaho. *Id.* at 7. Airespring states that it has “reviewed the laws and regulations of this Commission’s governing local exchange telecommunications services and will provide service in accordance with all laws, rules and regulations to the extent they are not preempted by the Federal Act.” *Id.* Airespring has not filed an escrow account because it will not require its customers to submit advance payments or deposits in exchange for service. *Id.*

#### **STAFF ANALYSIS AND RECOMMENDATION**

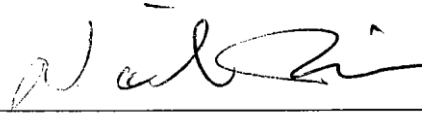
Staff reviewed Airespring’s Application and determined that the Company has complied with the requirements of Procedural Order No. 26665 and IDAPA 31.01.01.111 (Commission Procedural Rule 111). Staff believes that Airespring possesses the requisite financial, managerial, and technical qualifications necessary to operate as a telecommunications provider within the State of Idaho.

After its initial review of the Application, Staff contacted an Airespring consultant regarding potential revisions to the Company’s Application. On July 23, 2010, the Company forwarded the revisions to Staff. Airespring states that it has reviewed the laws and regulations governing local exchange telecommunications services and will provide service in accordance with Idaho law and the rules and regulations of the Commission to the extent they are not preempted by the Federal Act.

Staff recommended that Airespring be granted a CPCN subject to the following conditions: (1) compliance with the Number Pool Administrator and Order No. 30425 mandating number resource utilization forecast (NRUF) reporting; (2) contribution to the Idaho Universal Service Fund, Idaho Telecommunications Relay System (TRS), Idaho Telephone Assistance Program (ITSAP) and any future reporting requirements deemed appropriate for competitive telecommunication providers; (3) filing a final and complete price list with the Commission containing all of its rates, terms and conditions; and (4) an agreement from the Company to relinquish its Certificate and any telephone numbers if, within one year of the issuance of a CPCN, the Company is not offering local exchange telecommunications services in Idaho. *See Staff Comments* at 2-3.

## COMMISSION DECISION

Does the Commission wish to approve Airespring Inc.'s Application for a Certificate of Public Convenience and Necessity to provide local exchange telecommunications services within the State of Idaho and subject to the aforementioned conditions?



---

Neil Price  
Deputy Attorney General

M:ASI-T-10-01\_np2